

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
GCE Ordinary Level

**MARK SCHEME for the October/November 2010 question paper
for the guidance of teachers**

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

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

CIE is publishing the mark schemes for the October/November 2010 question papers for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level syllabuses and some Ordinary Level syllabuses.

Page 2	Mark Scheme: Teachers' version	Syllabus	Paper
	GCE O LEVEL – October/November 2010	7096	02

- 1 (a) (i) Give three examples of target markets that the German National Tourist Board has identified through the themes shown in Fig. 1. [3]

Romantic holidays – appeals to couples (1)

Active holidays – walking and cycling – appeals to outdoor enthusiasts (1)

European Capital of Culture – appeals to special interest groups (1)

Health and Fitness Holidays – appeals to those interested in health and spa tourism (1)

Open for Business – appeals to the business tourism market (1)

Any three

Accept leisure tourists, adventure-seekers, cultural tourists, family and sport.

Do not accept 'nature lovers', VFR.

- (ii) Define the term '*market segment*'. [1]

A portion of the entire market that your company is targeting (1) or a subsection of the market that shares common characteristics (1).

Accept exemplification: e.g. by disposable income levels, age, gender, etc.

- (iii) Identify the form of segmentation used by the GNTB between 2008 and 2011. [1]

Segmented by lifestyle or psychographics (1)

- (b) Describe each of the following promotional methods, used by organisations such as the GNTB. [6]

Award one mark for basic identification and second mark for further exemplification.

- **direct mailshots to overseas embassies**

bulk mail advertising sent through the post (1) to trade partners, and other foreign representatives for distribution to help raise awareness of the products and services on offer (1)

- **participation in trade fairs such as World Travel Market**

attending promotional events (1) with other industry partners to advertise products and services to travel agents, tour operators, hoteliers etc. (1)

Accept mention of exhibitions, stalls, handing out promotional materials to other principals etc.

- **press conferences**

A question and answer session with journalists and other media representatives, (1) used to launch a promotional campaign or particular product. (1)

Accept: inform by media and ask/answer questions.

Page 3	Mark Scheme: Teachers' version	Syllabus	Paper
	GCE O LEVEL – October/November 2010	7096	02

(c) Compare printed brochures with electronic brochures (e-brochures) as forms of promotional materials when communicating with customers. [6]

- Printed brochures can be taken away for future reference; e-brochures can be accessed repeatedly
- Printed brochures incorporate colour images; e-brochures use video clips and interactive technology to engage audience
- Both can contain detailed information
- Printed brochures become out of date and are expensive to print
- E brochures can be updated regularly and are not expensive to create

Use Level of Response Criteria

Level 1 (1–3 marks) Candidates at this level are able to identify a specific feature of printed and/or e-brochures

Level 2 (4–6 marks) Candidates use comparative language (using words such as whereas, most, both, better, more) to explain the merits of printed and/or e-brochures to give a realistic explanation of printed and e-brochures as forms of communication with customers. At the upper end, there may be some judgement as to which type of brochure is more effective in communicating with customers.

(d) Evaluate the factors that tourism providers such as the GNTB must consider when producing effective promotional materials to promote a specific destination or event. [8]

Candidates must consider some of the following:

- costs
- target market
- timing
- brand image
- use of AIDA

Use Level of Response criteria

Level 1 (1–3 marks) Candidates at this level will identify factors from the above list.

Level 2 (4–6 marks) Candidates will explain at least one of the factors from the list. E.g. an explanation of how much the campaign will cost will achieve 4 marks, whereas an explanation of the consideration of how much the campaign will cost together with an explanation of choosing the right target audience will achieve 5 marks.

If AIDA is applied effectively but no other factors are mentioned; maximum L2–4 marks.

Level 3 (7–8 marks) At this level, candidates will evaluate at least one factor from the list, making some form of judgement about the importance of these factors in making marketing decisions. E.g. An evaluation that the campaign will raise awareness and increase sales amongst the target audience.

Page 4	Mark Scheme: Teachers' version	Syllabus	Paper
	GCE O LEVEL – October/November 2010	7096	02

- 2 (a) Using the statement numbers in Fig. 2, complete the PEST table below, choosing only one statement under each heading. [4]

Political – 3

Economic – 2, 5, or 8

Social – 4

Technological – 1 or 7

Accept only one statement for each heading to award up to 4 marks.

- (b) (i) Name the first and last stages in the cycle. [2]

First stage: Introduction (1) (can also credit research and development).

Last stage: Decline (1) (can credit rejuvenation).

- (ii) Describe the market characteristics of these two stages. [4]

First stage: point at which the product is made available (1) wide scale advertising and promotion of the product (1) sales start to take off (1) high cost to organisation to attract interest in new product (1).

