



General Certificate of Education  
Advanced Subsidiary Examination  
January 2010

## Travel and Tourism

**TT05/PM**

Unit 5 Marketing in Travel and Tourism

### Pre-release material

To be issued to candidates on or after 1 December 2009

#### Instructions

- This material **must** be kept unmarked for use in the forthcoming examination.
- You **must** take this material with you into the examination.
- Do **not** contact the destinations and facilities mentioned in this material for more information.

#### Advice

- You should read the information contained in this booklet and become familiar with the data provided.

## MARKETING OF A REGIONAL AIRPORT

Norwich International Airport serves the whole of East Anglia – a potential catchment area of up to 4 million people. It is over 90 miles from its nearest competing airport (London Stansted). The target market is within a one-hour drive.



The airport handles approximately  $\frac{3}{4}$  million passengers per year, with 25 per cent originating from Norwich itself.

Scheduled routes in 2008 operated to Aberdeen, Alicante, Amsterdam, Barcelona, Chambery, Dublin, Edinburgh, Exeter, Geneva, Glasgow, Jersey, Manchester, Palma and Paris. A wide range of charter services also operated to popular short-haul holiday destinations in the Mediterranean and Canary Islands.

### TIMELINE

- 1963** Decommissioning of wartime RAF air base at Horsham, north of Norwich, begins.
- 1967** Air base is purchased by the local council.  
Opens as Norwich Airport Limited.
- 1969** First passenger terminal opens, making use of a refurbished RAF hut.  
Passenger numbers top 2000.
- 1970s** Passenger numbers grow – benefiting from North Sea oil and gas boom and through links with Amsterdam to reach other destinations.
- 1980s** Scheduled flights to Paris, Amsterdam, Aberdeen, Manchester, Edinburgh.  
Chartered flights to a range of Mediterranean holiday destinations.
- 1988** New terminal building opens.
- 1990** Improved road links around the airport reduce traffic congestion.
- 1990** 120-bedroom Airport Ambassador Hotel opens [now Holiday Inn].  
Control tower updated and the runway extended.
- 1992** Deregulation in the European Union gives air carriers the right to operate scheduled services between other EU countries.
- 1997** Runway is strengthened.
- 1998** Purchase of three travel agency shops from Stirling Travel.  
Government permits council-owned regional airports to borrow money commercially for all airport-related development. Expenditure no longer restricted by local government guidelines.
- 1999** Expanded terminal is opened by Neil Kinnock, EU Commissioner for Transport.  
Renamed as Norwich International Airport with new logo.
- 2000s** Flights to Aberdeen and helicopter flights to North Sea platforms reduce as rigs become automated.
- 2004** Norwich and Norfolk Councils sell the airport to Omniport, which also owns Maastricht Airport in the Netherlands.
- 2005** Overnight mail flights to and from Norwich cease.  
Norwich International Airport (NIA) begins £3.5 million terminal expansion programme.
- 2007** All passengers flying out now pay a £3 Airport Departure Fee to help raise £18 million to invest in airport redevelopment and to improve the infrastructure.

