

Centre Number	Candidate Number	Name
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CAMBRIDGE INTERNATIONAL EXAMINATIONS
Cambridge Career Award in Travel and Tourism
Standard Level

TRAVEL AND TOURISM

5252/01

Marketing and Promotion

May 2003

Candidates answer on the Question Paper.

2 hours and 30 minutes

No Additional Materials are required.

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.
Write in dark blue or black pen in the spaces provided on the Question Paper.
You may use a soft pencil for any diagrams, graphs or rough working
Do not use staples, paper clips, highlighters, glue or correction fluid.

Answer **all** questions.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [] at the end of each question or part question.

If you have been given a label, look at the details. If any details are incorrect or missing, please fill in your correct details in the space given at the top of this page.

Stick your personal label here, if provided.

For Examiner's Use

To use as needed

This document consists of **11** printed pages and **1** blank page.

- 1 The Hawaiian Tourist Authority has the objective of "developing Hawaii as the world's most desirable visitor destination with a unique and diverse range of facilities, services and activities that reflect the host Hawaiian culture and the population of the islands".

Developing an effective state tourism strategy is important in meeting this objective, and so is the role played by marketing and promotion.

- (a) Identify **three** ways in which strategic product development will benefit the Hawaiian Tourist industry.

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..... [3]

- (b) Providing new tour packages is one example of how the product mix in Hawaii can be changed using marketing and promotion.

- (i) Suggest **one** other example of how the product mix may be improved.
- [1]

- (ii) Describe the possible impact that this improvement might have on tourists to Hawaii.
-
- [2]

- (c) The Hawaiian Tourist Authority used a situation analysis to identify the strengths, weaknesses, opportunities and threats within their market position.

Some of the results from this analysis are given below.

Results of Situation Analysis	
A)	Research shows continued growth in the golf, adventure tourism and honeymoon market segments worldwide.
B)	The visitor industry in Hawaii is not fully integrated into the host culture.
C)	Many local events are world-class activities.
D)	There is growing competition in Hawaii from the cruise industry. The average growth rate in cruise ship passengers is 10% per year.
E)	The Aloha Spirit is recognised worldwide as a unique Hawaiian characteristic.
F)	Government regulations limit the development of an ecotourism product in Hawaii.
G)	There are no theme parks currently in Hawaii.
H)	The average American visitor shows an interest in historical and cultural attractions.

- (i) Give the letters from the statements on the previous page to identify which factors are **within** the control of the tourist industry of Hawaii.

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..... [4]

- (ii) Give the letters from the statements on the previous page to identify which factors are **beyond** the control of the tourist industry of Hawaii.

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..... [4]

- (d) The Hawaiian Tourist Authority wishes to conduct a PEST analysis to discover the political, economic, social and technological influences within the tourism industry.

Use the following statements to identify either positive or negative influences. Write the numbers of these statements in the correct place in the table below.

- 1 Hawaii is well positioned in the Asia-Pacific region. All islands give an atmosphere of relaxation and romance. The Government of the islands is relatively stable.
- 2 US residents spend \$304 billion on gambling activities, but Hawaiian residents do not view the gambling habits of US tourists as a welcome contribution of tourism.
- 3 8% of total visitor numbers to Hawaii are people travelling on business, contributing nearly \$2 million, with an average visitor spend of \$418 per person per day.
- 4 The tourism infrastructure is well developed. The Government encourages hotel development and increased travel services.

	Positive (+)	Negative (-)
Political		
Economic		
Social		
Technological		

[4]

(e) Market research is an important tool, which will enable the Hawaiian Tourist Authority to identify new products and services in order to attract more visitors.

(i) Give **three** examples of primary research techniques which the Tourist Authority might use with existing and potential visitors.

1

2

3 [3]

(ii) Provide **two** examples of secondary data sources which the Tourist Authority might use **and** give one disadvantage of each.

