

Mark Scheme (Results) Summer 2007

GCE

GCE Travel and Tourism (6996) Paper 01

Unit 10 Promotion and Sales in Travel & Tourism 6996/01

Question	Example Answer	Mark Allocation
1(a)	<p>Up to 4 marks available. 1 mark for each relevant point. e.g.</p> <ul style="list-style-type: none"> • what the customer receives after they have bought a product (1) • the organisation contacts the customer to find out if they enjoyed their stay/holiday/service (1) so customer feels valued (1) • advises the customer of ancillary services (1) such as insurance, car hire (1) • discover if the customer had encountered any problems (1) and try to help the customer resolve them (1) • deal with complaints from customer (1) e.g. like the room being dirty (1). 	4 marks
1 (b)	<p>1 mark for each suitable way. 2nd mark for detail. Repetition will not be credited e.g.</p> <p>telephone call (1) to find out if they had an enjoyable time(1)</p> <p>if they receive a complaint letter from Mr and Mrs Donaghy they would find out what happened (1) and let the couple know what will happen next (1).</p>	4 marks
1 (c)	<p>Up to 2 marks for each explanation. 3rd mark for application. Maximum 2 marks for description e.g.</p> <ul style="list-style-type: none"> • it will benefit Ely Hotels as it will create an image of a caring and professional organisation (1), which will encourage customers to return to the hotel again (1) • the customers will feel that their business was valued and appreciated (1) which will encourage them to return to the hotel (1). It gives Ely Hotel an advantage over other competitors (1) • it may generate repeat business (1) and ultimately increase sales for the hotel (1). For example people might go to another hotel in the chain (1) • the receptionist on the checkout desk asks customers about future breaks and suggests booking a sister hotel, increasing sales for the company (3) • selling an upgrade of room on arrival will increase profits for the company (2). 	4 marks

Question	Example Answer	Mark Allocation
1 (d)	<p>Up to 3 marks for each evaluation relating to the letter. Maximum 2 marks for description.</p> <p>Positive</p> <ul style="list-style-type: none"> • the letter lets customers know that the hotel cares enough about them (1) to send out a letter which creates a caring image(1) • the hotel has also offered a complimentary upgrade (1) • the upgrade is a good idea as the guests may not have considered that type of room before (1) and this might persuade them to go to the hotel again (1) and are more likely to pay for the upgrade themselves when they next come, especially if they really like the redeveloped hotel (1) • the letter is good as it tells customers that the hotel knows they have been past customers(1) and the customer feels valued (1). <p>Negative</p> <ul style="list-style-type: none"> • the information sent relates to Christmas and the New Year which might not interest them (1) • the hotel just sends a standard letter (1), it says Dear Guest and this is not personal to Mr & Mrs Donaghy (1). 	<p>Do not award marks for colour/lack of.</p> <p style="text-align: right;">6 marks</p>

Question	Example Answer	Mark Allocation
2 (a)	<p>Up to 3 marks for each reasoned response. Max 2 marks per objective for descriptive response. 3rd mark must be clearly linked to objective.</p> <p>Increase repeat business by 10% -</p> <ul style="list-style-type: none"> • send letters to existing customers (1) • emails are cheap to send (1) and if customers keep receiving them regularly from Ely Hotels they are constantly reminded of their stay and it might prompt them to book again (1) • having a special offer (sales promotion) combined with the direct mailing could be doubly effective as they are reminded of a good time (1) and now can see they can get it again cheaper (1) which will definitely help increase repeat business (1) • to get repeat business offer a loyalty card (1) where customers can gain points from staying at any Ely hotel (1), because this will encourage them to book with Ely wherever they are in the country (1). <p>Increase their proportion of customers in the 18-25 age range to 5 per cent -</p> <ul style="list-style-type: none"> • as Ely Hotels may not have these customers as repeat clients they need to advertise in different media (1) which would appeal to this age group, for example magazines such as Cosmo (1) • Ely Hotels could hold special events such as a Valentines Special Package (1) • people of this age range have less money (1) so sales promotion such as one night free if book for 2 would appeal (1) as they would be able to afford it (1). 	<p>No marks for inappropriate responses.</p> <p style="text-align: right;">12 marks</p>
2 (b)	<p>1 mark for each type of market segmentation used:</p> <ul style="list-style-type: none"> • gender (1) • socio-economic (1) • lifestyle (1) • geography (1) • ethnicity (1). 	<p style="text-align: right;">2 marks</p>

