Mark Scheme (Results)
Summer 2008

GCE Travel and Tourism (6987) Paper 01

Unit 1: The Travel and Tourism Industry (6987)

Question	Example Answer	Mark Allocation
1(a)	Domestic 2 marks awarded for a clear definition: • where the generating and receiving destinations are within the same country (2) 1 mark for each of the following up to a maximum of two marks: • travel within the UK (1) • where you travel within the same country (1) • like London to Brighton (1) • where you go within your own country (1) • also known as internal tourism (1).	**2 marks**
	Incoming 2 marks awarded for a clear definition: • where someone comes from a generating country to arrive into a receiving country (2) 1 mark for each of the following up to a maximum of two marks: • where people come into this country (1) • where someone from abroad comes into this country (1) / like France to the UK (1). Accept answers such as "someone from England going to France is an incoming tourist to France" (2). Example used to clarify definition.	**2 marks**

Question	Example Answer	Mark Allocation
1(b)	For the example described, 1 mark for each aspect relating to: • transport • accommodation • attractions/activities • purpose eg visit family/holiday/short break/business/day trip. 1 mark can also be awarded for an example of appropriate /specific origin and/or destination. Do not accept country to country eg Wales to England. Must address at least 2 of the above aspects to gain maximum marks. e.g. • a family take their car (1) from their home in Yorkshire to Butlins in Skegness (1) • driving along the motorway and some country roads to get there (1) • stay in the holiday centre (1) • eat mainly in the holiday centre but sometimes eat out in the destination (1) • mainly stay in the holiday centre for entertainment and activities (1) • go into the resort to go to the theatre or walk along the beach (1) Examples of domestic holiday companies eg Butlins, Haven, Shearings can be credited if linked to accommodation or transport.	**4 marks**

Question	Example Answer	Mark Allocation
1(c)	1 mark for each example/way and the second mark will be awarded for the description of transport organisations making use of the internet or more detail of its use. e.g. • Make online bookings (1) for specific journeys (1) • To give out timetable information (1) • To communicate with customers (1) • Book particular seats (1) • Advertising their company (1) • To get customer details (1) • Set up a website (1) • Comparing prices with competitors (1) • Researching potential new destinations (1) • Route planning (1) to enable them to choose the fastest/shortest route to their destinations (1) ▪ e-tickets and/or e-vouchers (1). If answers are in the wrong place they can still be credited.	**6 marks**

Question	Example Answer	Mark Allocation
1(d)	1 mark for each example and the second mark will be awarded for description of transport organisations making use of new technologies. e.g. • Tacographs for coach drivers (1) • Satellite navigation systems for drivers to use (1) and plan quickest or shortest route (1) • Mobile phone (1) available on planes for customers to use inflight (1) • Seat back TVs (1) • Interactive or LCD display boards (1) • Airport security systems (1) • Self check-in machines (1) • TV/Radio Advertising (1) • Cooking facilities onboard aircraft (1) for fresh meals to be cooked to order (1). Marks can be awarded if a candidate links new technology to specific developments in transport eg A380 airbus, high speed trains/tilting trains. No marks can be awarded for vague suggestions such as faster/bigger planes/trains. No marks can be awarded for INTERNET related answers, e.g. etickets, GDS, online booking.	**6 marks**
1(e)(i)	4 marks awarded for a clear definition: e.g. • Currency fluctuations are where the exchange rates (1) change (1) between two countries (1) over a period of time (1) • Currency fluctuation are linked with exchange rates (1) when a currency goes up and down (1). Max 1 mark for example of exchange rate. • $=1.82 (1) Max 2 if e.g. of currency fluctuation. • In the last year, the dollar has moved from 1.79 to more than 1.9 to the pound (2).	**4 marks**

Question Number	Indicative Content
1(e)(ii)	**Level 1 -** If the pound is strong then less people come into this country as it is too expensive but if it is weak then tourists think it is cheap and will come. **Level 2 -** If currencies are changing all the time, tourists may be undecided about whether to come to this country because they wont know if they are going to be able to afford it. Also, some organisations, such as airlines, may not know what their expenses are going to be as some of their costs might go up or down so it is hard for them to plan. **Level 3 -** The key issue of currency fluctuations is that organisations will find it difficult to plan because tourists may not be able to plan how much money they have to spend. Tourists may have a budget to work to and with currency fluctuations they may have seen they would have enough money to spend and then suddenly as currency rates change they may have less. This may effect transport operators as customers may decide to cancel or wait to book until the rates are better for them. This may mean they lose customers and income and ultimately go bankrupt. An airline is paying for the fuel to fly to say London from New York whether the plane is full or not so if people decide not to come because of the changes they will be losing money. Also, attractions might find that even though tourists are here they have less money to spend so don't visit as many attractions or spend less when they are there. Top class hotels might find tourists looking for cheaper accommodation or when they stay they don't spend money in the restaurant or room service etc.

