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**CAMBRIDGE INTERNATIONAL EXAMINATIONS**

**International General Certificate of Secondary Education**

# MARK SCHEME for the October/November 2013 series

# 0471 TRAVEL AND TOURISM

**0471/21** 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.

Cambridge will not enter into discussions about these mark schemes.

Cambridge is publishing the mark schemes for the October/November 2013 series for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level components and some Ordinary Level components.

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**1 (a) (i) State <u>two</u> advantages to the customer of a twin-centre holiday, such as the product advertised in Fig. 1. [2]**

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

- Go to two contrasting places (interesting) (1)
- Save money on travel (1)
- Saves travel time (1)

Only allow **one** correct identification per line

**(ii) The Mombasa Beach Hotel has luxury tourists as its target market. State <u>two</u> benefits to the provider of offering this 5* exclusive accommodation. [2]**

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

- More customers will be attracted (1)
- Provider can enhance 'quality' brand image (1) increase image of organisation (1)
- Customers associate 'spa and health club' and 5* with quality (1)

**(b) Gold Flag Holidays has decided to market its product through travel agencies and trade fairs. Explain why <u>each</u> of these distribution channels would be useful to a provider offering twin-centre holidays. [6]**

Award **one** mark for each valid reason and up to **two** additional marks for explanation. Correct answers include:

- Travel agent is traditional intermediary (1) available to all in most areas (1) customers like face to face contact (1) Suitable for discussing more complex twin holiday details (1) likely to gain customers (1) profitability (1) carries out promotion (1) expert knowledge (1)
- Trade fairs are specialist (1) good place to promote product to travel professionals (1) to gain competitive advantage (1) trade fairs are cheaper – short term cost (1)

**(c) Explain <u>two</u> reasons why tour operators, such as Gold Flag Holidays, use brochures to promote their holidays. [6]**

Award one mark for each of two valid reasons and up to two additional marks for explanation. Correct answers include:

- Brochures are easily seen by all customers (1) Gain more customers (1) bookings (1)
- Brochures have pictures (1) attractive (1) can be used as display (1)
- Brochures can be taken home by the customer (1) reflect and choose (1) customer satisfaction (1) accessible information (1)
- Brochures offer good information (1) can be detailed (1) cross referenced to other sources/contacts (1)
- Brochures can be used in conjunction with advice by the travel agent (1) customer satisfaction (1) repeat business (1)
- Brochures are relatively cheap to produce (1) compared with mass media advertising such as TV or billboards (1) bulk production is cost effective (1)

Do not credit more than **two** identified reasons with explanation

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**(d) Discuss the factors that Gold Flag Holidays will need to consider when producing promotional materials such the advertisement shown in Fig. 1 (Insert). [9]**

Candidates are likely to discuss the following factors:

- Costs – the planned cost of the materials and how this relates to the marketing budget as a whole
- Target market segments – how the materials will attract the identified target markets, where it will be placed, or type of material.
- Timing – the campaign should fit into the product life cycle/seasonal variations and the proposed length of the campaign
- Brand image – the materials must match and include the brand image
- Competitor's promotional activities – keep an eye on what competitors are doing, match or make unique
- AIDA: Identification of AIDA = L1, Action, interest etc. = L2 and reasons why important =L3

*Use levels of response criteria:*
**Level 1 (1–3 marks)** Candidates will identify one, two or more factors in a basic undeveloped answer.
**Level 2 (4–6 marks)** At this level candidates will give an explanation of at least one factor for the bottom of the level and two or more for top of level.
**Level 3 (7–9 marks)** At this level candidates will analyse the importance of the factors in relation to this tour operator and will make a judgement as to the most important factor(s) – for example to attract the quality market the material should reflect this in its advert.

