

MARK SCHEME for the May 2007 question paper

CAMBRIDGE INTERNATIONAL DIPLOMA IN TRAVEL AND TOURISM

5252 Marketing and Promotion, Maximum mark 100

This mark scheme is published as an aid to teachers and candidates, to indicate the requirements of the examination. It shows the basis on which Examiners were instructed to award marks. It does not indicate the details of the discussions that took place at an Examiners' meeting before marking began.

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 discussions or correspondence in connection with these mark schemes.

CIE is publishing the mark schemes for the May/June 2007 question papers for most IGCSE, GCE Advanced Level and Advanced Subsidiary Level syllabuses and some Ordinary Level syllabuses.

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Question No	Expected Response	Mark Allocation	Assessment Objective
1 (a)(i)	Identify <u>one</u> product that both types of accommodation provide. Accept any one from: rooms; mini bar fridge, satellite/cable TV, air conditioning, restaurant.	1	3.0
(ii)	Give <u>two</u> examples of services offered by the Angaga Island Resort. Accept any two from: massage, spa treatments, named examples of water sports, named examples of excursions.	2	3.0
(b)	Identify the target market for each accommodation provider. Target market for Angaga Island Resort: leisure travellers (accept families, couples, honeymooners, divers, snorkellers, etc.) Target market for Nasandhura Palace Hotel: Business travellers.	2	2.0 3.0
(c)	Explain <u>three</u> reasons why marketing and promotion of the island resorts is important to the tourism industry of the Maldives. Reasons for marketing and promotion of island resorts to international tourists: to increase sales, to maximise usage, to generate profit, to gain competitive advantage over other island resorts in different locations, to create a positive image of the area, to ensure customer satisfaction. (Accept any three from list with explanation of importance, e.g. increased usage secures employment for locals, generating profit to ensure income for locals and survival of business, etc.)	3 x 2	1.0
(d)	A package holiday to the Maldives is perishable. Explain what this means, giving <u>two</u> further examples of perishability in the travel and tourism industry. Level of Response: Candidates are invited to discuss the perishability of many travel and tourism products. This requires them to identify the fact that products such as a package holiday cannot be stored. If the package is not sold, the holiday cannot be transferred to a different date or a different location – it is lost. Other relevant examples include airline tickets, theatre or concert tickets, prepared food in a restaurant, etc. Level 1 Candidates at this level are unsure of the definition of the term perishability or are able to describe the four characteristics of a product in basic terms only. Examples of perishable products not linked to travel and tourism may also be included at this level. Level 2 Candidates are able to explain the concept of perishability reasonably well and give at least one relevant example other than a package holiday. Level 3 Candidates provide a full response, which offers a good explanation of the perishability quality and offers some information about how travel and tourism providers try to overcome the perishability factor through late deals, standby tickets, etc.	0–2 3–4 5–6	3.0

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Question No	Expected Response	Mark Allocation	Assessment Objective															
(e)	<p>Explain how travel and tourism providers in the Maldives can develop a nature-based tourism product in order to appeal to a wide range of customers.</p> <p>Level of Response: candidates are expected to be able to apply their knowledge and understanding of how tourism providers develop product portfolios in order to attract a wider range of different market segments. The concept of nature-based tourism products should be accessible to all candidates. Different aspects of natural resources to be promoted could include water sports, marine life and ecosystems, cruising and island hopping, photography, sunbathing, seafood cookery. Different market segments could include: honeymooners and wedding packages; luxury and spa; sun, sea and sand – family holidays; adventure sports; ecotourists; special interests – photography, seafood, etc.</p> <p>Level 1 Candidates at this level may list nature-based aspects of the area without being able to link these to the development of specific tourism product offerings. Little reference is made to different market segments.</p> <p>Level 2 Responses at this level will begin to describe the range of different market segments that nature-based products can appeal to, although there is limited coverage of how providers can develop their product portfolio.</p> <p>Level 3 Candidates at this level provide detailed and well thought out descriptions of a wide range of market segments, which might include identifying less obvious market segments that nature based products could target, as well as providing detailed examples of how a provider can put together specific packages to appeal to a diverse range of customers, including the use of brand image.</p>	<p>0–3</p> <p>4–6</p> <p>7–8</p>	<p>2.0</p> <p>3.0</p>															
2 (a)	<p>Identify <u>two</u> positive and <u>two</u> negative external influences on tourism activity within the Arabian Gulf.</p> <table border="0"> <tr> <td></td> <td>Positive</td> <td>Negative</td> </tr> <tr> <td>Political</td> <td></td> <td>1</td> </tr> <tr> <td>Economic</td> <td>8</td> <td>5</td> </tr> <tr> <td>Social</td> <td></td> <td>7</td> </tr> <tr> <td>Technological</td> <td>4</td> <td></td> </tr> </table> <p>Accept any two positive and any two negative influences.</p>		Positive	Negative	Political		1	Economic	8	5	Social		7	Technological	4		4 x 1	2.0
	Positive	Negative																
Political		1																
Economic	8	5																
Social		7																
Technological	4																	
(b)(i)	Strength = 3	1	2.0															
(ii)	Weakness = 6	1	2.0															
(iii)	Opportunity = 8	1	2.0															
(iv)	Threat = 2	1	2.0															
(c)	<p>Draw a model of the distribution channel used by the Emirates airline, clearly labelling the different intermediaries used within the chain.</p> <p>Model should include 4 levels – Principal = Emirates to Tour Operator e.g. TUI acting as Wholesaler to Travel Agent acting as Retailer to Customer. Separate chain from Principal to Customer for Direct Sales. Maximum 4 marks – 1 mark per 'link' in distribution chain – e.g. if only three levels identified in their model (tour operator to travel agent to customer, for example) award 3 marks.</p>	4	5.0															

