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CAMBRIDGE INTERNATIONAL EXAMINATIONS

International General Certificate of Secondary Education

MARK SCHEME for the May/June 2014 series

0471 TRAVEL AND TOURISM

0471/02 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.

Mark schemes should be read in conjunction with the question paper and the Principal Examiner Report for Teachers.

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1 (a) Complete the SWOT analysis table below choosing only one statement for each heading. [4]

Strength	Weakness
1,2,5,7	3, 4
Opportunity	Threat
2, 3, 4, 8	9

(b) Explain <u>three</u> reasons why tourist boards in countries such as Ghana carry out SWOT analysis. [6]

Award one mark for the correct identification of each of **three** valid reasons and award a second mark for an appropriate explanatory comment about each.

Correct ideas include:

- a marketing analysis tool (1) used to assess place in the market (1)
- to use the strengths – sports tourism (1) and develop these products further to increase market share (1)
- to identify weaknesses (1) and make improvements to products or introduce new products (1)
- to identify threats/competition (1) and introduce promotion or pricing to overcome the competition (1)
- to identify opportunities (1) to allocate marketing funds to reach potential customers (1)

Credit all valid reasoning in context.

Answer can be marked holistically so that the elements of SWOT can be credited in any combination.

(c) Ecotourism in Ghana is at the introductory stage of the product life cycle model. Explain <u>two</u> reasons why products at the introductory stage require intensive marketing activities. [6]

Award **one** mark for the correct identification of reasons why marketing is needed in the introductory stage. Award up to **two** additional marks for appropriate explanatory comments about each.

- introductory stage makes product available to intended target audience (1) promotion needed to create awareness (1) attract target audience (1)
- there may be strong competition (1) marketing needed to differentiate product (1) overcome competition (1)

Credit all valid reasoning in context.

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(d) The Ghana Tourist Board is planning a new promotional campaign. Discuss the suitability of direct marketing as a promotional method to attract tourists from the USA to Ghana. [9]

Indicative content:

- Direct marketing involves sending information to new or potential customers on a database.
- It is efficient as leaflets and brochures are only being sent to people likely to be interested.
- It may not reach potential customers. If the database is not accurate, the direct mail may not be effective.
- It would be expensive to send materials to the USA and Germany.
- Use of internet/telephone can be effective and save costs.

Use level of response criteria:

Level 1 (1–3 marks) At this level, candidates will identify one, two or more reasons for the suitability of direct marketing for this market.

Level 2 (4–6 marks) At this level, candidates will explain one, two or more reasons why direct marketing is suitable.

Level 3 (7–9 marks) At this level, candidates will evaluate the use of direct marketing and make a judgement as to the suitability to reach potential customers. The better answers will have a reasoned conclusion.

2 (a) (i) Identify from Fig. 2 (Insert) <u>two</u> components of the new holiday packages to Iceland. [2]

Award one mark for each of two components.

- accommodation (1)
- flights (1)
- car hire (1)

(ii) State <u>two</u> advantages to tourists of buying a package holiday. [2]

Award one mark for each of two advantages.

- ease/convenience (1)
- the components are assembled together for the customer (1)
- price (1)
- may be cheaper than components bought separately (1)

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(b) Explain how the following factors are likely to affect the price set by a tour operator for a fly-drive package: [6]

Award up to two marks for valid explanation of each factor.

Correct ideas will include:

The likely number of customers:
- to achieve sales targets in volume (1)
- and value (1)
- the price must be at a level to ensure enough customers (1)
- low demand, low price, or high demand, high demand (1)

Competitors' prices:
- if the organisation charges more than competitors then customers will choose the competitor (1)
- if the charge is much below the competitor then profit margins will be less (1)

Seasonality:
- need to adjust to demand (1)
- high season – variable pricing could be used to ensure low season custom (1)
- customers expect lower prices in off peak (1)

Credit all valid reasoning in context.

(c) Explain <u>two</u> reasons why tour operators are likely to use scheduled airlines as part of their fly-drive holiday packages. [6]

Award one mark for each valid reason and up to two additional marks for appropriate explanatory comments.

