

# Evolution of Tourism through Travel Agencies: A Case Study on Bangladesh

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DOI: <https://dx.doi.org/10.47772/IJRISS.2023.7012044>

Received: 26 November 2023; Revised: 29 November 2023; Accepted: 04 December 2023; Published: 01 January 2024

## ABSTRACT

The aim of this research paper is to examine the role of travel agencies in the advancement of tourism in Bangladesh. Travel agents are currently assuming a significant role in facilitating this relationship. The aforementioned entities engage in the production of various package tours, distribution of these packaged products, and promotion of tourism in Bangladesh to potential tourist clientele. However, the travel agents in Bangladesh are limited in their ability to fulfil their job to its fullest degree. This is mostly due to the small size of their organizations, insufficient money, a shortage of skilled professionals, a lack of government policy support, and several other restraints that they encounter. It is imperative to address these issues and promptly implement appropriate measures to enhance the performance of travel agencies and facilitate the desired growth of the tourism sector in Bangladesh.)

**Keywords:** Travel agency, tour Package, agent, Govt Policy, skilled professionals, Capital.

## INTRODUCTION

Numerous tourism enterprises operating within a given host country play a significant role in promoting and enhancing the tourism industry within that particular nation. Nevertheless, the travel agents that operate within the designated country play a pivotal role. The involvement of travel agencies plays a crucial role in influencing and affecting various dimensions of tourism, encompassing the total volume of tourists, the assortment of tourist destinations, and the accessibility of tourism facilities (Khairi & Darmawan, 2021). A travel agency is considered an entity, whether it be an individual or a corporation, that provides end products directly to the general public. Hence, travel agents fulfil the dual role of producing and distributing package tour programmes.

A traditional package holiday typically consists of three main elements: transportation, accommodation, and airport-to-accommodation transfer service. According to a study conducted by Yale University in 1998, it is necessary for a travel arrangement to meet certain criteria in order to be categorised as a package holiday. Specifically, all three elements of the holiday, namely transportation, accommodation, and additional services, must be provided as a unified package and offered at a consolidated price. In the specific context of Bangladesh, travel firms operating in the private sector are actively incorporating diverse tourism services and packaging these comprehensive programmes for marketing to prospective visitors. The duration of the package programmes varies and includes multiple locations to meet the specific demands of different tourist sectors. These entities are involved in the production and dissemination of packaged goods, which are distributed either directly or through retail travel trade channels (Sarkar et al., 1995). Furthermore, they utilise diverse promotional tactics in an endeavour to attain success for their respective businesses.

## OBJECTIVES OF THE STUDY

The objectives of this study are as follows:

- i) To examine the role of private sector travel agencies in the advancement of tourism.
- ii) To explore the challenges encountered by private sector travel agencies in carrying out their operations.
- iii) To propose appropriate policy interventions aimed at resolving the issues faced by private sector travel agencies and facilitating their seamless functioning to contribute to the growth of tourism in Bangladesh.

## BACKGROUND OF THE STUDY

So far, there hasn't been a lot of academic research done on how travel agencies help boost tourism in Bangladesh. However, there is a lack of knowledge in the current literature. The purpose of this study is to look into how private travel agencies have helped the tourism industry in Bangladesh grow and improve (Parveen, 2013). A descriptive analysis will be used to conceptualise the important issues in order to understand the connection between the travel agency's role and its effect on promoting and developing tourism in Bangladesh. The point of this study is to help policymakers and academics understand the important part that the right agency plays in developing tourism in a country like Bangladesh (Karim, 2014). This article also talks about the problems that private travel agencies in Bangladesh face. In the end, this study gives a list of suggestions that might help private sector travel agencies deal with the problems they face and make their contributions to the growth of tourism in Bangladesh more effective.

## RESEARCH PROCEDURES

The research has employed a combination of primary and secondary data sources. The collection of primary data was conducted by distributing a concise questionnaire. The questionnaire encompassed a combination of organised and unstructured question formats (Unger et al., 2014). Therefore, the questionnaire utilised in this study was of a semi-structured nature. A desk-based research approach was employed to investigate pertinent secondary data. In order to achieve this objective, the writers employed pieces that had been published in various newspapers, periodicals, and academic publications. In addition, various printed materials such as pamphlets, folders, guides, brochures, and other pertinent information produced by private sector travel organisations have been employed for this purpose (Pennington-Gray et al., 2005).