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Question No	Expected Response	Mark Allocation	Assessment Objective
(d)	<p>Explain why different travel and tourism providers use different channels of distribution.</p> <p>Level of Response: candidates need to demonstrate their understanding of different channels of distribution and the reasons behind the decision to use different chains. These reasons will include: gaining access to a wide scale market of existing and potential customers, costs of using intermediaries, raising the profile of the organisation, etc.</p> <p>Level 1 Candidates talk in general terms and describe the different channels of distribution but make little or no attempt to consider the advantages and disadvantages of different channels.</p> <p>Level 2 Responses here begin to consider the benefits and costs of different channels from the perspective of the provider only. Responses tend to be generalised with no exemplification.</p> <p>Level 3 Candidates demonstrate a good level of understanding of the benefits and costs of different distribution channels and consider the advantages from the perspective of customers as well as providers. Good use of industry examples to support statements.</p>	<p>0–3</p> <p>4–6</p> <p>7–8</p>	5.0
(e)	<p>Identify <u>five</u> factors of location that influenced the decision to operate the new service to New York.</p> <p>Factors of location, any from: size of potential customer base; availability of staff to resource the service; availability of suitable airport facilities to accommodate service; accessibility – technological developments enabling long-haul flights; competition on route; costs – levies payable to US government; current market conditions influencing popularity of destination.</p>	5 x 1	5.0
3 (a)	<p>Give <u>three</u> reasons why the price of this flight might vary.</p> <p>Reasons for difference in price of airline ticket: different class of seat; special offers/promotional pricing; subsidies or levies; season of travel; accept any reasonable response.</p>	3 x 1	4.0
(b)	<p>Explain <u>two</u> policies relevant to the airline industry, giving appropriate examples.</p> <p>Most appropriate pricing policies = from Variable pricing; Discount pricing; Special offers; Going rate – accept any with justification. Variable pricing because of different types of passenger – e.g. business class, economy class, etc. Discount pricing because of perishability factor – stand-by tickets made available. Special offers – BA run 25% off sales campaigns from time to time to entice more off season bookings. Going rate – awareness of competitor activity and price matching as part of a price war.</p>	2 x 2	4.0
(c)(i)	<p>Identify <u>two</u> possible research techniques that the airline might use in order to collect this data.</p> <p>Research techniques might include: (Primary) on board questionnaire; interview; (Secondary) sales data; immigration and customs data: accept any two.</p>	2 x 1	2.0
(ii)	<p>Suggest <u>two</u> characteristics used in order to segment the market in this research.</p> <p>Segmentation characteristics, any from: country of origin, place of residence, age, gender, occupation, income level, ethnicity.</p>	2 x 1	2.0

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Question No	Expected Response	Mark Allocation	Assessment Objective
(d)	<p>Discuss how an effective marketing mix may be developed to enable an airline to meet the needs of different market segments.</p> <p>Level of Response: candidates need to consider how the marketing mix may be adapted to meet specific customer needs – e.g. an airline catering for business travellers needs to develop a business class product e.g. more spacious cabin area, with more personalised service than for economy class passengers. The facility to telephone, or email during the flight would be advantageous. Price could include special offers linked to frequent flyer programmes; promotion could involve direct mail and adverts in business magazines, etc. Distribution channels would involve the use of specialist business travel agents etc.</p> <p>Level 1 Candidates are able to list the 4 P's but have some difficulty in relating each component to the airline examples required. Specific characteristics of each segment might also be listed but not explained.</p> <p>Level 2 Candidates are able to offer a more detailed description of each of the 4 P's and begin to relate these descriptions to the specific market segments within the airline industry.</p> <p>Level 3 Candidates cover wide range of issues relating to how the marketing mix can be used specifically to target a particular segment. Responses might discuss how the marketing mix can be developed to enable organisations to meet the needs of a number of different market segments, or candidates may focus in detail on how the needs of one specific target market are catered for. Good use of relevant exemplification will also be included.</p>	<p>0–2</p> <p>3–4</p> <p>5–6</p>	<p>3.0</p> <p>7.0</p>
(e)	<p>Use relevant examples for this airline company in order to explain the term <i>brand image</i>.</p> <p>Level of Response: Candidates should apply their understanding of the concept of branding to the Air New Zealand organisation and its products. This should include a description of the company's logo, the livery it uses for its planes and its staff, the level of customer service associated with the product, etc.</p> <p>Level 1 Candidate shows limited understanding of the term 'brand image' and is unable to give relevant examples of what makes Air New Zealand successful. Responses at this level may use other obvious examples of brand image, not associated with the travel and tourism industry, but which show some awareness of the importance of brand image.</p> <p>Level 2 Candidates give reasonable definition of the term 'brand image' and give generalised examples of the features used. There is limited evidence of the candidate being familiar with this particular airline.</p> <p>Level 3 Responses at this level demonstrate a sound understanding of branding and how it can be best used. Specific examples are given relating to the strong and positive image of Air New Zealand.</p>	<p>0–3</p> <p>4–6</p> <p>7–8</p>	<p>3.0</p>