Level	Mark	Descriptor
Level 1	1-3 marks	Basic responses that are mainly theoretical or hypothetical with limited reasoning. Emphasis maybe on customers rather than organisations.
Level 2	4-6 marks	Reasoned responses including basic analysis with links to organisations supporting incoming tourism. Candidates may focus on only 1 type of organisations.
Level 3	7-8 marks	Analytical responses clearly linked to different types of organisations involved in incoming tourism.

Question	Example Answer	Mark Allocation
1(e)(iii)	1 mark for each relevant part of the description given up to a maximum of 4 marks. Max marks only apply if clear evidence of research. 1 mark only if external pressure named but no example given. External pressures which are acceptable: • Government Legislation (1) • Climatic changes (1) • War (1) • Civil unrest (1) • Terrorist attacks (1) • Economic climate (1) • Natural disasters eg hurricane, Tsunami (1) • Air Tax (1) • Oil/fuel price increases (1). e.g. • In January 2007 (1) there was a terrorist attack (1) in Madrid by ETA at the airport (1) and one person was killed (1). Examples of external pressures might relate to: • Iraq war (1) • Civil unrest (1) in Kenya (1) • Economic climate (1) for example the US housing market crash (1) • Terrorist attack 9/11 (1) • Climate change (1) Do not accept 'weather' • Natural disaster eg hurricane (1).	**4 marks**

Question Number	Indicative Content
1(f)	**Level 1** – They could organise their own tours to increase revenue.
	Level 2 – They could organise tours where they collect tourists from either the port of Dover or one of the London airports and then arrange accommodation in London or just outside and then put together an itinerary taking them to main tourist attractions in the south east. That way they are increasing their customer base because they are not just the coach operator for someone else but they are the tour operator with more customers as each person is their customer.
	Level 3 - As above plus this will also mean they are bringing in more money as they are not just getting money from the tour operators for the transport but now they are bringing in money for the whole tour. They could move some of their operations to the north of the country or Scotland or Wales where incoming tourism is popular. They could have a based near one of the airports and organise tours or work with local incoming tour operators. This will increase their customer base as they are now working in a new area of the country targeting different customers to those interested in visiting the south east.
	Suggestions that relate to products/services already likely to be present on 'luxury' coaches cannot be credited.
	"Charge higher prices" to increase revenue is not an acceptable suggestion.

Level	Mark	Descriptor
Level 1	1-3 marks	Basic suggestions with little/no justifications. Suggestions that do not relate to objectives. Candidate may just list product developments. Suggestions may be simple, for example "improve customer service", "advertise more", or "do special offers".
Level 2	4-6 marks	Responses that either provide detail suggestions with limited justification or basic suggestions with clear justification. Answers may relate to one objective only.
Level 3	7-8 marks	Justified and detailed suggestions related to both objectives.

Question	Example Answer	Mark Allocation

2(a)	Maximum 2 marks awarded for a clear description for each of the three examples.
	
	e.g.
	
	• In room facilities for business, laptop points and wireless internet (2)
	
	• Internet access in rooms (1) for business customers (1)
	
	• Key cards to access rooms (1)
	
	• In room entertainment (1) plasma TV, video games etc (1)
	
	• Internet booking facilities (1) online check-in (1)
	
	• Spa facilities (1) like Jacuzzis, steam baths and beauty treatments (1)
	
	• Conference facilities (1) with multimedia equipment such as videoconferencing (1)
	
	• In room luxuries (1) such as bathrobes, slippers (1)
	
	• All rooms en suite (1) with whirl pool baths (1).
	
	• Access and facilities for disabled (1) such as lifts, ramps, wider doorways, hand rails etc (1)
	
	• Facilities for babies and children such as crèche (1)
	
	• A wide range of different cuisines (1).
	
	DO NOT ACCEPT:
	
	   • Restaurants, bars or extensions unless linked to a specific product development
	
	   • Promotional activities
	
	   • Room Service (not a product).
	
	For maximum marks, examples must be appropriate to the type of accommodation in the case study.
		6 marks

Question	Example Answer	Mark Allocation
2(b)(i)	Maximum 2 marks for clear definition in relation to tourism. 1 mark will be awarded for definition only. Perishable • Where products and services have a shelf life (1) as tonight's hotel accommodation cant be sold tomorrow (1). Intangible • Product cant be touched or experienced at the time of purchase (1) like a holiday that you experience but can't pick up or hold (1) • buying a dream (1) • tourism is a service rather than a product (1).	**4 marks**

Question Number	Indicative Content
2(b)(ii)	**Level 1** – They can make more brochures and reduce prices.

Level 2 – The hotel will need to watch its availability and start reducing prices near to the day if sales are not going well. That way they can at least get some money for the hotel rooms even if it isn't as much as they would like but it is better to get some money than none at all.

Level 3 - As above plus reference to intangibility such as they could have a website that provide virtual tours with video clips of the facilities and pictures of all of the rooms so that when customers are thinking of booking they can get a clear visual image of what they will get for their money. They could also send customers a letter or email of confirmation immediately so that they have something tangible related to their booking. There could also be a reminder letter or a little souvenir nearer the date of their booking so they get excited and have something they can hold on to.