## ANALYSIS OF FINDINGS

### A. The Expansion of the Travel Agency Sector in the Private Sphere of Bangladesh

Over the past forty years, travel agents have played a substantial role in the promotion and progress of tourism within the country of Bangladesh. During the historical period of Pakistan, a department focused on the promotion and development of tourism, subsequently referred to as the Tourism Cell, was established, with its primary administrative centre situated in West Pakistan. A number of private sectors commenced their commercial activities in the latter part of the 1970s. During the nascent phase of liberation, travel agencies encounter unfavourable economic and political conditions. Therefore, it became imperative for the government to implement proactive strategies aimed at promoting and nurturing the development of tourism in Bangladesh. Acknowledging the importance of tourism in both economic and social domains, the government expeditiously decided to implement a restructuring of the tourism sector (Singh et al., 2021).

Nevertheless, due to the insufficient focus from successive administrations, the Bangladesh Power Corporation (BPC) has encountered challenges in achieving its original objectives. In the absence of private

sector travel firms within the country, the circumstances would have been characterised by increased uncertainty and potential risks (Mazzucato, 2011). Private sector travel agencies have maintained a positive outlook in the tourism industry, particularly in the absence of significant government support.

The tourism industry in Bangladesh witnessed the emergence of private travel companies starting in the late 1970s, signifying the commencement of private endeavours within this sector. The growth rate of travel agencies has been sluggish, and they have encountered ongoing challenges in sustaining their viability.

Currently, there exists a total of 89 privately-owned travel agencies that are actively engaged in facilitating tourist operations within the country of Bangladesh. There are travel operators that focus exclusively on domestic or inbound tours, while others offer services for both domestic and outbound tours

### **B. Facilities and services offered by travel agencies in Bangladesh:**

Travel agencies play a crucial part in the tourist industry. The travel agency assumes responsibility for managing the tourist, guiding them to various destinations, providing explanations, and presenting a comprehensive overview of the country to the tourists (Morrison, 2013). Consequently, the tourists have the potential to bring back several positive recollections to their own nation. The primary function of a travel agency is to integrate various elements of tours and travel in order to curate a comprehensive package trip.

The proliferation of Internet and other electronic communication platforms has presented considerable prospects for travel agencies in emerging nations to market and distribute their package offerings. The ability to directly engage with potential travellers worldwide has been achieved.

The travel agencies in Bangladesh mostly focus on a narrow range of operations, such as organising guided tours, sightseeing tours, and leisure excursions. There exists a considerable number of private travel agencies that provide a wide range of package tours in Bangladesh, encompassing destinations such as Bandarbans, Sundarbans, Cox's Bazar, St. Martin's, Kuakata, and even river-based excursions. A limited number of agencies exclusively specialise in domestic trips, whereas the majority of agencies provide both national and international travel services.

In Bangladesh, the number of registered private travel agencies is around 89. The private travel agencies in Bangladesh have established an organisation called the Travel Agencies group of Bangladesh (TOAB) in order to enhance the effectiveness of their operations (Ananya et al., 2019). This group serves as a platform for these firms to advocate for their legitimate rights with both the Bangladesh Parjatan Corporation (BPC) and the government. Additionally, TOAB organises tourist fairs and collaboratively promotes the country's tourism industry.

### **C. The Contribution of Private Sector Travel Agencies to the Advancement of Tourism in Bangladesh:**

The involvement of private travel companies is vital to the tourism industry. In recent years, private travel companies have attracted considerable interest on account of their considerable capacity to influence development outcomes.

A travel agency that operates within a nation-state, such as Bangladesh, acts as an intermediary to enable individuals to realise their desires of visiting diverse locations. A diverse selection of package programmes, comprising a multitude of amenities and lasting lengths, are made available to tourists. McIntosh, Goeldner, and Ritchie (1995) assert that these providers provide a wide array of tours to retailers and customers, encompassing various destinations, specific departure dates, fee variations, durations, and seasonal availability. Furthermore, they engage in the provision of a comprehensive package that includes resort amenities, restaurant reservations, hotel accommodations, and entertainment options. These individuals

serve as intermediaries between the producers and, at times, operate as direct providers (Yarcan & Çetin, 2021). Therefore, the importance of their endeavours resides in their capacity to furnish visitors with direction and aid, in addition to facilitating the procurement of necessary services as part of a comprehensive package. Travellers possess the capacity to recollect a multitude of favourable recollections in their country of origin.

