### MARK SCHEME for the October/November 2014 series

### 7096 TRAVEL AND TOURISM

7096/23

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

This mark scheme is published as an aid to teachers and candidates, 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, which would have considered the acceptability of alternative answers.

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#### 1 (a) Refer to Fig.1, a situation analysis of tourism in northern Egypt. Complete the SWOT Analysis table below. Choose only one statement under each heading. [4]

Strength	Weakness
6, 1	3, 4, 7
Opportunity	Threat
2	5, 8

Award **one** mark per correct identification. Accept ONLY the first answer under each heading.

### (b) Explain <u>three</u> methods of market research that tourism providers in northern Egypt could use to increase visitor numbers [6]

Award up to two marks for the development of each valid method.

Correct ideas include:

- Primary research (1) question people in surveys (1) find out customers preferences/likes in northern Egypt (1) so that customer preferences can be developed (1)
- Questionnaires (1) ask visitors to southern Egypt reason for choices (1) to determine promotional activities to tempt people back (1)
- Use secondary data (1) desk research (1) find tourism trends (1) decide how to target potential tourists from Russia and eastern Europe (1)

Accept any reasonable answers – named examples of different research techniques can be credited

# (c) Fig.1 (Insert) suggests that some tourism products in Egypt are less popular than they were. Explain the suitability of the following pricing policies for use by tourism providers in northern Egypt.

Award up to three marks for valid explanation of each policy and its suitability.

Correct answers include:

- Market skimming: Not suitable (1) as the market is competitive (1) visitor numbers have dropped (1)
- Discount pricing: suitable (1) Northern Egypt's visitor numbers have dropped (1) % discount on usual prices will attract custom (1)

Accept any reasonable answers

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### (d) Discuss why marketing and promotion are likely to be important to travel and tourism providers in northern Egypt. [9]

Candidates are expected to show understanding of the role of marketing and promotion.

- Leads to increased sales and profitability as it raises awareness of the products.
- Leads to increased profitability as once the customer base widens more income is gained.
- Leads to positive image as marketing and promotion encourages the customer to feel that the product/service is value for money/quality.
- Leads to Competitive advantage as more customers are attracted.
- Leads to customer satisfaction and repeat business will be gained.

At higher levels (2/3) candidates will link these to the situation of northern Egypt i.e. marketing and promotion can help to attract customers back from southern Egypt and the Middle East resorts. It can present the attractions of the pyramids successfully. Successful marketing could lead to the return of investment.

#### Use level of response criteria:

**Level 1 (1–3 marks)** at this level, candidates will <u>identify</u> one, two or more factors in a basic way with little or no explanation.

Level 2 (4–6 marks) at this level, candidates will <u>explain</u> one, two or more of the roles of marketing and promotion.

**Level 3 (7–9 marks)** at this level, candidates will provide one or more <u>evaluative comments</u> and link to the negative influences on tourism in northern Egypt. Candidates who offer a judgement on the importance of the role or the relative importance of each aspect will gain top of level.

[2]

# 2 (a) (i) With ref. to Fig. 2 (Insert), identify <u>two</u> market segments at which the advertisement is targeted:

Award one mark for each of two correctly identified market segments:

- Geographic (1)
- Lifestyle (1)

These are the only correct answers. Do **not** accept named target market groups.

#### (ii) Identify two services which Simply Whistler offers in this advertisement: [2]

Award **one** mark for each of two valid services.

Correct ideas include:

- Advice (1)
- Guides (1)
- Tuition (1)
- Transfer service (1)
- Friendly customer service (1)

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### (b) Explain the suitability of the following methods of promotion for providers of winter sports holidays such as Simply Whistler. [6]

Award up to two marks for the development of each method.

Correct answers include:

- Ski magazine: Suitable as it targets potential customers specifically (1) Not very good for attracting new customers (1) can be good for visual effect (1) can be kept (1) hard for the company to update (1) expensive advertising costs (1)
- Direct marketing: Can send details to customers on the database (1) effective and cheaper than general advertising (1) Harder to find new potential customers (1) some people do not like this 'junk mail' (1)
- Personal selling: Face to face (1) can explain advantages of SW (1) can show examples of SW products to travel agents or at trade fairs (1)

[6]

Accept any reasonable answers

### (c) Explain <u>two</u> likely benefits to a provider, such as Simply Whistler, of offering customised packages.

Award **one** mark for each of two identified benefits and up to **two** additional marks for explanation of each advantage.

Correct ideas include:

- USP of customised package will attract customers (1) customers like to have a package which suits their needs (1) brand image will be enhanced (1)
- Customer satisfaction more likely (1) will lead to repeat business (1) customer feels they are not paying for product they don't need (1) gain competitive advantage (1)

Accept any reasonable answers

### (d) Using the advertisement in Fig.2 (Insert), assess how effectively Simply Whistler has developed its product to attract customers in a competitive market. [9]

Indicative content:

The product consists of full range of accommodation – this may help to provide for people of different budgets or different choices of accommodation type.

The product consists of free transfer from Vancouver – this may help as it is convenient and may be cheaper.

The product consists of a range of activities for both day and night time – this may help as it offers variety and interest for people of all ages.

The product consists of Personal and customised package – this may help as it differentiates it from other companies and leads to customer feeling valued.

#### Use levels of response criteria:

Level 1 (1–3 marks) at this level candidates will <u>identify</u> one, two or more aspects of the product.

**Level 2 (4–6 marks)** at this level candidates will <u>explain</u> one, two or more aspects of the product and explain why these will attract customers.

**Level 3 (7–9 marks)** at this level candidates will <u>prioritise</u> which aspects of the product are most effective or comment on the weaknesses of the product. Top of level for clear judgement (9).