NB
Max level 2 - 6 marks if only 1 term covered. |

Level	Mark	Descriptor
Level 1	1-3 marks	Mainly basic understanding with limited reasoning.
Level 2	4-6 marks	Some detail in explanation is applied. Or candidates will give a reasoned response with limited application. Answers may focus on perishable or intangible.
Level 3	7-8 marks	Clearly explained response linked to Grand Hotel. Answers address both perishability and intangibility.

Question	Example Answer	Mark Allocation
3(a)	1 mark for each correct answer A - public sector support services B - transport operators C – travel agents	**3 marks**
3(b)	1 mark for each correct example e.g. – Thomas Cook Holidays (1) – Alton Towers (1) – Hilton Hotel (1). Accept phonetic spellings e.g. 'Thompsons'.	**3 marks**
3(c)(i)	Maximum 2 marks for clear definition in relation to the chain of distribution or a relevant example. 1 mark will be awarded for definition only. e.g. Interdependence • Where one sector is dependent upon another (1) e.g. tour operator may depend on the travel agent to sell holidays (1). Interrelationships • Where different sectors work with each other (1) by providing complementary services or to produce a single product (1) • Some companies interrelate by merging together (1), such as tour operator taking over a travel agent, so they are at more than one level of the chain (1). Do not award any marks for examples which refer to horizontal integration (but candidates can still achieve 1 mark for stating that companies merge together).	**4 marks**

Question	Example Answer	Mark Allocation
3(c)(ii)	Maximum 2 marks for each reasoned response. Up to 6 marks for clear analysis in relation to the interdependence and interrelationships of the travel agent and tour operator sectors of the travel and tourism industry. e.g. • Travel agents need tour operators otherwise they have nothing to sell (1). • Integration is one way that tour operators interrelate because with vertical integration the same organisation can have involvement in different sectors such as Thomson are both tour operators and travel agents (2). • Tour operators and travel agents can also interrelate when they come up with joint promotion for certain brochures or late deals. Through interrelationships they are both able to meet their objectives but sharing costs (2). • Tour operators depend on travel agents because without them they would find it difficult to sell their packages as customers may not know about them and even if they have a website people may need reassurance and the travel agent depends on tour operators as without them there may have nothing to sell so there is interdependency as they both depend on each other to either provide something to sell or to sell what has been produced (2) • Tour operators are not always dependent on travel agents as they can choose to sell direct to the customers (1) • Travel agents are not always dependent on tour operators as they can sell things other than package holidays such as insurance and car hire (2). **Maximum of 5 marks should be awarded where candidates have only focused on either interdependencies or interrelationships or the 'inter' aspect is not clear.**	**6 marks**

Question	Example Answer	Mark Allocation
4	Maximum 2 marks for each reasoned judgement. e.g.	
	• The statistics say that there are more than 73000 more beds made available with new cruise ships. This will have a negative effect on the accommodation sector as it is now competing with hotels in destinations (2).	
	• Transport operators, especially airlines, will benefit from the growth. Much of that will be in the USA as that is the focus of the statistics but UK airlines may also benefit as they are taking UK tourists to the US and Caribbean to participate in cruises (2).	
	• The prediction is more than 10 of 12 million are US based so still more than 2 million people from outside and these are likely to be from developed countries like the UK or European countries (1)	
	• The increase in cruising could effect travel agents positively as cruises are high revenue and more people will be booking them (2)	
	Negative effects on other sectors e.g. 'accommodation sector will lose money'. Can be credited with max of 1 mark.	
	Negative effects on transport can also be credited with max of 1 mark.	
	Effects on sectors in countries other than the UK can be credited e.g. accommodation sector in Caribbean Islands.	
	Effects on destinations rather than sectors can also be credited but with a maximum of 2 marks.	
	Maximum of 5 marks if information or statistics from the article are not used.	**6 marks**

Question	Example Answer	Mark Allocation
5	Maximum of 3 suggestions can be credited. Maximum of up to 3 marks for each justified suggestion e.g. • transport operators could put on coach transport (1) to get to London so it is cheaper than train (1) • train companies could do special deals (1) • offer low fares for those that book early (1) • they may need to offer more early morning and late evening train/tube services (1) so that people can travel there and back in a day so they don't need accommodation (1) • the tourist board or tour operators could look for local people willing to provide one nights accommodation for British people (1) so that it will be cheaper than staying in hotels (1). They could also look at boats moored along the Thames to use for accommodation (1). • Special rates or discounts for UK residents (1). • Remove or lower the congestion charge (1) to enable more domestic tourist to drive to the games (1) • Offer packages using hotels outside London (1) including coach transport to the stadium (1)which will be cheaper than staying in the city (1) • Build more cheap accommodation like Travelodge and Premier Inn (1) • Pod hotels (1) • Locals could rent out their homes (1). Answers which repeat suggestions from case study may not be credited, however, if additional products/services are suggested e.g. "renting tents and equipments" then these may be credited. Answers which relate to the UK tourism industry in general or to destinations other than London for the Olympics should be credited. Justification must relate to 'modest spending' domestic visitors but must be different for each suggestion.	**6 marks**
	TOTAL FOR PAPER: 90 MARKS	