Question	Example Answer	Mark Allocation
3 (a)	<p>Maximum 1 mark for each correct 'P' given</p> <p>Product</p> <ul style="list-style-type: none"> • new limo service(1) • 4* Accommodation/Luxury accommodation (1) • Leisure Facilities (1) • state of the art gym (1) • 2 night break (1) • transfer from local railway station (1). <p>Price</p> <ul style="list-style-type: none"> • £150 (1) • midweek offer 3 nights for the price of 2 (1). <p>Place</p> <ul style="list-style-type: none"> • city centre locations (1) • country Locations (1) • book on-line (1). <p>Promotion</p> <ul style="list-style-type: none"> • Leaflet (1) • Special midweek offer (1) • Prize Draw (1) • 3 nights for the price of 2 (1) • website/internet (1). 	4 marks
3 (a)(ii)	<p>Up to 2 marks awarded for each link explained - can be linked to objective or linked between 'Ps'.</p> <p>Maximum 4 marks if not linked to booking online e.g.</p> <ul style="list-style-type: none"> • offering entry to the prize draw if they book online before 31 July - will encourage people to book so that they get the deal (2) • promotion and place are working together as the leaflet gives information about booking online so that people are advised and made aware (2) and this should increase the numbers that book online (1) • all four are not quite working together but they could. The leaflet is telling people to book online and you have to go on the website to do that so, linking place and promotion (2). The website itself is promotion but it also links with product as the customer can find details of the hotel and then if they are interested they can go and book it online (2). The customer is given details of price when making a booking. This bit doesn't help to make people book online as they are already going through the process before you find out the price (2). 	6 marks

Question	Example Answer	Mark Allocation
3 (b)	<p>Level 1 Interest rates going up will limit some people booking hotel accommodation as they wont have as much money to spend, therefore sales may decrease and Ely hotels may have to increase their promotional activities.</p> <p>Level 2 Interest rates are still relatively low but have been increasing slightly again so potential customers may have limited disposable income so promotional activities may need to focus on sales promotions, as short breaks and holidays are price sensitive and ways of reducing price may encourage people to book, particularly if introduced when interest rates changes announced.</p> <p>Level 3 As above with other factors analysed e.g. Ely Hotels could look at their database and segment their market by age or socio-economic groups. Empty nesters or people in their 50's are more likely to have paid off their mortgages and therefore are more likely not to be affected by rises in interest rates, therefore Ely Hotel should concentrate their promotional activity on these people. If the minimum wage is increased, Ely Hotels will need to attract more people or higher spending people so again direct marketing to these more affluent groups will be good in high season and they can increase hotel usage in the low season through sales promotion as it is better to have customers even if they do pay less than not to have customers at all.</p> <p>Other Factors:</p> <ul style="list-style-type: none"> • inflation in prices e.g. fuel • employment rates • exchange rates 	<p>Level 1 1 - 3 marks for basic responses mainly descriptive, mainly theoretical with limited analysis.</p> <p>Level 2 4 - 6 marks for some analysis linked to promotional activities.</p> <p>Level 3 7 - 8 marks for sustained analysis clearly linked to promotional activities and more than one factor.</p> <p style="text-align: right;">8 marks</p>

Question	Example Answer	Mark Allocation
4 (a)	<p>Up to 2 marks for each description. Maximum 1 mark for examples e.g.</p> <p>Advertising</p> <ul style="list-style-type: none"> • when an organisation pays to provide information about its products and services(1) using radio, TV, in the press and magazines (1) <p>Displays</p> <ul style="list-style-type: none"> • where promotional materials are presented in an interesting way (1) such as an exhibition or stand (1) <p>Sponsorship</p> <ul style="list-style-type: none"> • where an organisation pays to have their name associated with another company (1) e.g. TUI sponsoring Tottenham Hotspur (1). 	6 marks
4(b)	<p>Level One They have used a variety of different techniques. They have used sponsorship in NI which will raise awareness of the short break market in NI.</p> <p>Level Two They have used sponsorship but only on NI TV so not across the whole of UK. This will raise awareness of the short break market in NI but not across the UK. Postcards to existing customers could be effective as it is cheaper than posting brochure. However this won't increase awareness as they have already been.</p> <p>Level Three It is advertised through national press which means it will reach a wide audience and therefore may attract a new market thereby increasing market share throughout the UK. The loyalty promotion could have an incentive for booking early which will help them achieve their aim of maximising cash flow. However if the loyalty promotion does not include an incentive to book early then nothing in their promotional campaign specifically meets the objective of increasing early bookings to maximise cash flow. The Sales Promotion ideas will increase awareness of the short break market for customers of the supermarket and health club chain but these need to be national</p>	<p>Level 1 1 - 3 marks for basic answers mainly descriptive and theoretical.</p> <p>Level 2 4 - 6 marks for some analysis More than 1 promotional technique/material needs to be analysed.</p> <p>Level 3 7 - 8 marks for detailed analysis linked to scenario More than 1 promotional technique/material needs to be analysed Must be linked to campaign aims.</p>