A travel agency functions as an entity or organisation that promotes a destination in a positive light and highlights its advantageous features to the global community. The travel industry adeptly communicates the notable attractions of Bangladesh, thereby aiding in the increasing acknowledgement of the nation as an appealing tourist locale. The primary factor behind Bangladesh's endeavours to draw in international tourists is the presence and operations of a restricted number of travel enterprises domestically (Roy & Roy, 2015). In an effort to captivate a substantial audience, the organisation has taken on the responsibility of executing promotional activities.

#### **D. Tour operators and Tour Guides:**

The importance of the role of a tour guide is of utmost significance within the operational structure of a travel enterprise. A tour guide is an individual who assumes the responsibility of guiding groups or individual tourists during excursions to different landmarks, sites, and museums located within a specific city or geographical region. The primary responsibility of individuals in this position is to offer interpretation services in the language of choice for visitors, with the objective of imparting knowledge and fostering an understanding of the cultural and natural heritage and environment (Smith, 2015). In a broader context, they furthermore serve as representatives of the local communities in the respective travel destinations. Tour guides have been acknowledged for their diverse range of responsibilities, with a specific focus on their function as mediators. The responsibilities of this position involve the facilitation of communication and negotiation between tourists and multiple entities operating within the tourism industry, including travel agencies, hotels, and other suppliers (Law et al., 2015). Furthermore, tour guides fulfil the role of intermediaries, facilitating communication and engagement between tourists and the local community and environment, thereby facilitating interactions and fostering a deeper level of understanding.

#### **E. The Advantages of Utilizing Travel Agencies:**

Travel agents play a crucial role in facilitating advantages for both travellers and the broader tourism sector through various means. The company provides customised excursions that are designed to accommodate the specific interests and needs of individual guests. A travel agency engages in negotiations with hotels, transportation companies, and other providers in order to get various vacation components. These components are then integrated into a comprehensive package tour, which is then marketed and sold to the end customer.

Travel agencies are responsible for ensuring the health and safety of their clients. Practitioners also offer guidance and relevant knowledge to their clientele, with the aim of aligning their outcomes with their desired objectives (Massingham & Massingham, 2014). All of the travel agencies that were questioned had a common practise of offering advice and information to their clients. Travel firms have seen that providing valuable guidance to their clients on appropriate behaviour during their vacations is beneficial for fostering positive relationships with the local communities in which they operate.

Travel agencies play a crucial role as intermediaries in facilitating the exchange of tourism and hospitality services between providers and end customers. Furthermore, the primary function of a travel agency is to serve as a middleman, effectively minimising both the information and transportation expenses incurred by travellers, while also reducing promotional costs for suppliers. Hence, the operations undertaken by these entities hold significant marketing consequences for suppliers, retail travel agencies, and travel customers

(Christodoulidou et al., 2010).

#### **F. Difficulties of Travel agency development in Bangladesh:**

Travel companies commonly hold the belief that the primary duty for ensuring suitable destination development lies with host governments. It is widely held that the government will undertake the task of formulating regulations, developing infrastructure, promoting the market, ensuring safety measures, and protecting the environment (Zhang & Wen, 2008). Travel agencies engage in their operations with the primary objective of generating profits and expanding their financial resources. The majority of travel agencies in Bangladesh have a similar disposition. They bear no duty in relation to the development of tourism infrastructure and facilities. According to their perspective, the responsibility of securing the required investment to enhance the fundamental tourist infrastructure and facilities lies with the government rather than domestic travel businesses.

A lack of market expertise, financial resources, and experience sometimes constrain travel businesses, leading them to provide trips with high prices and limited volume. Travel agencies in Bangladesh are not exempt from this phenomenon. The travel agencies in Bangladesh are characterised by their very small scale and little financial investment.

