

# UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS

Cambridge International Diploma Standard Level

## MARK SCHEME for the October 2005 question paper

### CAMBRIDGE INTERNATIONAL DIPLOMA

**5252 Marketing and Promotion, maximum mark 100**

This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which Examiners were initially instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began. Any substantial changes to the mark scheme that arose from these discussions will be recorded in the published *Report on the Examination*.

All Examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes must be read in conjunction with the question papers and the *Report on the Examination*.

- CIE will not enter into discussion or correspondence in connection with these mark schemes.

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Question	Answer	Mark	A.O.
1 (a)	Primary research or field research.	1	1.2.1
(b) (i)	Quota sample.	1	1.2.1
(ii)	Characteristics include: it is judgemental – the interviewer selects the respondents based on a control e.g. age or gender. Not probability sample – not everyone has an equal chance of being interviewed. Use of “stereotype” for expected target market. Any two.	2	1.2.1
(c) (i)	The four sections are identifying Strengths, Weaknesses, Opportunities and Threats.	4	1.2.2
(ii)	<p>Use level of response criteria: Candidates are able to demonstrate their understanding of the application of SWOT analysis in a marketing environment. They will need to consider general marketing objectives such as increasing sales, gaining competitive advantage and projecting positive image.</p> <p>Level 1 (0-3 marks) Candidates experience difficulty in recognising how the identified results from SWOT can be utilised. Responses at this level tend to focus only on improving weaknesses and overcoming threats. Little or no reference is made to marketing objectives.</p> <p>Level 2 (4-6 marks) Candidates recognise that as well as improving weaknesses and overcoming threats, there is a need to use information about the strengths and opportunities to build marketing objectives. Responses at this level tend to be very generalised and make little reference to the ATC.</p> <p>Level 3 (7-8 marks) Candidates have a good understanding of how the results of a swot analysis are used to review the current position and to set targets for future improvements. The candidate attempts to apply general theory to the case study scenario of the ATC, and successfully explains the importance of using results to set specific marketing objectives.</p>	8	1.1.1 1.2.2
(d)	Positive Political = 1; Negative Social = 2; Positive Social or Technological = 3; Positive Economic = 4.	4	1.2.2

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(e)	<p>Use level of response criteria: Candidates are given the opportunity to demonstrate their understanding of the concept of global marketing and promotion through this question. Weaker candidates will rely heavily on the assessment objective information to give a standard answer; better candidates will be able to apply the concept of global marketing and promotion to the case of Australia.</p> <p>Level 1 (0-2 marks) Candidates make limited reference to the main reasons for marketing and promotion, probably in list format, taken directly from the assessment objectives and are not able to demonstrate their own real understanding of the importance these play.</p> <p>Level 2 (3-5 marks) Candidates are able to make fuller reference to list of reasons, but find difficulty in applying these to the specific case of Australia. Candidates at this level are able to appreciate that Australia's global position makes marketing important to appeal to a wider target market. Reference will be made specifically to the concept of "Brand Australia" trying to enhance the image of the product.</p>	5	1.1.1
2 (a) (i)	Prestige pricing	1	4.1.1
(ii)	<p>Use level of response criteria: Candidates can demonstrate their understanding of the relationship between demand and price in general terms here – a textbook question. Better candidates will try to relate their answers within a tourism context.</p> <p>Level 1 (0–2 marks) Candidates give brief response, possibly in bullet point format to show that more demand means higher prices and less demand, lower prices.</p> <p>Level 2 (3–4 marks) Candidates are able to explore the concept more thoroughly to show that demand and price are also linked to supply. Some attempt made to link to tourism industry.</p> <p>Level 3 (5–6 marks) Candidates give full answer with relevant examples from tourism industry and show good understanding of the relationship between supply, demand and price.</p>	6	4.1.1

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<b>(b)</b>	<p>Use level of response criteria: Candidates need to explore a range of internal and external factors that impact on prices within the applied context of an exclusive holiday resort such as Sandals.</p> <p>Level 1 (0–3 marks) Candidates find it difficult to go beyond the basic concept of a luxury resort with prestigious prices – so answer is limited to focusing on customer expectations.</p> <p>Level 2 (4-6 marks) Candidate is able to explore a wider range of factors, including profitability, and competition and use the stimulus material to comment on exchange rates but little attempt is made to refer specifically to resorts such as Sandals.</p> <p>Level 3 (7–8 marks) Candidates are able to explore a full range of factors, and apply them to the context of an exclusive resort such as Sandals.</p>	8	4.2.1
<b>(c) (i)</b>	Segmentation by lifestyle.	1	2.1.1
<b>(ii)</b>	Accept any from: romantic, quiet, idyllic, paradise, dream come true, intimate, blissful, unforgettable or similar.	1	2.2.1 3.2.2 3.2.3
<b>(d)</b>	<p>Use level of response criteria: Candidates need to explore the range of products and services of resort such as Sandals tailored to the couples market, compared with those tailored for families or singles at a resort such as Beaches.</p> <p>Level 1 (0–3 marks) Candidates find it difficult to differentiate between the products and services, and list only the basics of rooms, food swimming pools etc. for both resorts.</p> <p>Level 2 (4-6 marks) Candidates give fuller range of products and services or focus on either Sandals or Beaches, giving good range of tailored products/services.</p> <p>Level 3 (7–8 marks) Candidates are able to compare the full range of products and services tailored to meet the needs of both couples and families – romantic intimate dining as opposed to barbecues and fast food options, crèche and nanny facilities, etc.</p>	8	2.2.1 3.1.1 3.1.2 3.2.3

