CAMBRIDGE INTERNATIONAL EXAMINATIONS

Cambridge International General Certificate of Secondary Educatio

MARK SCHEME for the October/November 2

0471 TRAVEL AND TOURISM

0471/21 Paper 21 (Alternative to Coursework), maximum raw mark 100

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1 (a) (i) Using Fig.1 (Insert), suggest <u>two</u> target markets for t

- Leisure/luxury (1)
- Special interest (1)
  (Accept history/culture/religious)
- Over 55's/grey market/seniors (1)

DO NOT ACCEPT
Adventure/families/couples/honeymooners

(ii) Travel Star Worldwide offers a discount to customers combining two of its South East Asia tours. State <u>two</u> advantages to providers of making such an offer. [2]

Award one mark for each of two valid answers such as:

- Sell additional product/gain more customers (1)
- Encourages higher sale value/volume/profit (1)
- Encourages customer perception/raises awareness of the organisation (1)
- Creates brand image/brand loyalty (1)
- Gain competitive advantage (1)
- Customer satisfaction (1)

DO NOT ACCEPT
Benefits to the customer

(b) Explain how <u>three</u> fixed or variable costs may influence the price of a product such as the Cambodia's Finest Tour. [6]

Award one mark for each of three valid costs and a further mark for exemplification/explanation.

Correct answers include:

- Cost of product (1) actual cost of accommodation (1) Air ticket (1) fuel surcharges/transport costs (1) effect on total cost (1)
- Cost of advertising (1) printing brochure (1)
- Cost/wages (1) of employees/agents/guides (1)
- Cost of providing services (1) laying on entertainment (1)

Accept – applied examples

DO NOT ACCEPT
Seasonality, Competitors, Profitability

(c) Explain <u>two</u> reasons why Travel Star Worldwide might ha distribution channel for tourism products such as Camb

Award one mark for each of two valid reasons and up to two f exemplification/development. Correct answers include:

- Ease (1) The travel agent makes sure the product reache customers prefer to visit a travel agent so more sales (1) marketing (1)
- Cost (1) although agent will take commission the provide than direct selling (1) more profitability (1) reduced costs of promotion (1)
- Travel Agents offer a face-to-face experience (1) customers gain from expert knowledge (1)

Credit all valid reasoning in context.

(d) Discuss the role of <u>timing</u> in planning an effective travel and tourism promotional campaign. [9]

Candidates are expected to include some of the following factors:

- Timing is important as it determines the best point to present the promotional material.
- The timing should not be too much in advance of the product launch/or too late otherwise customers may have chosen another product/provider.
- Timing should relate to seasonality, the state of the market and competition.

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

Level 1: (1–3 marks) At this level, candidates will identify one, two or more appropriate features of <u>timing</u>. These will be mainly descriptive.

Level 2: (4–6 marks) At this level, candidates will explain one, two or more ways in which timing affects a campaign.

Level 3: (7–9 marks) At this level, candidates will evaluate the importance of timing. For 8/9 marks there must be a conclusion or judgement as to the importance of timing either in relation to other factors or as to its importance for effectiveness.

Credit all valid reasoning in context.

2 (a) (i) Give <u>two</u> reasons why Paint Experience's product sh stage of the product life cycle model.

Award one mark for each of two valid reasons. Correct a

- Demand has increased rapidly (1)
- New features of the product have been added to fulfil

Accept only one correct answer for each point.

(ii) Give <u>two</u> marketing activities that tour operators, such as Paint Experience, are likely to carry out during the research stage of the product life cycle model. [2]

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

- Customer survey (primary research)/secondary/desk research/Quantitative/Qualitative/interviews/questionnaires) (1)
- Situational analysis (SWOT/PEST, customer profiling etc.) (1)
- Product development as a result of research (1)
- Trials of product (1)

DO NOT ACCEPT
Promotion

(b) Explain the suitability of the following methods of promotion to specialist tour operators such as Paint Experience: [6]

Award one mark for a description or definition of each of the two terms and up to two additional marks for an explanation or development of its suitability.

