

MARK SCHEME for the October/November 2006 question paper

7096 TRAVEL AND TOURISM

7096/02 Paper 2 (Alternative to Coursework), maximum raw mark 100

This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began.

All Examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes must be read in conjunction with the question papers and the report on the examination.

The grade thresholds for various grades are published in the report on the examination for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level syllabuses.

- CIE will not enter into discussions or correspondence in connection with these mark schemes.

CIE is publishing the mark schemes for the October/November 2006 question papers for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level syllabuses and some Ordinary Level syllabuses.

| | | | |
|--------|----------------------------|----------|-------|
| Page 2 | Mark Scheme | Syllabus | Paper |
| | GCE O LEVEL - OCT/NOV 2006 | 7096 | 02 |

| Question | Expected Response | Mark Allocation | Assessment Objective |
|-----------|--|-----------------|----------------------|
| 1 (a) (i) | Threats = 3, 7 or 8 (any 2) | 2 | 2.0 |
| (ii) | Economic influences = 4, 5 or 7 (any 2) | 2 | 2.0 |
| (b) (i) | Main marketing opportunity – promotion of eco-cultural tourism to new markets, or attractive beaches and rich in marine life. | 1 | 2.0 |
| (b) (ii) | <p><u>Level of Response:</u> Candidates are required to show an understanding of the important role that organisations such as BTIA play in the marketing and promotion of destinations. By raising awareness, running strategic, co-ordinated promotional campaigns, identifying potential target markets etc.</p> <p><u>Level 1 (0-2 marks):</u> Candidates at this level find it difficult to describe the promotional work of such organisations. Responses make generalised reference to promotion without giving any specific examples of how this is achieved.</p> <p><u>Level 2 (3 – 4 marks):</u> Responses at this level give more specific examples of how these organisations run campaigns using leaflets, guides, videos trade visits etc. to raise awareness.</p> <p><u>Level 3 (5 – 6 marks):</u> Candidates at this level are able to relate the promotional work carried out by such organisations to the tourism receipts of the country, and will refer to increased demand, sales and occupancy. An attempt may be made to relate the response to the scenario of Caye Caulker.</p> | 6 | 1.0 2.0 6.0 |
| (c) (i) | Tourism product is what tourists buy as their main experience whilst visiting a destination. | 1 | 3.0 |
| (ii) | Products would include – accommodation in lodges, huts or private houses, use of electric golf carts, water taxis, restaurants, bars, excursions to the barrier reef, water sports (any 3) Also accept transport, spas and other reasonable responses. | 3 | 3.0 |
| (iii) | Definition of mass tourism market = <u>Wide-scale travel by a large number of people</u> -brought about by the increase in leisure time, disposable income, using reliable and <u>inexpensive modes of transportation</u> such as the automobile and airplane and staying in <u>accommodation with a wide range of amenities</u> (any 2 of the 3 underlined aspects). | 2 | 2.0 3.0 |

| Page 3 | Mark Scheme | Syllabus | Paper |
|--------|----------------------------|----------|-------|
| | GCE O LEVEL - OCT/NOV 2006 | 7096 | 02 |