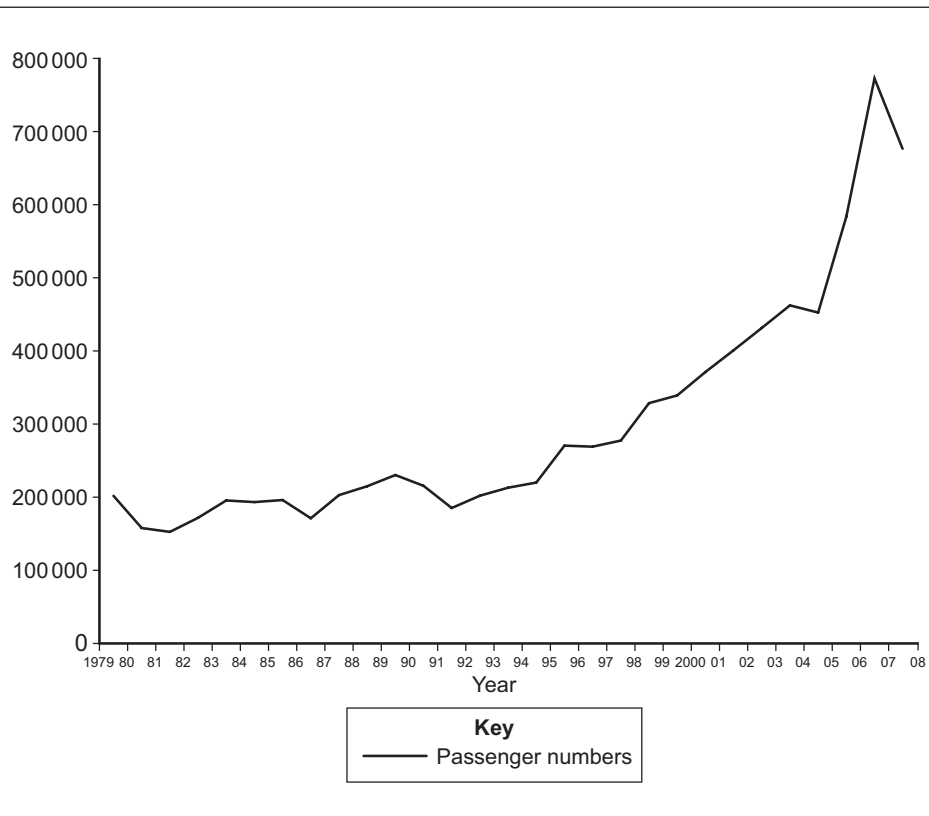


## MARKET GROWTH

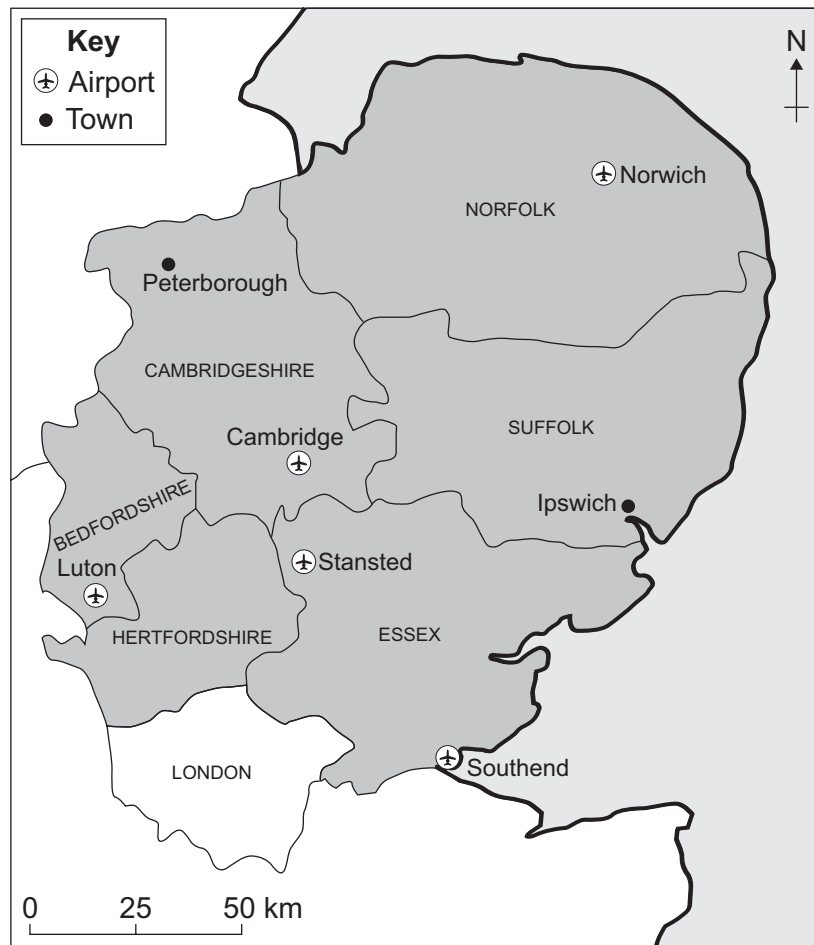
### Norwich Airport Passenger Numbers from 1979 (arrivals and departures)