- direct marketing: quite suitable for specialist product (1) flyer/brochure materials sent to customers on database (1) existing or potential customers (1) efficient for specialist product (1)
- billboard advertising: form of advertising large poster (1) visually very effective/captures attention of large audience (1) good for AIDA (1) very expensive for a niche market provider (1) not very good for specialist product (1)

Credit all valid reasoning in context.

DO NOT ACCEPT:
reference to direct selling, personal relationships etc.

(c) Explain <u>two</u> ways in which a marketing campaign by Pain benefit the tourism industry of Morocco.

Award one mark for the identification of each of two ways and explanatory development of each way.

Correct ideas include:

- Customer awareness (1) leads to further sales of product can help sales of other specialist products on offer (1)
- Leads to increased sale/volume (1) in wider tourist economy e.g. cafes, souvenirs (1) in secondary spending (1)
- Improved brand image (1)customer satisfaction about Morocco (1) competitive advantage (1)

Credit all valid reasoning in context.

Benefits MUST relate to the Tourism industry of Morocco not JUST Paint Experience.

(d) Evaluate the possible ways in which Paint Experience could develop its product/service mix to increase market share. [9]

Indicative content:

- Product– this can be developed to attract wider target markets. For example painting holidays for families/children. The product could be developed to include wider range of location, methods of transport. Creches could be provided for children.
- Service. This could be developed to include insurances, car hire for example, equipment hire – e.g. easels. This would help to develop the brand image and lead to increased sales.

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

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

Level 2: (4–6 marks) At this level candidates will explain one, two or more relevant products and/or services which could be developed and show how these might lead to increased sales/customer satisfaction.

Level 3: (7–9 marks) At this level candidates will analyse or evaluate the products/services in relation to market share. For top of the level (8/9 marks), there must be a conclusion/judgement as to which would be the most effective.

Credit all valid reasoning in context.

The question addresses the PRODUCT/SERVICE MIX and answers which consider the full Marketing Mix should not be credited.

3 (a) (i) Identify from Fig. 3 (Insert) <u>two</u> target markets of the ' campaign.

Award one mark for each valid target market.

Correct answers include:

- Cultural tourists/Historic/"Foodies"/Religious (1)
- School children (1) Educational groups (1)
- Tourists from Japan (1)
- Tourists who speak English (1)
- Tourists who travel by air (1)
- Tourists who like shopping (1)

(ii) Suggest <u>two</u> benefits to travel and tourism customers of market segmentation. [2]

Award one mark for the identification of each of two valid benefits.

Correct answers include:

- Customers will only be given marketing relevant to them (1)
- Customers are more likely to be made aware of products which they may wish to purchase (1)

Credit all valid answers **but do NOT accept answers which make reference to the benefits of market segmentation to travel and tourism providers.**

(b) Explain <u>three</u> marketing functions of organisations such as the Croatian National Tourist Board. [6]

Award one mark for the identification of each of three valid marketing functions and a further mark for development.

Correct answers include:

- Carry out research (1) primary/surveys to find out customer preferences (1)
- Identify target market (1) focus activities and product on this market (1)
- Choose appropriate promotional activities (1) e.g. direct marketing/advertising (1) Attend trade fairs (1)
- Raise the profile of the destination / stimulate visitor numbers (1)
- Provide Information services such as TIC (1)
- Gain competitive advantage over other countries/create brand image of the country (1)

Credit all valid reasoning in context.

N.B. Transfers, education packs, tour guides are products and not a function of marketing and should only be credited for the exemplification mark.

(c) Explain how each of the following may be used to create promotional campaign such as 'Wonders of Dubrovnik'.

Award up to two marks for the explanation of each of the two mark for its link to brand image.

Correct ideas include:

- Public Relations: this includes activities such as press rel events/interviews. (1) It creates a positive view of the pro brand image is enhanced. (1) Trade Fairs (1)
- Electronic media: this includes videos, (1) internet advertising (1) TV (1) Social Media (1) Online (1) Websites (1) Mobile technology (1) e-brochures (1) Blogs (1) Pop-ups (1). This creates awareness and gives memorable images. (1) Leads to enhanced brand image as recognisable. (1)

Credit all valid reasoning in context.