Last stage: Supply of product outweighs demand (1) number of sales is dwindling down to nothing (1) organisation needs to make a decision about retaining product in market (1) no advertising (1) very costly to organisation (1).

Do not accept basic response alluding to market research. Answers must focus on the characteristics of the life cycle stage in terms of sales volume, cost to organisation etc.

Award marks for correct characteristics, even if the candidate has not identified the correct stages.

(2 × 2)

- (iii) State at which stage of the product life cycle you would place China as a tourist destination. Justify a reason for your answer. [3]

Growth stage (accept introduction) (1).

Reason – China is perceived as a relatively new tourist destination (1); Beijing Olympics 2008 raised profile and generated interest in China (1); not yet subject to mass tourism (1) set to be largest tourism destination by year 2020 (1).

- (c) (i) Define the term 'tourism brand'. [1]

Identification of a tourism organisation's products and services (1) by creating an easily recognisable brand image (1) Distinguishes a provider amongst its competitors. (1)

- (ii) Give two examples of how a travel organisation might create a brand image. [2]

Award one mark each for any two from:

- Product features
- Packaging
- Price
- Promotion/advertising
- Target market segment
- Symbols, logos, slogans, corporate colours, uniforms; 2 marks can be awarded if these are listed separately.

Page 5	Mark Scheme: Teachers' version	Syllabus	Paper
	GCE O LEVEL – October/November 2010	7096	02

- (d) **Discuss the advantages and disadvantages of branding tourist destinations, such as 'Look at Modern China in Tianjin' in China.** [9]

Candidates will need to consider the benefits and difficulties associated with establishing a distinctive brand image for a particular destination.

Correct ideas will include:

- Use of logos and slogans to help establish the 'brand' of the destination in customers' minds – warm, sunny colours used in logos for Caribbean destinations, emotive language used in descriptive slogans etc.
- Difficulty in being original – finding the USP of a destination amongst all the other destinations being marketed
- The battle to keep the brand of the destination bigger than the brands of organisations within the destination – e.g. hotel chains etc.

Use Level of Response Criteria

Level 1 (1–3 marks) Candidates at this level will demonstrate limited understanding of the concept of branding. There may be a basic identification of the use of logos or slogans but there will be no inference about the advantages or disadvantages of using these.

Level 2 (4–6 marks) Candidates will show better understanding and will explain/analyse how logos branding might be used to create a positive image of a destination. At this level, candidates might not be able to explain the disadvantages associated with destination branding.

Level 3 (7–9 marks) Candidates make a full and balanced response, which evaluate the advantages and disadvantages of branding – acknowledgement of the difficulties faced in looking for originality etc. Some element of judgement will be evident to access the marks at the upper end of this level.

- 3 (a) **Under which of the following locational factors does each statement from Fig. 3 belong? Write each statement number in the box under the correct heading.** [7]

Character of Area: 7 or 8

Access/Transport Links: 2 or 6

Adjacent Facilities: 3, 5 or 8

Availability of Suitable Premises: 3 or 4

Take care not to award marks for the same statement number in more than one category.

Max 7 marks

- (b) **Explain two roles that organisations such as the Doha Convention Bureau play in the marketing process.** [6]

Candidates are required to show an understanding of the important role that organisations such as the Doha Convention Bureau play in the marketing process.

Award one mark for identifying the role, a second mark for some explanation of how this role operates and a third exemplification mark for an explanation of how this relates to business tourism

Ideas should include:

- raising awareness (1) – using marketing materials (1) to alert conference organisers of the conference facilities available in Doha (1)
- running strategic, co-ordinated promotional campaigns (1), using a range of media (1) coincide with international trade fairs etc. to appeal to conference organisers (1)
- identifying potential target markets (1), by carrying out relevant market research (1) to tailor what is currently on offer and to try to attract new customers (1) or repeat business (1)

Page 6	Mark Scheme: Teachers' version	Syllabus	Paper
	GCE O LEVEL – October/November 2010	7096	02

(c) (i) Describe what is meant by the term 'multi-centre holiday'. [2]

A package holiday (1) which provides the opportunity to spend time in two or more locations (1)
Or words to that effect.

(ii) Explain two reasons for the likely appeal to customers of a holiday such as the one advertised in Fig 4. [4]

Award one mark for each of two identified reasons for the appeal of the holiday and a second mark for further exemplification of each reason,

Reasons for the appeal of a holiday such as this one include:

- Opportunity to visit two or more locations during the same visit (1)
- Chance to experience different cultures, customs, scenery and activities in each location (1) – here the Middle East and India (1)
- 5 * accommodation (1) – association with luxury (1)
- International airline with good reputation (1)
- Cost is calculated for two people sharing a room (1) would appeal to a couple (1) no supplements required (1)

(iii) Explain how tourism providers in a country such as Qatar could develop a product/service mix to attract a wider range of customers. [6]

Candidates should explore a range of strategies that tourism providers could adopt to ensure that different customer types are attracted to a destination through the use of product differentiation.