Year	Passenger numbers
1979–80	201 819
1980–81	157 821
1981–82	152 549
1982–83	171 826
1983–84	195 526
1984–85	193 308
1985–86	196 112
1986–87	171 175
1987–88	202 841
1988–89	214 955
1989–90	230 318
1990–91	215 530
1991–92	185 219
1992–93	202 035
1993–94	212 965
1994–95	220 003
1995–96	270 505
1996–97	269 085
1997–98	277 453
1998–99	328 616
1999–00	339 167
2000–01	371 186
2001–02	400 887
2002–03	431 420
2003–04	462 314
2004–05	452 457
2005–06	583 639
2006–07	772 700
2007–08	680 000

Line graph showing running means of passenger numbers. A running mean smoothes the curve to show trends better.



## REGIONAL COMPETITORS



**Cambridge City Airport** is a very small regional airport with a solely business focus, three miles from the city centre. The airport provides access to the North and to the City of London.

**Southend Airport** is being revived and in 2005 saw its first flight for over ten years. Currently, it offers only a service to Jersey. London Southend Airport is part of the Thames Gateway regeneration zone. The plans provide for a new airport terminal with a capacity for handling 650 000 passengers a year from the Thames Gateway and South Essex region. Being just 37 miles from London, and having a new railway station, the airport may be well placed to benefit from the London Olympics in 2012.

**London Luton Airport**, approximately 30 miles north of London and two miles from the M1 motorway, is one of the five international airports around London. In 2005, total passenger numbers at Luton were 9.1 million, making it the UK's seventh-busiest airport. It is home to low-cost carrier easyJet alongside many other major scheduled and charter carriers.

**London Stansted Airport** is the biggest airport in the region and has railway connections with the whole of East Anglia. Since the Government decided to develop Stansted into London's third airport (to relieve Heathrow and Gatwick of congestion) and the terminal building opened in 1991, the airport has seen a rapid expansion of passenger numbers. Having 12 million passengers in 2000, the number of passengers using Stansted doubled to 24 million in seven years.

**Ipswich** A plan to convert the disused RAF Bentwaters near Ipswich into a regional airport, which would steal passengers from the airport at Norwich, was scrapped in 1998.

## LEAFLETS AND BROCHURES



## NORWICH AIRPORT TRAVEL SHOP



Turn over ►



## OUTDOOR ADVERTISING



Billboard: City Breaks from Norwich



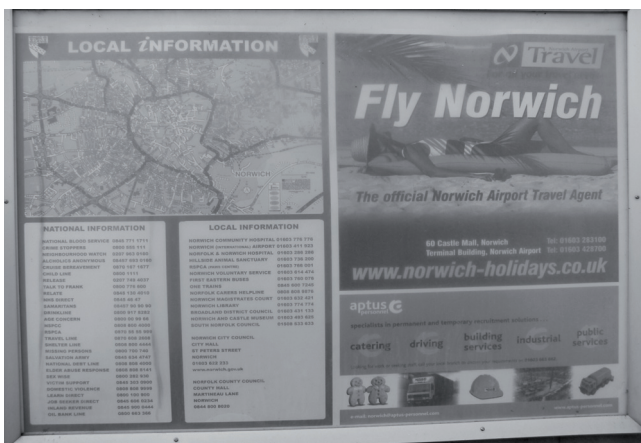
Banner: Flights from Norwich to Paris



Streetliners (bus side adverts) for winter flights



Adshels (bus shelter adverts)



Local information panel



Taxi sides

*Note* The outdoor advertising used by Norwich Airport is constantly changing, as are the destinations and flight operators concerned.