First mark must be awarded for HOW i.e. a specific named example of each. Remaining marks can be awarded for HOW and/or WHY.

N.B. specific examples must relate to Travel and Tourism.

(d) Using the AIDA model, evaluate the effectiveness of the advertisement in Fig. 4 (Insert), as a piece of promotional material in promoting tourism in Dubrovnik. [9]

Indicative content:

- Attention: the use of bold headlines-visual impact of buildings
- Interest: pictures capture interest but more varied scenes would be more interesting
- Desire: words like 'wonder' provoke desire but advert does not explain
- Action: contact details provided

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

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

Level 2: (4–6 marks) At this level candidates will apply one, two or more aspects of the AIDA model to the advert.

Level 3: (7–9 marks) At this level candidates will evaluate the effectiveness of the advert. For the top of level (8–9 marks) judgement should be made.

Credit all valid reasoning in context.

Candidate cannot be awarded **any** marks unless at least one aspect of AIDA is identified.

4 (a) Using the statement numbers from Fig. 5, complete the S choosing only <u>one</u> statement under each heading.

Strength;
2, 3, 5

Weakness;
1, 6, 7, 8

Opportunity
1, 5, 6, 7

Threat
4

Accept **only** the first answer where more than one statement number appears under any heading.

(b) Most cruise ship passengers visit Panama City for less than one day. Explain how the following aspects of the marketing mix could be used to encourage cruise ship passengers to spend more money during their visit to Panama City: [6]

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

Correct ideas include:

Product: guided tours for cruise ship passengers (1) attractions close to port (1) cafes/restaurants offering local foods (1) attractive as different from ship menus (1)

Price: special offers for cruise ship passengers (1) group rates for passengers (1) inclusive prices for attractions (1) suitable for visitors with limited time (1)

N.B.: Affordable – BOD

Promotion: Flyers/posters at disembarkation port (1) advert included in ship brochure (1) personal selling – at dockside (1) encourages people to stay in Panama City rather than return to ship for meals.

Credit all valid reasoning in context.

The second mark can only be awarded for reference in context to Panama and/or cruise ship passengers.

(c) Using Fig.5 (Insert), identify and explain <u>two</u> aspects of P appeal to foreign visitors.

Award one mark for the identification of each of two valid asp additional marks for development/exemplification of each.

Correct ideas include:

- Character of the location/natural attractions (1) beaches/ tourists who like the outdoors (1)
- Built attractions (1) Panama Canal/all famous tourist attractions (1) for example those interested in history (1)
- Access (1) cruise ship port (1) can arrive directly at Panama City (1)
- Proximity to Costa Rica (1) important Central American destination (1) two centre holiday (1)

Credit all valid reasoning in context.

(d) Assess the suitability of different pricing policies in enco occupancy rates in the beach areas of Panama.

Indicative content:

- Discount pricing: reduced price offered as sales volume i as it is perceived to be value for money.
- Variable pricing: different prices charged for age of custo attracts customers at off-peak times.
- Promotional pricing: discounts offered. These could be li appeal to new customers.
- Competitive Pricing: The beach hotels should price their product in line with those in Panama City.
- Premium/Prestige: Hotels can use the USP of beach views to charge higher prices and attract luxury tourists.
- Loss Leader: could attract greater occupancy with prices that do not include a profit margin and charge for other services e.g. spa.
- Bundling: Prices can include additional products and services rather than just the room rate.
- Psychological: Room prices can be priced at $99 rather than $100 for example.

N.B. Market skimming and penetration pricing are unlikely to be suitable for this case study, therefore do NOT accept.

Use levels of response criteria:

Level 1: (1–3 marks) At this level candidates will identify one, two or more pricing policies.

Level 2: (4–6 marks) At this level candidates will explain one, two or more pricing policies.

Level 3: (7–9 marks) At this level candidates will clearly evaluate the suitability of different pricing policies. Award top of level (8/9 marks) for judgement.

Credit all valid reasoning in context.

MUST name specific pricing policy to access marks.