Example 1

Disadvantage

Example 2

Disadvantage [4]

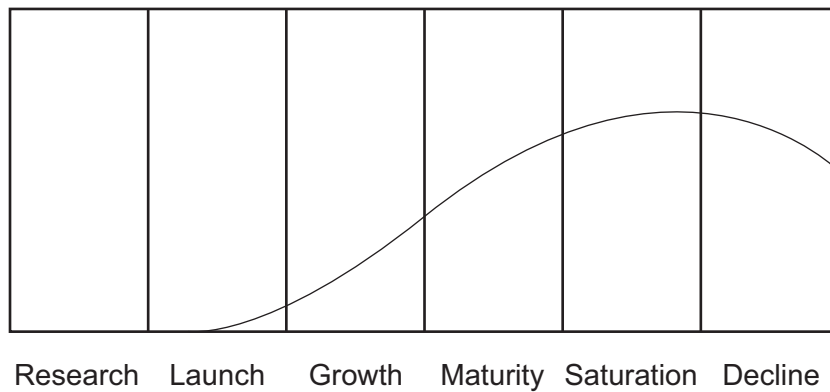
Question 2



South African, Mark Shuttleworth, set off into space towards the International Space Station on April 25, 2002. Shuttleworth followed in the footsteps of Space Adventures' first orbital space flight client -- and the world's first space tourist -- Dennis Tito, who flew to the ISS in April 2001. Both space tourists paid an estimated \$20 million for their experiences with Space Adventures.

- (a) (i) On the product life cycle graph below, circle the word which best identifies where space tourism should be placed.

Product Life Cycle



[1]

- (ii) Explain why you chose this stage.

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..... [2]

- (b) (i) Identify whether space tourism is a product or a service.

..... [1]

- (ii) Explain the main differences between travel and tourism products and services.

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..... [4]

(c) Discuss the brand image created by the Space Adventures organisation for their space tourism product.

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(d) Price is an important part of the marketing mix, but the cost of space travel is still high.

(i) Explain which pricing strategy Space Adventures used with its first two space tourists.

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(ii) Describe the factors which will affect Space Adventures' long term pricing policy.

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Question 3

Disneyland Hong Kong

Following several months of speculation and rumour, the Walt Disney company has finally announced that the third international location for a major Disney Theme Park is to be Hong Kong, located on a 310-acre Disney theme park on Lantau Island, a few minutes from the new Hong Kong International Airport in China. The project is expected to be completed and ready to open to visitors in 2005.

- (a) List the factors which influenced the Walt Disney company's choice of location for the third international Disney Theme Park.

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- (b) Explain the range of distribution channels the Walt Disney company could use to make the products and services of Disneyland Hong Kong available to its customers.

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(c) Suggest **three** methods of promotion that Disneyland Hong Kong could use to attract customers after it opens in 2005. Give reasons for your choice of promotion.

Method 1

Reason for choice

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Method 2

Reason for choice

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Method 3

Reason for choice

..... [6]

(d) Identify **three** factors which will influence the Walt Disney company's choice of promotional material for Disneyland Hong Kong.

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..... [3]

4 A Market Research company in New Zealand was employed to examine the typical holiday booking behaviour of 1000 inbound tourists in June 2001. The information from the survey was used to identify specific market segments within New Zealand's travel and tourism industries. The following demographic information was considered:

Demographics

- Gender
- Age
- Region
- Area Type (Metropolitan, provincial, rural)
- Work status (Full time / part time etc)
- Personal Income
- Household Income
- Home Ownership Category
- Education Level
- Ethnicity

(a) (i) From the above list, identify **two** characteristics associated with geographic segmentation.

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..... [2]

(ii) Identify **three** characteristics from the list, which are normally associated with socio-economic segmentation.

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(iii) Explain how New Zealand's tourism providers might use demographic information to meet the needs of different holiday market segments.

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(b) (i) Describe the needs and expectations of an independent backpacker travelling within New Zealand.

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..... [4]

(ii) Describe the needs and expectations of a group of holidaymakers on an organised coach holiday in New Zealand.

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..... [4]

(c) Explain how differentiated travel products and services in New Zealand would benefit both the tourist and tourism providers.

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..... [6]

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Copyright Acknowledgements:

Question 2

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