# HOW THE AIRPORT'S MARKETING BUDGET WAS SPENT OVER ONE YEAR (money amounts withheld)

APRIL	£	JULY	£	OCTOBER	£	JANUARY	£
Teletext licence Premier Holiday Show attendance Commercial opportunities rate card Newmarket Open Day + advertising Paris family trips – business and Disney Mascot production Mascot merchandise Charter brochure reprint		Operators' /airlines' networking event Long-haul promotions and advertising Youth email campaign MSc student dissertation Local Heroes support		3 × promotional days with local employers Door to door distribution 100 000 charter brochures Terminal Open Day – winter breaks and holidays Winter press and outdoor campaign e-Market research survey		Agents' stickers and posters to promote VIA NIA Schedule brochure reprint Budget for destination guide	
MAY	£	AUGUST	£	NOVEMBER	£	FEBRUARY	£
Late summer deals press and radio campaign Tour Operator support Gold Trail Agents' event advertising Schedule brochure reprint Uniforms for shows/promotion days Jersey family trip and agents incentive 3 × promotional days with local employers		Lowestoft airshow East of England Show Budget for destination guide		Family trips winter destinations Long-haul media burst Hospitality events with agents and operators		Summer campaign: Train stations, Adshells, Radio Door drop – 100 000 charter brochures TV campaign Joint operator advertising 2 × terminal Open Days plus advertising Youth email campaign	
JUNE	£	SEPTEMBER	£	DECEMBER	£	MARCH	£
Youth market – nightclub promotions B2B (business to business) hospitality/educational event B2B advertising – trade publications Golf road shows: Norfolk + Scotland Attendance at Norfolk Show Tour operator terminal Open Day 4 × shopping centre days		Charter brochure reprint Schedule brochure reprint Lapland advertising Terminal Open Day UK Xmas Markets promotion and advertising – esp. Scotland 4 × promotional days at shopping centres		Agents' event in terminal Website overhaul and improvements		B2B hospitality/educational event 4 × shopping centre days 2 × Terminal Open Days with advertising Charter brochure reprint Merchandise 3 × promotional days with local employers Airline/operator support Terminal photography	

In addition there is a budget allocation each month for charity support, website updates/amendments and e-newsletter.

## FABs

FABs are **f**eatures, **a**dvantages and **b**enefits.

Notable **features** of Norwich International Airport are that it has a small terminal and relatively few flights a day. The **advantage** is that the passenger can park a car, walk the short distance to the terminal, pass through check-in and security quickly, and walk to the plane. The **benefit** to the customer comes from saving a lot of time compared with using the London airports. This benefit meets a real customer need and is similar to a USP, although it is not one that the Airport can overemphasise, since external factors can cause unforeseen delays. Average delay time at Norwich is no better than at other airports.

## PRICE

Price is important. When asked in a 2006 survey to list the factors that determine their choice of flight and airport, adults said that the following were the most important:

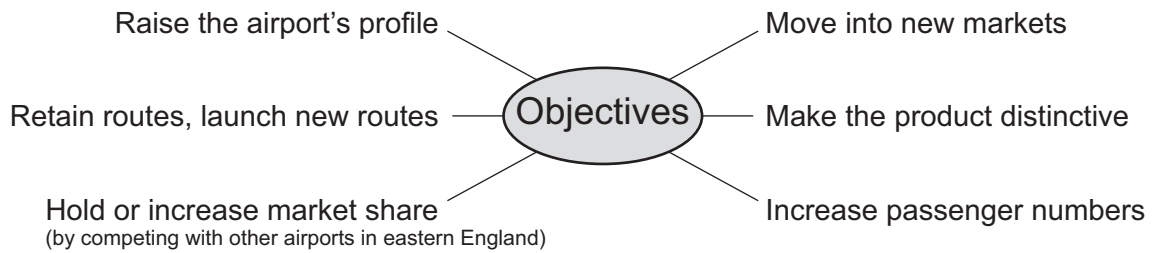
	% given as a response
Price	22.6
Convenience of airport	10.7
Convenience of timing	4.5
Personal experience	2.9