| | | | |
|-----------|---|---|-----|
| (d) | <p><u>Level of Response:</u> Candidates are invited to explore the range of strategies that tourism providers could adopt to ensure that different customer types are attracted to a destination through the use of a differentiated product range + raising awareness through promotion.</p> <p><u>Level 1: (0-3 marks):</u> Candidates at this level list the types of customer and/or the range of products that could be made available. There is little evidence of understanding that the tourism providers can change what is on offer to <u>attract other customer groups</u> or can <u>promote different aspects of what is on offer.</u></p> <p><u>Level 2 (4 –6 marks):</u> Candidates at this level describe different customer types and/or different products and <u>make reference to how promotion can change perceptions.</u> There is some attempt made to link this to the example of Caye Caulker.</p> <p><u>Level 3 (7 – 8 marks):</u> A full response which shows good understanding of the different range of customer types and the different products that typically appeal to each type of customer. There is good evidence of linking the response to the Caye Caulker case study, to suggest how eco and cultural tourism might draw in different clients beyond the customary divers. More luxurious accommodation might appeal to more elite traveller groups and wedding packages could be offered to couples for example.</p> | 8 | 3.0 |
| 2 (a) (i) | Accommodation sources include = hotel occupancy rates, average daily room rates, bed tax revenue, average length of stay, etc. (Any two) | 2 | 2.0 |
| (ii) | Promotional sources of statistical data = volume of website traffic, number of telephone enquiries, number of written or email enquiries, usage rate of coupons and discount vouchers, etc. (Any two) | 2 | 2.0 |
| (b) (i) | Demographic segmentation | 1 | 2.0 |
| (ii) | Able-bodied, male, over 55 years of age | 3 | 2.0 |
| (c) | Candidates demonstrate their understanding of how <u>market research data and customer profiling</u> can achieve customer satisfaction. <u>Products are targeted at specific market segments to match customer's expectations</u> thus leading to satisfaction. (Any 3) | 3 | 1.0 |

| Page 4 | Mark Scheme | Syllabus | Paper |
|--------|----------------------------|----------|-------|
| | GCE O LEVEL - OCT/NOV 2006 | 7096 | 02 |

| | | | |
|-----------|---|---|-----|
| 2 (d) (i) | Accept any named destination – the marks are both allocated for the reason. Reasons should be popularity, high demand, not part of the mass tourism market yet, few competitors or substitutes, etc. | 2 | 3.0 |
| (ii) | <p><u>Level of Response:</u> Candidates will need to apply their understanding of both the life cycle model and branding in order to perform well here.</p> <p><u>Level 1: (0-2 marks):</u> Candidate is able to describe why destinations might need to change position once they reach saturation or decline but are unable to suggest strategies for making this change. There is little or no evidence that candidates at this level understand the concept of re-branding.</p> <p><u>Level 2: (3 –4 marks):</u> Candidates at this level are able to describe the need to re-launch a destination to capture more market share and make some attempt to describe the importance of brand image in describing the popularity of destinations.</p> <p><u>Level 3: (5 – 6 marks):</u> Candidate makes a competent response that explains the relationship between re-branding and re-positioning. There may be some attempt made to link to real case studies.</p> | 6 | 3.0 |
| (e) | <p><u>Level of Response:</u> Candidates will need to consider the benefits and difficulties associated with establishing a distinctive brand image for a particular destination.</p> <p><u>Level 1: (0-2 marks):</u> Candidates will have limited understanding of the concept of branding. The response may be limited to the mention of the use of a logo or slogan, but there is no inference about the advantages or disadvantages of using these.</p> <p><u>Level 2 : (3 – 4 marks):</u> Candidates show better understanding of how logos, slogans etc. can be used as advantages to give a destination a positive image. There is probably less understanding demonstrated about the disadvantages associated with destination branding.</p> <p><u>Level 3 (5 – 6 marks):</u> Candidates make a full and balanced response, building on from the type of comments made at level 2, to acknowledge the problems – difficult to remain original, companies and their interests in the destination may have stronger brand identities</p> | 6 | 3.0 |
| 3 (a) | Policies = penetration pricing, discount pricing, loss leader pricing, special offers, variable pricing or price discrimination. (Any 2) Brief explanation of how each would entice price sensitive customers – penetration = trial price, advertises normal selling price, but as first to sample, get cheaper. Discount pricing – reduced costs for group bookings, seasonality of weather etc. Loss leader – not used commonly in tourism, but draw in customers by cheap insurance policies then hook a sale. Special offers – people like to think they are getting value for money or a freebie. Variable or price discrimination – different prices for different customer types or for differentiated products/ services. (Any 2) (2+2) | 4 | 4.0 |
| (b) | Going rate is competitor based – <u>see what others are charging</u> to set your price as a <u>price taker</u> . | 2 | 4.0 |