In Bangladesh, travel agencies are characterised as small-scale enterprises with minimal capacity for market promotion. Travel agencies are unable to allocate funds towards television commercials on foreign networks in order to promote the country's tourism or their package programmes, due to limitations in available resources. The organisation engages in the production and dissemination of various printed materials, including posters, folders, brochures, and trip guides.

Proficiency in relevant skills is a fundamental requirement for the advancement of tourism inside a nation. Tour operating enterprises are complex and dynamic commercial organisations that need the expertise of professionally certified individuals to effectively manage their operations (Buhalis, 1998). The lack of adequately skilled CEOs and proficient staff has resulted in a dearth of professionalism within the sector. Once again, this issue is posing significant limitations on the advancement of tourism in Bangladesh.

#### **G. Role of the government in promoting and regulating the tourism sector:**

The government has a crucial role in both promoting and regulating the tourism industry, especially in its dealings with travel agencies. Governments frequently form partnerships with travel agencies to promote destinations, capitalising on their specialised knowledge to appeal to a wide variety of tourists. This collaboration may entail the implementation of joint advertising campaigns, active involvement in international travel fairs, and the development of promotional materials. Furthermore, governments may offer financial assistance or incentives to travel agencies that actively contribute to the expansion of the tourism sector. Regarding regulations, governments establish and enforce rules to guarantee ethical conduct in business, safeguard consumers, and ensure compliance with industry norms. The regulatory framework necessitates adherence to licencing requirements, accreditation, and strict compliance with safety and security measures. The government seeks to cultivate a competitive and sustainable tourism sector by effectively managing both promotion and regulation. This approach ensures the protection of travellers' interests and upholds the integrity of the industry.

#### **H. The collaborative efforts between the private and public sectors for more comprehensive insights.**

The cooperation between private and public sectors is crucial for obtaining a deeper understanding and promoting all-encompassing progress. Such collaborations are prevalent in various sectors, such as tourism, where they effectively utilise the advantages of each sector to tackle intricate issues and exploit

favourable circumstances. Within the tourism industry, private enterprises, including hotels, travel agencies, and tour operators, frequently cooperate with government bodies to establish mutually beneficial relationships that foster sustainable development. These partnerships improve the quality and efficiency of infrastructure, simplify regulatory procedures, and execute successful marketing tactics. Public-private partnerships enhance comprehension of market dynamics, facilitating the formulation of policies that harmonise economic interests with environmental and social considerations. The collaboration between the private and public sectors, through the pooling of resources, knowledge, and expertise, results in better decision-making and the creation of frameworks that are advantageous to both the industry and the wider community. In the end, this collaborative approach plays a crucial role in establishing a robust and prosperous industry with enduring beneficial effects.

## **RECOMMENDATIONS FOR FUTURE PROSPECT**

Government policy should be designed to provide support and encouragement to travel agencies, since these organisations play a pioneering role in fostering the growth and promotion of tourist activities in Bangladesh.

The involvement of public bodies plays a crucial part in the facilitation and advancement of tourism inside a nation. The Regional Tourist Board (RTB) plays a crucial role in facilitating collaboration among stakeholders and in the establishment and development of tourism offerings. The implementation of well-organized and clearly defined activities by Regional Tourism Boards (RTBs) has been found to lead to increased success in achieving desired outcomes through destination management policies and activities (Dounavi et al., 2022). Therefore, the regional tourism boards play a crucial role as facilitators in the implementation of development programmes.

A travel agency must possess a forward-thinking and innovative mindset. In order to effectively engage with the local community, it is important to possess a comprehensive understanding of the local culture and the perspectives of the host population towards their own cultural practises. A travel agency should possess comprehensive knowledge of the products, it is offering in the market. A comprehensive understanding of the product is really vital. It is vital for the travel firm to possess knowledge on the behavioural patterns of visitors, as individuals from different nations exhibit distinct attitudes, dietary preferences, purchasing tendencies, and other relevant factors.

Formal training programmes have been identified as reliable means of enhancing guiding practises. Consequently, tour guides have been compelled to enhance their professionalism and acquire extensive training. This training encompasses not only a comprehensive understanding of the geographical and historical aspects of the locations they guide, but also encompasses sociological and psychological knowledge pertaining to group dynamics, motivation, and cultural and ethnic backgrounds (Smith & Richards, 2013).