	<p>chains with customers across the whole of the UK rather than just in NI to increase market share throughout the UK. The sponsorship will only raise awareness in NI as the show sponsored is only aired in NI. There has been a lost opportunity as the techniques stand alone. They should have used their database under direct marketing to tell existing customers about the loyalty promotion with the supermarket chain.</p>	8 Marks
5(a)	<p>1 mark for each correct promotional technique given. e.g.</p> <ul style="list-style-type: none"> • Public Relation (1) • Personal Selling (1) • Brochures (1) • Displays (1) • Sales Promotions (1) 	<p>No marks for materials.</p> <p>Do not accept direct marketing, advertising or sponsorship.</p> <p style="text-align: right;">2 marks</p>
5(b)	<p>Level 1 Postcard to all who have booked before. Sponsorship of TV programme. Advert in newspaper.</p> <p>Level 2 Postcard to 50,000 who have booked before (£25,000). Sponsorship of TV programme - like historical drama on a Sunday night £100,000. Advert in regional newspaper £1,000 with coupons to send for brochure as soon as it is launched.</p> <p>Level 3 Postcards, with Christmas scenes, but not to each person but to each couple who spent more that X amount. 10000x50p £5,000 Advertise in 2 national newspapers in colour on 2 Sundays at start of the launch. 2x £2500 = £5000 Have quality paper and a tabloid. In the tabloid show lots of images. Promote on website saying New for Christmas 2009 with links to each destination. No cost Press release to quality newspapers and some lifestyle magazines. No cost Sponsorship of TV programme, like a historical drama on Sunday night, for 12 weeks with voiceover £250,000 Total cost £260,000</p>	<p>Level 1 1 - 3 marks for basic responses. Answers might relate to only activities or only budget.</p> <p>Level 2 4 - 6 marks for some detail in description of activities and some reference to budget.</p> <p>Level 3 7 - 8 marks for detailed plan covering activities and budget in detail.</p> <p style="text-align: right;">8 Marks</p>

Question	Example Answer	Mark Allocation
5(c)	<p>Level 1 Postcard to all who have booked before as they know about the company and it is cheap. Sponsorship of TV programme with voice over so they know about the brochure. Advert in regional newspaper.</p> <p>Level 2 Postcard to all who have booked before as they know about the company and have had a good time so will be interested in booking again. The post card is much cheaper than sending the brochure. Sponsorship of TV programme with voice over so they can specify the brochure and where they can get it so people have the information they need.</p> <p>Level 3 If postcards are sent to everyone then a lot of money is wasted as not everyone will be in the target market so by choosing couples who have spent over a certain amount of money they are likely to be in a higher socio-economic group and people with no children or children who have left home tend to have higher incomes so targeting these people will help them with their objective of increasing revenue. It is useful to have two weeks of advertising in a Sunday newspaper to reinforce the message and capture those that don't read in the first week. Colour will make it stand out from others that always appear there. If they are featured in an upmarket Sunday paper this will help to meet their objective of improving the company's image as they will gain from association with a quality product so this is an effective use of money. If they sponsor a popular programme this will help increase revenue hopefully as many people will see their logo and it should be seen by a great many people, however unless it is a quality programme or they have a quality voiceover they will not achieve their objective of improving their image so although the voiceover is expensive it may be an effective use of money to achieve this objective. Free use of the website is cost effective and higher socio economic groups in particular have access to the internet.</p>	<p>Level 1 1- 3 marks for basic responses with limited justification.</p> <p>Level 2 4 -6 marks for some justification, either of the money and/or the objectives.</p> <p>Level 3 7- 8 marks for detailed justification covering all aspects of plan linking to objectives and money.</p> <p style="text-align: right;">8 marks</p>

Question	Example Answer	Mark Allocation
6	<p>Level 1 Alton Towers had campaigned for the new ride Charlie and the Chocolate Factory. There was TV and radio advertising and leaflets for that ride only. This means lots of people got to hear about it.</p> <p>Level 2 Alton Towers had a campaign for the new ride Charlie and the Chocolate Factory. They used a range of techniques and materials and had a large budget to work with, so included TV advertising. It may seem like a large budget but they were also launching the beginning of the season so they would have had a similar sort of budget anyway. Although the campaign was about the ride most of the materials had info about whole park which made it effective for the whole organisation.</p> <p>Level 3 As above with further analysis related to specific activities.</p>	<p>No marks for a non Travel and Tourism organisation.</p> <p>Level 1 1 - 3 marks for basic responses Maximum of 2 marks if not a promotional campaign unless some analysis, then maximum of 3 marks.</p> <p>Level 2 4 - 6 marks for analysis. Must clearly relate to a campaign.</p> <p>Level 3 7 - 8 marks for developed responses with detailed and sustained analysis.</p> <p style="text-align: right;">8 marks</p>
		Total marks for paper 90

