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Pearson BTEC Level 1/
Level 2 First Certificate/
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Centre Number

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Learner Registration Number

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Thursday 23 May 2019

Afternoon (Time: 1 hour)

Paper Reference **21627E**

Travel and Tourism

Unit 7: Travel and Tourism Business Environments

You do not need any other materials.

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and learner registration number.
- Answer **all** questions.
- Answer the questions in the spaces provided
– *there may be more space than you need.*

Information

- The total mark for this paper is 50.
- The marks for **each** question are shown in brackets
– *use this as a guide as to how much time to spend on each question.*

Advice

- Read each question carefully before you start to answer it.
- Try to answer every question.
- Check your answers if you have time at the end.

Turn over ►

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Answer ALL questions.

Some questions must be answered with a cross in a box ☒. If you change your mind about an answer, put a line through the box ☒ and then mark your new answer with a cross ☒.

1 Travel and tourism businesses need to respond to changing trends.

(a) The declining youth market is an example of which type of trend?

(1)

- A Seasonal
- B Integration
- C Holiday
- D Demographic

(b) Give **one** example of a cultural trend.

(1)

Travel and tourism businesses may need to respond to unforeseen events such as natural disasters and human-influenced events.

(c) Identify **one** natural disaster.

(1)

- A Socio economic
- B Volcanic eruption
- C Overseas function
- D Market segment

One example of an unforeseen human-influenced event is industrial strike action.

(d) Give **one other** example of an unforeseen human-influenced event.

(1)

(Total for Question 1 = 4 marks)

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2 One economic trend is changing levels of employment.

Changes in tourism employment from 2009 to 2014

Industry group	Employment (thousands)					
	2009	2010	2011	2012	2013	2014
Visitor accommodation	336	340	347	352	360	388
Food and drink serving activities	1,138	1,167	1,179	1,204	1,238	1,308
Passenger transport, vehicle hire, travel agencies	497	518	501	507	500	503
Cultural, sports, recreation, conference	692	703	695	690	709	775
Total: Tourism industries	2,663	2,728	2,722	2,753	2,807	2,975

(Source: adapted from the Annual Population Survey 2009–2014, Office for National Statistics)

Use the information in the table to help you answer questions 2(a)(i) and 2(a)(ii).

(a) (i) Identify the number of people employed in the 'Visitor accommodation' industry in 2014.

(1)

- A 336,000
- B 503,000
- C 507,000
- D 388,000

(ii) State the year that the 'Passenger transport, vehicle hire, travel agencies' industry employed the most people.

(1)

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One other economic trend is changing levels of disposable income.

(b) Explain **one** way that an increase in disposable income can affect **businesses** in the travel and tourism sector.

(2)

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(Total for Question 2 = 4 marks)

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3 Gerard is the owner of GG Taxis. The business operates in the town of Portrush in Northern Ireland.

(a) Identify the geographical scale of GG Taxis.

(1)

- A Global
- B Local
- C Seasonal
- D National

GG Taxis is a private limited company.

(b) Explain **one** disadvantage for GG Taxis of being a private limited company.

(2)

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Gerard is also one of the taxi drivers. He has decided to use an external business to do his accounting.

(c) Explain **one** advantage for Gerard of using an external business for his accounting.

(2)

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(Total for Question 3 = 5 marks)



Visits and spending in the UK by overseas visitors: by method of transport and purpose of visit 2016

Purpose of inbound visit	Method of Transport									
	Air		Sea		Channel Tunnel		Total			
	Visits (thousands)	Spending (£millions)	Visits (thousands)	Spending (£millions)	Visits (thousands)	Spending (£millions)	Visits (thousands)	Spending (£millions)		
Holiday	9,940	7,005	2,001	889	1,958	838	13,899	8,732		
Business	5,794	4,962	1,927	197	1,467	293	9,187	5,452		
Visiting friends and relatives (VFR)	9,762	4,518	911	275	893	260	11,565	5,053		
Miscellaneous	2,347	2,929	372	228	239	120	2,958	3,277		
All visits	27,842	19,439	5,211	1,591	4,556	1,513	37,609	22,543		

(Source from: <https://www.ons.gov.uk>)



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5 (a) State **one** type of business staffing structure.

(1)

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Some travel and tourism organisations may have internal departments.

(b) Identify **two** internal departments.

(2)

- A** Tangible
- B** Finance
- C** Affluent
- D** Mystery shopper
- E** Human resources

One other internal department is customer services.

(c) Give **two** functions of a customer services department within a **tour operator** business.

(2)

1.....

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(d) Identify **two** types of business ownership.

(2)

- A** Cooperative
- B** Regional
- C** Partnership
- D** Natural
- E** Niche

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A franchise is a business that trades under a known brand. Olga is a franchisee for Portman Vacations.

(e) Explain **two** advantages for **Olga** of being a franchisee for Portman Vacations.

(4)

1

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2

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Travel and tourism businesses can be influenced by government interventions, sometimes leading to an increased demand for last minute holiday bookings.

(f) Explain **one** way government interventions can cause an increased demand for last minute holiday bookings.

(2)

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(Total for Question 5 = 13 marks)



6 Prestige Air is a UK airline offering scheduled flights. The airline has a good reputation with a loyal customer base. Customers enjoy flights with free on-board meals, drinks and a free baggage allowance.

Prestige Air has had fewer bookings because of the increased demand for low-cost air travel.

Prestige Air is planning to reduce the cost of its flights to compete with the low-cost market. As part of this change, passengers will have to pay extra for meals, drinks and baggage.

(a) Explain **two** reasons why competing in the low-cost airline market may be a business risk for **Prestige Air**.

(4)

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Prestige Air uses a number of European airports. Strike action by staff at one of these airports has been announced at short notice.

- (b) Explain **two** reasons this strike action could provide an opportunity for travel and tourism **businesses** in the UK.

(4)

1

2

(Total for Question 6 = 8 marks)



7 Young@heart is a UK tour operator that specialises in providing group tours and package holidays worldwide for people over 50 years old.

(a) Explain **two** different products that **Young@heart** could develop for the over 50s.

(4)

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(Total for Question 7 = 12 marks)

TOTAL FOR PAPER = 50 MARKS



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