| Page 5 | Mark Scheme | Syllabus | Paper |
|--------|----------------------------|----------|-------|
| | GCE O LEVEL - OCT/NOV 2006 | 7096 | 02 |

| | | | |
|-----------|--|---|------------|
| (c) | Prices charged by suppliers, structure of market, level of competition, government involvement, exchange rate, price charged by competitors, customers' satisfaction (Any 5) | 5 | 4.0 |
| (d) (i) | Holiday provider (Internet) → Client | 2 | 5.0 |
| (ii) | Internet – <u>cheaper because of online discounts, more choice of providers, increased competition = more competitive prices, cut out middlemen = no commission to pay, customer able to do own detailed research to find best value for money by putting together cheapest component parts of the holiday.</u> (Any 4 or 2 x 2) | 4 | 4.0 5.0 |
| (e) | <p><u>Level of Response:</u> Candidates are invited to consider the impact of substitute products on price; a holiday in Greece will be just as attractive as a holiday in Turkey to many tourists, providing the price is right.</p> <p><u>Level 1 : (0 – 3 marks):</u> Candidates are unsure of the reference to competing products, so talk generally about pricing strategies , making little or no mention of products.</p> <p><u>Level 2 : (4 – 6 marks):</u> Candidate is able to define competing or substitute products– thus making the association between prices in a highly competitive market where substitute products are prolific.</p> <p><u>Level 3 : (7 – 8 marks):</u> Candidates show full understanding of the role of substitutes and their impact on price and are able to look at organisation's product portfolio to see where current offering sits in terms of price in relationship to other offerings.</p> | 8 | 4.0 7.0 |
| 4 (a) (i) | Organisations provide financial support to other organisations, individuals or events to gain prestige, status and publicity from the association with the sponsored individual. | 2 | 6.0 |
| (ii) | PR used to issue press releases, or to file an editorial for a popular newspaper – free advertisement for the resort. | 2 | 6.0 |
| (b) | Leaflets containing information can <u>be taken away</u> for future reference, can <u>incorporate images</u> , and <u>contain detailed information</u> – tourists are confident in accessing information from a leaflet themselves. Touch screens make best use of <u>advanced technology</u> to allow customers <u>to interact</u> at first hand, <u>immediate response from databank</u> of preset answers to FAQs. But <u>information can not be stored nor removed</u> for later use and has to be <u>used immediately</u> (Any 6 points but must be at least one statement for each type of promo material e.g. 5+1 or 2+4.) | 6 | 6.0 |
| (c) | Any from: budget restrictions or cost, target audience, timing of campaign, clear identification of product details, selection of most appropriate promotional material, placement of finished promotional material, use of AIDA, competitors' activities, corporate image, advertising standards, objectives. | 6 | 6.0 |
| (d) | Features include – architecture, built attractions, access and transport links, availability of facilities, culture and heritage. (Any 3) | 3 | 5.0 |

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| Page 6 | Mark Scheme | Syllabus | Paper |
| | GCE O LEVEL - OCT/NOV 2006 | 7096 | 02 |

| | | | |
|------------|--|---|-----|
| (e) | <p><u>Level of Response:</u> Candidates have to explain how the balance between product, price, place and promotion is important for their selected product.</p> <p><u>Level 1 (0 – 2 marks):</u> Candidate is unsure of product choice. List of four elements of the marketing mix but limited understanding shown = 2 marks or list of 2 with amplification = 2 marks.</p> <p><u>Level 2 (3 – 4 marks):</u> Candidate makes appropriate choice of product, which is described in some detail. Reasons for the importance of the marketing mix suggested in terms of customer satisfaction, with some examples of how this can be achieved. One element may not be amplified.</p> <p><u>Level 3 (5 – 6 marks):</u> A more full response showing good understanding of concept of getting right product to right person at right price – attempted to relate this to selected product. An applied answer with each of the four elements fully exemplified.</p> | 6 | 7.0 |
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