Correct ideas include:

- scheduled airlines run to a time-table (1) this leads to more flexibility for flights/destinations for the fly-drive package (1) attracts more customers (1)
- scheduled airlines are usually internationally known (1) strong brand image for quality assurance (1) attracts customers (1)

Credit all valid reasoning in context.

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(d) Discuss how tour operators might use the marketing mix to increase the number of tourists buying fly-drive holiday packages to Iceland. [9]

Indicative content:

- The 4 P's – Product, Price, Place and Promotion.
- Product: could be the development of new products such as wider range of accommodation and cars to attract more customers. Option to return rented car to different airport other than the arrival one. Guided tours – free entrance to attractions could be included.
- Price: could be the development of prices which are lower than the competition or promotional prices which offer special rates for advance booking. Option to book for two weeks and have third week free.
- Place: could be the choice of destinations or range of departure points e.g. more regional airports
- Promotion: could be advertising and marketing to highlight the company above competitors. Promotion can raise the brand image of this fly-drive holiday.

Use levels of response criteria:

Level 1 (1–3 marks) At this level candidates will identify one, two or more of the 4P's correctly.

Level 2 (4–6 marks) At this level candidates will explain one, two or more of the 4P's, probably generically, with limited reference to fly-drive holidays.

Level 3 (7–9 marks) At this level candidates will evaluate the 4P's using examples relevant to fly-drive holidays. Evaluate 1 aspect of marketing mix for 7 marks, 2 aspects for 8 and must prioritise or make a judgement for top of level (8/9)

3 (a) (i) Explain what is meant by secondary research. [2]

Award one mark for each of two aspects.

- desk research (1)
- third party research (1)
- already been collected/second hand (1)
- research that is not exclusive to the organisation (1)
- quantitive (1)
- internet (1)
- statistics (1)

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(ii) Give <u>one</u> advantage and <u>one</u> disadvantage to tourism providers of using secondary research. [2]

Advantages:
- can relate to wide area giving information on tourism sector (1)
- readily available (1) lots of different sources e.g. government statistics, databases etc. (1)
- saves time, faster (1)
- can be analysed graphically (1)

Disadvantages:
- not specific to the organisation (1)
- can be expensive (1)
- does not give customers views on a product (1)
- can be dated information (1)
- information can be distorted (1)

(b) Explain the advantages to tourism organisations, such as TM, of using the following methods of promotion when targeting business tourism: [6]

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

Trade Fairs:
- this is an exhibition where tm could show its products (1)
- can market to companies (1)
- less useful for targeting individual business (1)
- can reach world wide audience (1)
- face to face communication method (1)

Public Relations:
- press releases, interviews, sponsorship, celebrity endorsement (1)
- useful to raise brand image (1)
- difficult to reach wider market (1)

Incentives:
- vouchers (1)
- reward points (1)
- free gifts (1)
- useful to gain awareness (1)
- raises brand image (1)
- can be costly (1)
- increases staff need (1)

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(c) Explain <u>two</u> likely reasons why TM has chosen to target the business tourism market in India. [6]

Award one mark for the identification of each of three valid reasons and up to two further marks for an appropriate exemplification of each.

Correct ideas include:

- It has been identified as a growth sector (1) it will be cost effective to target business tourism. (1)
- The International Business Fair was successful (1) this makes it likely business will come to Malaysia. (1)
- Malaysia has conference facilities (1) this will attract business tourism. (1)
- Close proximity means ease of access (1) low transport costs to get there. (1)

Credit all valid reasoning in context.

(d) Business tourism providers in destinations such as Malaysia carry out marketing and promotion. Evaluate the importance of marketing and promotion for these providers. [9]

Indicative content:

- Marketing and promotion brings awareness of the product (business tourism) to potential customers/revive interest in existing customers.
- Marketing and promotion can give an edge over the competition.
- Marketing can increase the customer share and so bring profitability.
- The image of the product (business tourism) can be enhanced as a product that is of the quality/value that customers expect.
- Customer satisfaction can be achieved which leads to repeat business.

<u>Use levels of response criteria.</u>

Level 1 (1–3 marks) At this level candidates will identify one, two or more reasons why marketing and promotion is important.