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3 (a)	A brand logo is a design used in the marketing process to create awareness of a company, a destination or a specific product.	1	3.2.2
(b)	Position on life-cycle model – growth. (Accept Introduction or maturity) Reason – WTO declared 2002 International Year of Eco-tourism in support of number of eco-tourism activities products and providers that have entered market over recent years. Concept is relatively new to customers but not to governments and other authorities responsible for the local environment. (1+2)	3	3.2.1
(c)	<p>Use level of response criteria: Candidates need to consider the power of brand image and its associations – product features, packaging, price, promotion and target market segments in attracting tourists. Better candidates will appreciate that a new brand might appeal to a different target market.</p> <p>Level 1 (0–3 marks) Responses at this level tend to focus on new brand = lots of adverts = more custom but do not show real understanding of the concept of branding and its impact on the market.</p> <p>Level 2 (4–6 marks) Candidates here give reasoned account of how a new brand image will appeal to different customers once they are aware of the product – but do not make the association clear.</p> <p>Level 3 (7–8 marks) Responses are full and show clarity of understanding Some attempt may be made to relate to South African scenario and the need to reposition the tourism product by way of introducing a new brand image.</p>	8	3.2.2
(d)	AIDA – Attention, Interest, Desire Action.	4	6.2.1
(e)	Customer responses include filling in coupons, telephoning a given number, making an advanced booking using published code, visiting a website, etc. Accept any reasonable answer.	3	6.1.1
(f)	Use level of response criteria: Candidates can explore the full range of promotional methods from the assessment criteria. Better candidates will be able to evaluate which methods are likely to be more effective for the South African example.	6	6.1.1 6.2.1

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	<p>Level 1 (0–2 marks) Responses at this level tend to list the different methods directly from the assessment objectives. There is some confusion over promotion methods.</p> <p>Level 2 (3–4 marks) Candidates here are able to give more full account of the different promotional methods available and start to make comparisons based on effectiveness in reaching target audiences.</p> <p>Level 3 (5–6 marks) Responses are full and show excellent understanding of the choices the South African Tourism Organisation have to make based on cost, ability to reach target audience, etc.</p>		
<b>4 (a)</b>	<p>Model 1 advantage – direct contact with supplier, cheaper prices as no middleman. Model 1 disadvantage – supplier has to raise awareness to enable direct contact to occur – high advertising costs. Model 2 advantage – travel agents act on behalf of tour operators and suppliers to entice customers thus having wider range of products on offer. Model 2 disadvantage – two sets of middlemen each wanting commission – very expensive and cost passed onto customer. (Accept any four reasoned responses)</p>	4	5.2.1
<b>(b) (i)</b>	CRS – Computer reservation system.	1	5.2.1
<b>(ii)</b>	Examples include: Sabre, Worldspan, Gemini, Amadeus, Galileo, START, Infini, Fantasia, Abacus, Axess, Southern Cross, System One, FASTRAK, ISTEEL, PRESTEL, etc.	2	5.2.1
<b>(iii)</b>	<p>Use level of response criteria: Candidates must demonstrate an understanding of how CRS work. They have the opportunity to apply their knowledge to the context of how an airline company utilises such a facility.</p> <p>Level 1 (0–2 marks) Responses at this level shows little or no understanding of the concept of CRS beyond the use of a computer to make reservations.</p> <p>Level 2 (3–4 marks) Candidates here give reasonable description of how airline companies make onscreen online bookings.</p>	6	5.2.1

	<p>Level 3 (5–6 marks) Responses are full and show clarity of understanding of the principles of using a CRS. Good use of exemplification.</p>		
(c)	<p>Use level of response criteria: Locational factors including climate, (snow) physical landscape (mountainous), population for labour, accessibility, infrastructure, character of area, cost, other local facilities, proximity of other ski resorts, etc. Candidates must assess the relative importance of each factor.</p> <p>Level 1 (0–2 marks) Basic list of factors with little or no attempt to discuss why each is important within the context of a ski resort.</p> <p>Level 2 (3-4 marks) Candidate provides more than a basic list and begins to prioritise factors according to importance.</p> <p>Level 3 (5-6 marks) Full evaluation of importance of each factor – i.e. climate and landscape powerful influence whereas labour force can be drafted in on residential basis for winter season.</p>	6	5.1.1
(d)	<p>Use level of response criteria: Candidates must demonstrate an understanding of the marketing mix. They have the opportunity to apply their theoretical knowledge within the context of developing a new ski resort.</p> <p>Level 1 (0–2 marks) Responses at this level tend to list the four components of the Marketing Mix but fail to go further to explain the significance of each component.</p> <p>Level 2 (3–4 marks) Candidates here give reasonable description of how the four components inter-relate. Some attempt is made to link to ski resort example.</p> <p>Level 3 (5–6 marks) Responses are full and show clarity of understanding of the principles of the marketing mix. Good use of exemplification.</p>	6	1.2.3