**2 (a) (i) Identify <u>two</u> reasons why you would place Backpacker-nights at the introduction stage of the product life cycle. [2]**

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

- It's a relatively new accommodation provider/open for 4 weeks
- Focus on marketing to introduce into the market
- There is strong competition from existing providers
- Penetration pricing to break into market

**(ii) Give <u>two</u> marketing activities that might be carried out during the research and development stage of the product life cycle. [2]**

Award one mark for each valid activity prior to Introduction:

- Survey of customer needs (1) Selecting a target market (1)
- Use of primary/secondary data (1)
- Development and trial of product (1)
- Costing and identification of pricing (1)
- SWOT/PEST/Situation analyses (1)
- Advertising (1)
- Setting marketing objectives/planning the marketing mix (1)

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**(b) Explain <u>two</u> reasons why promotion is important for travel and tourism providers such as Backpacker-nights. [6]**

Award up to three marks for each valid reason. Correct ideas include:

- Recently introduced (1); need to overcome the competition (1) need to attract interest (1) raise awareness (1) attract customers (1)
- Marketing needed to establish advertising (1) to create a brand image (1) to target market segments (1)
- To increase sales (1); to gain profitability (1); to gain positive product image (1) customer satisfaction (1)

**(c) Explain how each of the following is likely to affect the choice of premises for budget accommodation providers. [6]**

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

- Transport links: near to airport to enable shuttle bus to be cost effective (1) accessibility of onward journey (1) accessibility of attractions (1) customer satisfaction (1) route for backpack tourists (1) to allow ease of deliveries (1)
- Cost of premises: within budget of provider (1) so that suitable prices can be used (1) ensure profitability (1) mention of rent v outright purchase (1)
- Availability of staff: skilled staff for range of jobs needed (1) staff costs will be high if shortage (1) customer satisfaction if good range of suitably trained/qualified staff (1)

**(d) Evaluate the ways in which Backpacker-nights has developed its product to cater for the budget market. [9]**

Candidates will consider a range of factors in relation to the link between product and target market (budget). Likely areas for explanation are:

- The product should be developed to attract the target market – it should meet customer expectations as a product suitable for the pricing e.g. sufficient quality accommodation to match the price. Basic but adequate accommodation
- The product must gain competitive advantage over those offered by other providers so that sales are increased – prices
- The product has been developed so that it encourages customer loyalty and leads to repeat business – internet
- The product should be developed to create a brand image associated with price-sensitive customers e.g. free minibus, cooking facilities so no need to pay restaurant prices

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

**Level 1 (1–3 marks)** Candidates are likely to identify one, two or more factors in the development of the product in relation to the target market. These may be generic.

**Level 2 (4–6 marks)** Responses at this level will explain one, two or more factors to be considered in the development.

**Level 3 (7–9 marks)** Responses at this level will evaluate the factors and relate to Backpacker-nights with some reference to judgement.

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**3 (a) (i) Identify <u>two</u> target markets at which this advertisement is aimed. [2]**

Award one mark for each correct target market identified:

- Special interest/cultural/historical tourists (1)
- People who want value for money (1)
- Couples/Honeymooners (1)
- Cruise customers (1)

Do **not** accept families, leisure tourists or excursionists

**(ii) Identify the <u>two</u> main forms of segmentation used by Sail-Aways. [2]**

Award one mark for each correct identification.

- Lifestyle/psychographic (1)
- Demographic (1)

**(b) Sail-Aways uses promotional pricing in its marketing campaign. Explain <u>two</u> ways in which promotional pricing can be used by travel and tourism providers to enhance brand image. [6]**

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

- E.g. Discount pricing/money off vouchers/special offers/promotional rates/free gifts links with image of value for money (1) increased customer satisfaction (1) customers associate the provider with the promotional fare (1) brand loyalty (1)
- E.g. Recognisable (1) differentiates from the competition (1) name/slogan/logo is associated with promotional offer for repeat business (1)

**Must make reference to pricing**

**(c) Explain how each of the following may create a positive image for a travel and tourism organisation. [6]**

Award up to three marks for the development of each factor. Likely ideas include:

- sponsorship can keep the company image as being involved in a community (1)
- sponsorship can promote a company name and associate it with success/actions (1)
- sponsorship associates the company with another successful individual or company (1)
- press release can reach a wide audience (1)
- press release can highlight particular features (1)
- press release is free (1)
- press release can give immediate focus to the company image (1)

Do **not** credit exemplified business ideas e.g. Red Bull sponsoring Man Utd – must have relevance to T&T, e.g. football team sponsorship by Emirates.