Level 2 (4–6 marks) At this level candidates will explain one, two or more reasons why marketing and promotion is important.

Level 3 (7–9 marks) At this level candidates will evaluate the importance for business tourism in its growth stage. Award 7 marks for the evaluation of one reason, 8 marks for two reasons. For top of level (9) there should be prioritising and judgement.

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4 (a) (i) Identify <u>two</u> ways in which the Water Adventure Australia product attracts families. [2]

Award one mark for each of two ways. Correct ideas include:

- baby pool (1)
- several pools for different weather (1)
- fun slides for families (1)
- new sea creature exhibit provides range of activities (1) aquarium (1)
- restaurant and café provides easy choice of food outlet (1)
- picnic/barbecue area (1)
- adventure playground (1)
- family tickets (1)

Do not accept free parking

(ii) Suggest <u>two</u> reasons why travel and tourism providers such as Water Adventure Australia may include hyperlinks on their website advertisements. [2]

Award one mark for each of two valid reasons. Correct answers include:

- action part of AIDA(1)
- can encourage further interest/booking (1)
- many customers prefer to find information this way (1)
- can be used 24/7 (1)

Credit all valid reasoning in context.

(b) Explain how a travel and tourism organisation, such as Water Adventure Australia can use the following pricing policies to attract families: [6]

Award one mark for the identification of each of two features of the pricing policy and up to two further marks for an appropriate exemplification of each.

Correct ideas include:

Promotional pricing:
- special offers (1)
- BOGOF (1)
- coupons or free gifts such as voucher for café could be used (1)
- this attracts families who see it as value for money (1)

Variable pricing:
- this is also called discrimination (1)
- adults and children could be charged different rates (1)
- different rates can be set according to season (1)
- families more likely to come as they see this as a benefit (1)

There must be at least one named/explained example of **how** these pricing policies are implemented, in order to credit explanations of **why** these methods are used.

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(c) Using Fig. 4 (Insert), explain <u>two</u> ways in which Water Adventure Australia is attempting to create brand loyalty. [6]

Award one mark for the correct identification of each of two ways and up to two further marks for explanation or development.

Correct ideas include:

- discounted ticket (1) money off (1) attracts loyalty as it is seen as value for money (1)
- family ticket (1) reduction on price of ticket bought separately (1) attracts repeat business (1)
- product/service – uniqueness (1), quality of experience (1)
- free parking (1) makes customers feel comfortable (1)

Credit all valid reasoning in context.

(d) Assess the reasons why brand image is important when producing effective promotional materials. [9]

The candidates are expected to show knowledge of brand image and its importance in the effectiveness of promotional materials.

- Brand image, image, slogan and logo can be part of the success of the AIDA principle.
- Brand image can help to attract the target audience who recognise the brand as appropriate.
- Brand image can help to bring repeat business as customers recognise the brand and take action on the promotion.
- Brand image can help to set the tone or atmosphere of the promotional material so that the information about the product or service is accepted as valid. Too cheap or tacky an image might spoil the effect.

<u>Use levels of response criteria:</u>

Level 1 (1–3 marks) At this level candidates will identify one, two or more examples of branding.

Level 2 (4–6 marks) At this level candidates will explain one, two or more reasons why branding is important.

Level 3 (7–9 marks) At this level candidates will evaluate the importance of branding. For 8/9 marks a reasoned conclusion or judgement should be evident.

If no mention of promotional materials then max is Level 1

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Question paper grid

		Reference						Assessment Objective		
Question	marks	5.1	5.2	5.3	5.4	5.5	5.6	1	2	3
1a		x						4		
b		x						3	3	
c				x					3	3
d							x	3	3	3
2a(i)				x				2		
(ii)				x				2		
b					x			3	3	
c			x						3	3
d		x						3	3	3
3a(i)		x						2		
(ii)		x						2		
b							x	3	3	
c			x						3	3
d		x						3	3	3
4a(i)			x					2		
(ii)							x	2		
b					x			2	4	
c				x					3	3
d							x	3	3	3
Total								39	37	24

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