The necessity for private sector travel businesses to own well-designed and regularly maintained web pages is evident. It is important to ensure that the Web pages are designed in a manner that facilitates easy accessibility and enhances user-friendliness. The website should provide comprehensive information on the destinations, specific itineraries offered by various travel firms, and the pricing details for different package programmes.

Facilitating ongoing collaboration between the government and travel agencies is crucial. Policymakers should develop and enforce measures that recognise the crucial role of travel agencies in stimulating the expansion of tourism. These measures may encompass monetary rewards, streamlined administrative procedures, and collaborative promotional campaigns.

Furthermore, it is imperative to allocate resources towards the education and advancement of travel agency staff. Continuous education programs should cover not only the geographical and historical aspects of destinations but also focus on cultural sensitivity, customer service excellence, and the use of technology in the travel industry. This will enable travel agencies to provide premium services that cater to the changing demands and anticipations of tourists.

It is crucial for the future success of travel agencies to adopt and utilise innovation and technology. Considering the growing dependence on online platforms for travel planning, agencies should bolster their digital presence by ensuring that their websites are not only informative but also user-friendly. By incorporating cutting-edge technologies like virtual reality for virtual tours and artificial intelligence for personalised recommendations, the customer experience can be significantly improved.

Furthermore, it is crucial to adopt a progressive mindset towards implementing sustainable tourism practises. Travel agencies ought to actively endorse environmentally sustainable and socially conscious travel alternatives, thereby aiding in the conservation of cultural heritage and the environment. Promoting responsible tourism can appeal to an expanding group of conscientious travellers who prioritise ethical and sustainable travel experiences.

Ultimately, the fate of travel agencies in Bangladesh hinges on an assertive strategy that integrates governmental backing, ongoing professional growth, technological advancement, and a dedication to sustainable methodologies. By implementing these suggestions, travel agencies can establish themselves as influential participants in the ever-changing and progressive tourism industry, making substantial contributions to the economic and cultural advancement of the region.

## CONCLUSION

It is imperative for travel companies to actively contribute to the advancement of the tourism sector in Bangladesh by exerting their uttermost endeavours. In the realm of tourism development, the collaboration between government entities and private sector stakeholders in formulating strategies and policies geared towards fostering a thriving and sustainable tourism industry is seldom observed. It is not viable for the public sector of a developing nation such as Bangladesh to fulfil all of its requirements. It is often more logical for private firms to utilise their knowledge and resources in order to tackle a multitude of pressing concerns inside the nation. The emergence of contemporary tourism is predicated upon a symbiotic alliance between the commercial sector and state agencies. Therefore, it is imperative to recognise that the challenges inherent in the intricate tourism sector cannot be resolved by any individual participant in isolation. Instead, it is essential for all stakeholders to actively engage and fulfil their respective roles in addressing these issues. The responsibility for the current and future development of tourism in Bangladesh is collectively shared among all stakeholders concerned. If travel agencies in Bangladesh fulfil their developmental role effectively and receive adequate policy support from the government, the tourism sector in Bangladesh has the potential to generate positive outcomes in terms of foreign currency earnings, employment opportunities, and social and cultural development. The problem lies in the imperative for both governmental and private sector entities to proactively engage in the formulation and implementation of programmes. Therefore, enhanced collaboration between the public and commercial sectors would serve as a catalyst for the advancement of tourist efforts and the overall development of Bangladesh. The Bangladesh Parjatan Corporation (BPC), the National Tourism Organisation (NTO), and the leading public sector travel agency in Bangladesh, have a crucial responsibility to effectively fulfil their role in the development of tourism infrastructure nationwide and in the promotion of Bangladesh as an attractive tourist destination. If this were to be accomplished, it is anticipated that the industry would see significant growth and subsequently achieve its goals. The establishment of a novel regulatory entity called the 'Bangladesh tourist

Board' by the government, together with the implementation of a tourist legislation, has taken place in recent times. The aforementioned development has instilled a sense of optimism within the tour running companies in Bangladesh, perhaps leading to favourable outcomes in the future. It is advisable to use caution in ensuring that the board operates with functional efficiency by maintaining independence from government oversight.

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