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**(d) Discuss the reasons why cruise operators, such as Sail-Aways, develop different products and services to cater for the needs of different market segments. [9]**

Correct ideas include:

- Gain market share through product differentiation e.g. luxurious accommodation or family entertainments
- Gain customer loyalty/satisfaction through catering for customer needs through its services such as guides
- Gain competitive advantage by encouraging new customers and catering for different age, gender and lifestyle characteristics of the customers
- Increase profitability as a result of increased business/foreign exchange earnings/ business growth

*Use levels of response criteria:*
**Level 1 (1–3 marks)** At this level candidates will identify one, two or more reasons for developing different products and services, as a basic list.
**Level 2 (4–6 marks)** At this level candidates will explain one, two or more reasons for developing products and services.
**Level 3 (7–9 marks)** At this level candidates will explain one, two or more reasons and may link to Sail-Aways. Some judgement or evaluation of the relative importance of the reasons will be evident at this level.

**4 (a) (i) Identify two reasons why Amazing Excursions' 5-City Tour product may appeal to customers. [2]**

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

- six new destinations (1)
- special rate/20% reduction/off peak prices/affordable prices (1)
- excursions with a guide (1)
- no need for expensive transfers (1)
- good quality accommodation/evening entertainment included (1)

Only allow **one** answer relating to price
Only accept the first answer on each line

**(ii) Identify two disadvantages of carrying out telephone surveys. [2]**

Award one mark for each of two valid disadvantages:

- Information gathered may be unreliable (1)
- Customers refuse to take part (1)
- Not face to face (1)
- People do not trust this method (1)
- Time-consuming (1)
- Expensive (1)

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**(b) Explain <u>two</u> ways in which providers, such as Amazing Excursions, can overcome the impact of seasonality. [6]**

Award up to three marks for an explanation of each of two valid methods. Correct ideas include:

- Product (1) develop an itinerary which includes winter holiday destinations (1) offer a range of excursions/activities which include new destinations (1) cancel excursions if unprofitable (1)
- Discount/variable pricing (1) low season (1) to attract more customers (1)
- increased advertising (1) may operate with uneconomic customer numbers to maintain brand image (1) overcome the competition with features which gain customer loyalty (1)

**(c) Explain why the following methods of promotion are suitable for travel and tourism organisations such as Amazing Excursions. [6]**

Award up to three marks for the valid explanation of the suitability of the use of internet and personal selling.

Internet
- can reach a wide/global audience (1)
- widely used today (1)
- visually attractive especially with views of destinations such as 5-City tour/interactive media/videos etc. (1)
- 24/7 convenience (1)
- Fast method of reaching target customers (1)
- Cost effective (1)

Personal selling
- direct contact face to face or telephone (**not** door to door) (1)
- attracts customers who don't use internet (1)
- personal selling can persuade/convince customers (1)
- personal selling can target specific customers e.g. groups (1)
- expertise brings customer confidence/trust (1)

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**(d) Discuss how the product/service mix can be used by a travel and tourism organisation, such as Amazing Excursions, to increase the number of group customers it attracts. [9]**

Likely content includes:

- develop group product e.g. more excursions, different lengths of trip, special attractions included, meals to appeal to all group members
- develop service e.g. different pick up points for group members, guides on excursions, information
- offer reduced group prices
- additional entertainment to appeal to different group members
- offer special services for groups
- target groups with themed excursions
- target groups by services such as transfer, tour guides

*Use levels of response criteria:*

**Level 1 (1–3 marks)** At this level, candidates will identify one, two or more examples of products and/or services which may be generic.

**Level 2 (4–6 marks)** At this level, candidates will explain one, two or more examples of products and services with specific reference to coach excursions and the group market.

**Level 3 (7–9 marks)** At this level, candidates will evaluate and apply the product-service mix to the issue of seasonality. Candidates making a judgement are likely to be awarded top of level.

Do **not** accept answers relating to the marketing mix (4 Ps).

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