Correct ideas include:

- Extending the product range to appeal to people from different income levels – the emphasis is currently on the luxurious end of the market, so need to consider accommodation for budget travellers and the family market
- Bring in a range of different activities to appeal to different market segments – water sports, golf, horse-riding etc. as well as activities for young children to attract the family market
- Look at how eco tourism could be offered to attract eco-tourists etc.

Use Level of Response criteria

Level 1 (1–3 marks) Candidates at this level will identify simple examples of the type of products that could be offered – this may well be in list format.

An answer that focuses on the marketing mix; max L1–2.

Level 2 (4–6 marks) At this level, candidates will offer some explanation as to why different product examples should be offered or will make reference to

Page 7	Mark Scheme: Teachers' version	Syllabus	Paper
	GCE O LEVEL – October/November 2010	7096	02

- 4 (a) (i) Identify two different types of online travel service providers referred to in Fig. 5. [2]

Online travel agents (1) or Expedia (1)

Online travel service suppliers (1) or any one from online car rental providers (1), online airline service providers (1), online hotel providers (1), online package holiday providers (1) online train service providers (1)

Max 2 marks

- (ii) Name the market research technique carried out with Internet users mentioned in Fig. 5. [1]

Research technique is primary or field
(Also accept survey/questionnaire)

- (iii) Identify and explain two reasons why frequent travellers prefer to use the direct services of travel suppliers' websites to make their travel bookings. [4]

Award one mark for identification of each of two reasons from text and a second mark for fuller explanation of each of the two reasons.

Reasons given:

- to avoid paying intermediaries' service fees (1), travel agents earn commission from the tour operators or travel principals for selling their products and services (1), the cost of this commission is passed onto the customer (1)
- suppliers promise guaranteed lowest cost (1) to entice customers to book direct (1) as this reduces the suppliers' overheads (1)
- frequent travellers quickly build up preferences of suppliers (1) therefore create brand loyalty (1) and may earn loyalty rewards if booking direct (1)

- (b) (i) Explain the term 'perishable service'. [2]

Incapable of being stored (1) has an expiry date (1), after which the customer loses his entitlement to use the product or service (1)

- (ii) Give two examples of perishable travel services, other than car rental. [2]

Examples include:

- airline tickets (1)
- train seats (1)
- coach/bus seats (1)
- ferry tickets (1)
- cruise tickets (1)
- availability of a guide (1)

Accept train/plane travel without tickets, currency exchange and insurance.

Accept any reasonable suggestions for travel **not tourism – therefore not hotel rooms or tables booked at a restaurant.**

Page 8	Mark Scheme: Teachers' version	Syllabus	Paper
	GCE O LEVEL – October/November 2010	7096	02

(iii) Explain two pricing policies that suppliers are most likely to use for perishable travel services. [6]

Most appropriate would be:

- discount pricing
- special offers/promotional pricing
- variable pricing/price discrimination
- loss leader pricing

Do not accept any other pricing policies.

Award one mark for correct identification of pricing policy from the above list and a further two marks for an explanation of how this pricing policy operates and /or why it is suitable for perishable travel services.

e.g. discount pricing (1) reduces the cost by e.g. 20% (1) near the time of departure (1) to make revenue (1)

special offers (1) buy one get one free (1) to encourage sales before expiry (1)

variable pricing (1) different prices charged at different times of the year (1) when sales are particularly slow, allows providers to make income from less popular flights etc. (1)

loss leader pricing (1) provider makes no profit from actual sale (1) but encourages customer to purchase additional ancillary products or services (1) at extra cost thus increasing profit margin on alternative services (1).

(c) Evaluate the range of factors that determine pricing policies for travel suppliers. [8]

The range includes:

- profitability
- subsidies
- competitors
- customers' expectations
- seasonality

Use Level of Response criteria

Level 1 (1–3 marks) At this level, candidates will identify, in list format, the factors that affect pricing policy from the assessment objectives but may find it difficult to describe their influence on the final price charged.

Level 2 (4–6 marks) Candidates at this level will be able to explain/analyse one or more of the factors from the list.

Level 3 (7–8 marks) Responses at this level will show that candidates are able to evaluate which of these factors may exert most influence on the price charged for travel products. At the upper end, there will be evidence of judgement or a conclusion.