## Is using Norwich Airport cheaper?

YES!	NO!
<p><i>"The True Cost of Travelling"</i></p> <p>A businessman is travelling from Dereham, Norfolk, on a 3-day return trip. Taking into account ....</p> <ul style="list-style-type: none"> <li>❖ mileage,</li> <li>❖ travelling time,</li> <li>❖ car parking charges,</li> <li>❖ check-in time,</li> <li>❖ collecting baggage,</li> <li>❖ driving home.</li> </ul> <p>VIA NORWICH AIRPORT £63.25</p> <p>VIA LONDON HEATHROW £364.30</p>	<p><b>Newspaper asks 'are we paying too much to fly from Norwich Airport?'</b></p> <p>The <i>Norwich Evening News</i> asks 'are we paying too much to fly from Norwich Airport?' The newspaper details the case of a husband and wife who have turned their backs on flights from Norwich International Airport because they claim the taxes the airline puts on its flights make it cheaper to travel more than 80 miles to Stansted Airport.</p> <p>Airport bosses and Flybe insist Norwich offers the better deal for passengers, despite the heftier taxes, because of the convenience of jetting off so close to home. But some regular travellers told the newspaper that taxes on the Flybe flights from Norwich mean they were not as cheap as they had hoped and they were considering reverting to flying from Stansted.</p>



### Norwich International Airport: some marketing objectives



## SOME MARKETING AND PROMOTIONAL TECHNIQUES

Multi-media advertising is targeted to reach the desired audience.

Customers from the database are regularly sent publications detailing services and new destinations. Joint promotions and B2B (business to business) activities build up working relationships between Norwich International Airport and travel agencies within the catchment area, and with tour operators.

Public relations are an important part of the strategy, raising the profile of both the airport and the services provided by airlines and tour operators. Press releases are regularly sent to local, national and trade press.

### Travel Norwich Airport

Travel Norwich Airport (TNA) is a 100% owned subsidiary of Norwich Airport Limited. It operates two highly successful independent travel agencies in Norwich, one in the airport terminal building and one in the main shopping mall in Norwich City Centre.

The TNA travel agencies are popular with the East Anglian population and command considerable local loyalty which is borne out by high numbers of repeat bookings. Through the TNA travel shops and the TNA website, many customers book their holidays, short breaks, ski packages and scheduled flights from Norwich International Airport.

[www.norwichairporttravel.co.uk](http://www.norwichairporttravel.co.uk)

#### Websites

[www.norwichairport.co.uk](http://www.norwichairport.co.uk)  
[www.norwich-holidays.co.uk](http://www.norwich-holidays.co.uk)  
[www.via-nia.com](http://www.via-nia.com)

*Radio and TV promotions*

*Sales campaigns*

*Banners and posters*

*Leaflets*

*Stickers*

*Charter and scheduled  
flights brochures*

*Destination guide*

*Participation in trade shows,  
exhibitions and events*

*Open Days*

*Public relations*

*Press releases*

*Charity support*

Turn over ►

## MARKETING TO OTHER TRAVEL AND TOURISM ORGANISATIONS

There are two sides to marketing the airport – marketing to organisations that will set up flights and marketing to the travelling public. Thus airports have two potential sources of income:

### *Aviation revenues – including:*

- Passenger charges – a fee per passenger to cover security, use of terminal, fire services
- Levies on departing passengers and baggage handling charges
- Take off, landing and runway movement charges made on aircraft
- Aircraft handling and parking charges

### *Commercial revenues – including:*

- Retail operations (tax-free and tax-paid)
- Catering
- Bureau de change
- Car parking
- Car rental
- Transport operations
- Property services
- Media sales

Norwich Airport seeks to secure contracts with airlines and tour operators to fly from Norwich. Like all regional airports, it publishes its charges, which at the time of writing were:

£	Norwich	Leeds/ Bradford	Coventry	Liverpool	Durham / Tees Valley	Bournemouth	Bristol	Belfast
<b>Standard Landing Charge per tonne</b>	<b>16.26</b>	<b>13.18</b>	<b>15.00</b>	<b>18.10</b>	<b>15.30</b>	<b>16.54</b>	<b>16.60</b>	<b>21.10</b>
<b>Passenger Load Supplement (PLS) international</b>	<b>14.98</b>	<b>11.60</b>	<b>9.00</b>	<b>15.45</b>	<b>15.05</b>	<b>9.25</b>	<b>13.65</b>	<b>14.85</b>
<b>PLS domestic</b>	<b>8.34</b>	<b>5.97</b>	<b>5.50</b>	<b>6.35</b>	<b>10.40</b>	<b>5.00</b>	<b>N/A</b>	<b>10.55</b>
<b>Passenger security charge</b>	<b>5.98</b>	<b>2.83</b>	<b>3.00</b>	<b>2.65</b>	<b>N/A</b>	<b>5.50</b>	<b>3.70</b>	<b>4.15</b>
<b>Parking 65 tonne (e.g. Boeing 737)</b>	<b>124.88</b>	<b>69.71</b>	<b>170.00</b>	<b>96.50</b>	<b>97.50</b>	<b>78.00</b>	<b>88.50</b>	<b>331.50</b>