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Question No	Expected Response	Mark Allocation	Assessment Objective
4 (a)	<p>Give three examples of marketing communication used in the 'Totally London' campaign.</p> <p>Marketing communications mentioned include: national press advertising, promotional offers, the Internet, promotional DVD – accept any three.</p>	3 x 1	6.0
(b)	<p>Assess the impact that the national press advertising campaign may have on visitor numbers to London.</p> <p>Level of Response: candidates need to consider how a national advertising campaign may affect visitor numbers to London. They will need to consider how additional offers such as 2 for 1 and discounted offers run in the press will influence decisions to visit London. Better candidates will realise that this national campaign will only affect domestic visitors.</p> <p>Level 1 Candidates will make simplistic comments about visitor numbers increasing as a result of increased awareness.</p> <p>Level 2 Candidates at this level will use information from source material to suggest likely increase in numbers of visitors by deducing that national campaign will attract domestic visitors only.</p> <p>Level 3 Candidates at this level will also consider reasons behind the national advertising campaign and make links to international events which may have caused a drop in visitor numbers, e.g. London public transport bombings in 2005, etc. The campaign focuses on increasing domestic visitor numbers for off peak periods. Candidates may refer to disadvantages of limited readership of a particular paper, the cost implications as well as a comparison with other types of media which could have been used to reach a larger number of potential customers.</p>	<p>0–2</p> <p>3–4</p> <p>5–6</p>	6.0
(c)	<p>Describe the appeal of this type of marketing of travel and tourism products.</p> <p>Appeal includes: interactive, real life pictures, younger generation attracted by mobile technology, immediacy of information transfer, objectivity of information about resorts, hotels, etc. – removes the subjectivity of travel agents own opinions, etc. – accept any reasonable responses).</p>	3 x 1	6.0

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Question No	Expected Response	Mark Allocation	Assessment Objective
(d)	<p>Analyse the factors affecting the production of the promotional materials to support the ‘Totally London’ campaign.</p> <p>Level of Response: candidates are asked to apply their understanding of the factors of importance in producing effective promotional campaigns to the case study of the London Tourist Board.</p> <p>The type of factors that should be analysed include: budget restrictions, target audience, timing of campaign, clear identification of product details, selection of most appropriate promotional material, placement of finished promotional material, use of AIDA, competitors’ activities, corporate image.</p> <p>Level 1 Candidates list factors taken straight from the assessment objectives. There is limited attempt to explain their significance and only brief reference made to the London Tourist Board. There may be specific reference made to the actual design of the promotional material – e.g. colours used, font sizes, etc.</p> <p>Level 2 At this level, candidates are able to describe each of the factors and begin to make judgements about how important different factors might be.</p> <p>Level 3 Responses at this level demonstrate a full understanding of the range of factors that an organisation responsible for leading a promotional campaign, such as London Tourist Board, has to take into consideration. There is a good attempt to classify how significant each factor might be in the decision-making processes involved in organising and running such a campaign.</p>	<p>0–3</p> <p>4–6</p> <p>7–8</p>	6.0
(e)	<p>Suggest how the marketing mix for London as a tourist destination might be developed as a result of the ‘Totally London’ campaign.</p> <p>Level of Response: Candidates need to demonstrate an understanding of the marketing mix. They have the opportunity to apply their theoretical knowledge within the context of a popular city destination.</p> <p>Level 1 Responses at this level tend to list the four components of the marketing mix but often are unable to go further in explaining the significance of each component. Little attempt is made to link to the London scenario.</p> <p>Level 2 Responses here describe the four components and show clarity of understanding of the principles of the marketing mix, with good exemplification using the London scenario.</p>	<p>0–2</p> <p>3–5</p>	7.0