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#### 3 (a) Using Fig. 3 (Insert), identify the following:

#### (i) <u>Two</u> ways in which the government helps this niche market

Award **one** mark for each of two ways.

Correct ideas are:

- Invests in public footpaths (1)
- Planned a promotional campaign (1)
- Invested in public transport (1)

#### (ii) <u>Two</u> ways in which walking tourism in Wales is sustainable:

Award one mark for each of two ways.

Correct ideas are:

- reduces impact of seasonality (1)
- local communities cooperate (1)
- reduces the use of cars (1)

Accept any reasonable answers

#### (b) Explain the likely impact of the following factors on walking tourism in Wales: [6]

Award up to three marks for the development of each factor

- Seasonality: there may be use of discount pricing (1) variable pricing could be used to encourage off-peak sales (1) Higher demand in peak season (1)
- Customer expectations: customers expect level of pricing to match brand image (1) match idea of quality/value (1) price needs to be set close to this to gain repeat business (1)

Accept any reasonable answers

### (c) Explain <u>three</u> ways in which the creation of a brand image may be used to market niche tourism products.

Award up to two marks for the explanation of each of three valid ways.

Correct ideas include:

- Use of slogan (1) brings customer awareness (1) helps attract target market (1)
- Use of image (1) easily recognisable (1) encourages customer loyalty (1)
- Use of target market (1) identify product with market (1) differentiated products (1)
- USP (1) walking tourism has unique features (1)
- Price (1) attractive price association of price with walking tourism (1)

Accept any reasonable answers. Do **not** accept advertising.

[4]

[6]

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### (d) Discuss the reasons why it is important for tourism providers to consider <u>target</u> <u>market segments</u> when producing effective promotional materials.

[9]

[2]

Indicative content:

- Target markets segment consideration is important:
- Selection of AIDA
- Choice of media
- Choice and use of logo

So that the media chosen is most suitable. For example if the target market is people interested in walking/outdoors then the media should reflect this. TV is less suitable as it would reach a very wide audience many of whom would not be interested/waste of marketing budget. Decisions on AIDA should be done with ref to target audience for example materials with bright colours and minimal writing might be used for. In the case of Walking tourism images of the outdoors would be effective.

#### Use levels of response criteria.

**Level 1 (1–3 marks)** at this level candidates may <u>identify</u> one, two or more ways in which target market will be important.

Level 2 (4–6 marks) at this level candidates will <u>explain</u> one, two or more reasons why the target market should be considered and may link to walking tourism.

**Level 3 (7–9 marks)** at this level candidates will <u>evaluate</u> the importance of consideration of target market. Award a reasoned judgement at top of level 8/9.

### 4 (a) (i) At which stage of the product life cycle would you place French and Chinese heritage tourism in Vietnam? Give one reason for your answer.

Award **one** mark for the correct identification of the stage and a **second** mark for a valid reason for this choice.

- maturation (accept saturation) (1)
- visitor numbers have slowed (1)
- competition is strong (1)

Accept any reasonable stage, supported by a correct justification

### (ii) Give <u>two</u> reasons why it is useful for a tourism provider to identify the position of the product on the product life cycle. [2]

Award one mark for each of two valid reasons.

- To decide what marketing strategies to consider next. (1) e.g. if in saturation then product may need to be re-launched (1)
- To determine the price strategy (1) e.g. if introduction then little profit can be expected and sales promotion may be needed (1)
- Predict patterns of demand from customers (1)

Accept any reasonable answers

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### (b) Explain <u>two</u> ways in which the promotion of products, such as French and Chinese heritage tourism in Vietnam, leads to increased levels of customer interest. [6]

Award up to three marks for explanation of each of two valid ways.

Correct ideas include:

- Promotion makes customers feel that the product is specifically for them (1) customers feel attracted/satisfied (1)
- Advertising (1) newspapers and other media (1) creates awareness (1) AIDA principle can increase interest (1)
- Promotion reinforces brand image (1) customers are pleased by brand image (1) repeat business (1)
- Promotional campaign (1) will give specific detailed information (1) this will satisfy needs of tourists (1)
- Promotion may lead to promotional offers/deals (1) will satisfy customers as seen as value for money (1)

Accept any reasonable answers

# (c) Explain how the NAV might use each of the following elements of the marketing mix to promote French and Chinese heritage tourism: [6]

Award up to three marks for the exemplification of each element.

Correct answers include:

- Price promotional pricing (1) attract visitors who want value for money (1) competitive pricing (1) prices at the same level or less than beach destinations
- Product further range of heritage sites (1) include transport between sites as part of product (1) improve the facilities at the heritage sites (1) to give greater customer satisfaction (1)

Accept any reasonable answers

### (d) Evaluate the range of distribution channels which the National Administration of Vietnam (NAV) might use for its French and Chinese heritage tourism products. [9]

Direct selling – usually used by small providers. Marketing/promotion is organised by the provider. Internet direct selling is becoming popular. Flexible.

Agent/Retailer – commonly used as the intermediary ensures the target audience is reached. The agent receives commission which may result in a higher price.

Wholesaler – an additional intermediary who buys the product and sells it on to retailers. This results in higher prices.

#### Use levels of response criteria:

**Level 1 (1–3 marks)** at this level candidates will <u>identify</u> (list) one, two or more examples of distribution channels.

Level 2 (4–6 marks) at this level candidates will <u>explain</u> one, two or more distribution channels

**Level 3 (7–9 marks)** at this level candidates will <u>evaluate</u> the distribution channels for French and Chinese heritage tourism and prioritise/make a reasoned judgement as to the most effective channel.