A charge is payable for each aircraft turnaround to cover aircraft marshalling and taxiing, fuelling, de-icing, towing, aircraft cleaning, use of ground power unit, air start unit, pushback, water and toilet services; plus other standard apron services including provision of passenger steps, passenger and baggage, transit to/from terminal, catering turnaround, deportee support, fire services, airside car parking, staff passes, etc.



## AN ONLINE MARKET RESEARCH SURVEY

SECTION A		Age group	How frequently do you use this airport?
Gender	<input type="radio"/> 0 – 17 <input type="radio"/> 18 – 30 <input type="radio"/> 31 – 45 <input type="radio"/> 46 – 60 <input type="radio"/> over 60	<input type="radio"/> First time <input type="radio"/> 1 to 3 visits per year <input type="radio"/> 4 to 10 visits per year <input type="radio"/> more than 10 visits per year	
<input type="radio"/> Male <input type="radio"/> Female			

Tell us whether the following features were above or below or met the standards you expect at this airport

SECTION B Arrival and Departure	ABOVE my expectations	BELOW my expectations	MET my expectations	Not applicable or no opinion
Queueing for check-in facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Baggage screening	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Security screening efficiency	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Baggage delivery carousel time	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Choice and prices of food and drink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Choice and prices of tax-free shopping	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Terminal cleanliness	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Directions and signs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Flight information screens	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loudspeaker announcements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Baggage trolley availability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comfort of lounge seating	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please tell us how important the following items are to you

SECTION C Customer Profile	VERY important	FAIRLY important	FAIRLY unimportant	VERY unimportant
Going abroad at least once per year	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Weekend breaks away from home	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Active leisure pursuits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Theatre or opera visits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Eating out at good restaurants	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reading a daily newspaper	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Using a credit card to make purchases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Recycling everything I can	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Buying well-known, tried and trusted brands	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A top of the range car	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Private medical insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Home delivery by supermarkets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Environmentally-friendly products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Browsing the internet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Thank you for taking part. Please click here to send your answers back to us

[Send](#)

Turn over ►

## THE BUSINESS ENVIRONMENT OF UK AIRPORTS

<p><b>POLITICAL FACTORS</b></p> <ul style="list-style-type: none"> <li>• Government control, licensing, legislation, e.g. competition law, consumer protection.</li> <li>• Statutory requirements.</li> <li>• Local planning decisions.</li> <li>• Increased security measures.</li> <li>• Deregulation of the airline industry by the EU in 1992.</li> </ul>	<p><b>ECONOMIC FACTORS</b></p> <ul style="list-style-type: none"> <li>• Affordability of air travel.</li> <li>• Rate of inflation (4.2% in 2008).</li> <li>• Price of aviation fuel.</li> <li>• Unemployment rate.</li> <li>• Cyclical nature of travel and tourism; growth followed by downturn.</li> <li>• Taxes levied on air travel.</li> </ul>
<p><b>SOCIAL FACTORS</b></p> <ul style="list-style-type: none"> <li>• Population growth. UK population is 60 million and rising by 1 million by 2011.</li> <li>• Increased popularity of air travel. Percentage of people who have travelled by air at least once is 48% (2006 figure).</li> <li>• Bringing home experiences of foreign travel adds to interest in travelling abroad.</li> <li>• Constant prompts to travel (magazines, press, TV).</li> <li>• Growing desire and propensity to fly.</li> </ul>	<p><b>TECHNOLOGICAL FACTORS</b></p> <ul style="list-style-type: none"> <li>• Wider range of ticketing options.</li> <li>• Improvements to baggage handling, in-flight experience, etc.</li> <li>• Planes with lower carbon emissions.</li> </ul>

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Page 8 bottom right hand box – [www.uk-airport-news](http://www.uk-airport-news)

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