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# Introduction to Travel, Tourism and Hospitality

## NQF

### Subject Examiner's Report

**Unit Title:** Introduction to Travel, Tourism and Hospitality

**Unit Code:** 3ITTH

**Session:** June 2016

## Question 1

### Question wording

- (a) (i) Define the term 'infrastructure'.  
(ii) Describe the three key components needed for a successful tourist destination.
- (b) Explain, using examples, why the 'security environment' is increasingly important in tourism.

*Learning Outcome 4: Outline the key international travel and transport developments that have affected tourism*

*4.5 Recognise the impact of changes in the security environment*

*Learning Outcome 10: Identify the basic requirements for the development of a tourism destination*

*10.1 Identify the key components of a successful tourist destination – attractions, facilities, access*

### 1. Comments on learners' performance

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- (a) (i) The majority of learners understood the term 'infrastructure' and gave good examples to support their answers.
- (a) (ii) Answers here were more variable, with better performing learners able to clearly explain three key components of the industry whilst weaker responses showed limited understanding of what destinations need in order to be successful.
- (b) This acted as a good discriminator. The best answers demonstrated a clear understanding of the types of security threats within the industry, citing recent incidences of terrorism within tourist destinations. At the lower end of performance, learners often gave examples of generic health and safety issues, with a particular over-emphasis on the dangers associated with wild animals within game reserves.

### 2. Mark scheme

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The mark scheme worked well here, allowing for clear accreditation across the ability range.

#### (a) Instructions to markers

Award one mark for the definition of infrastructure and up to three marks for each of three component descriptions.

- (i) the basic physical and organizational structures and facilities (e.g. buildings, roads, power supplies) needed for the operation of a society/destination.
- (ii) key components of a successful tourist destination:
- attractions – things to do – e.g. visit a museum or theme park, cinemas, sporting facilities
  - facilities – accommodation and catering, e.g. full board hotel, restaurants and coffee shops
  - access – transportation and transfers e.g. airlines and shuttle buses to move tourists from one place to another

#### (b) Instructions to markers

Award one mark for each relevant point made, up to a maximum of 15, allowing for relevant examples.

- Developments in travel and transport have increased awareness about security issues
- Terrorist activity in recent decades has brought new awareness
- Transport systems are particularly vulnerable in the wake of 9/11
- Many airline incidents in past few years; missing MH370, MH17, Germanwings Flight 9525 etc have given rise to questions about airline safety and security
- Egyptian and Kenyan terrorist activity in tourist areas
- Passengers now have to go through numerous security checks as they exit a country and as they prepare to enter another country
- Passport control, with biometric technology, iris scans etc
- Screening of hand luggage, body checks and of stowed luggage
- Boarding passes being checked,
- Customs regulations regarding prohibited items

- Restrictions on liquids, scrutiny of electronics etc
- Hotels and visitor attractions use CCTV to monitor security
- Most organisations have security officials working for them
- Guards check beneath vehicles as they enter hotel parking lots
- FCO and other national organisations issue travel warnings in countries deemed to pose a risk to individual and collective security – high crime rates, political unrest, religious intolerance etc.
- Increased use of digital technology exposes risks of identity theft and risk to credit cards etc

**Accept any reasonable response**

### **3. Recommendations**

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Learners need to ensure their answers match what the question is asking.

#### **Examiner's tips**

Giving localised examples is good practice. Please ensure that examples demonstrate the breadth of your knowledge and understanding by also including some international examples, wherever possible.

## Question 2

### Question wording

- (a) (i) Define the term 'tourism'.**  
**(ii) Explain why the concepts of travel, tourism and hospitality are described as being interdependent.**
- (b) Explain why a country might develop its tourism industry for:**
- (i) Economic reasons**
  - (ii) Social reasons**
  - (iii) Cultural reasons**

*Learning Outcome 1: Define and explain the interrelationships and interdependencies between travel, tourism and hospitality and related concepts such as leisure and recreation*

*1.2 Tourism*

*1.7 Explain interdependencies between these concepts*

*Learning Outcome 2. Understand the major trends with regard to tourist movements and reasons for tourism flow patterns*

*2.5 Understand the reasons for participation in tourism – economic, social, cultural*

### 1. Comments on learners' performance

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- (a) (i)** Most learners made a competent attempt to define the concept of tourism, although at the lower end of performance, there was some confusion with recreation, or hospitality, thus overlapping the answer here with answers to the next question.
- (a)(ii)** Answers here were variable. Only a small number of learners could explain the concept of interdependency within the specific applied context.
- (b)** This was answered well by all those who attempted this question. Economic reasons were understood and exemplified more effectively than social and cultural reasons.

### 2. Mark scheme

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The mark scheme caused no issues. The instructions were clear and the indicative content was useful and relevant.

#### **(a) Instructions to markers**

Award one mark for a valid definition and up to nine marks for explanation of how the three concepts are interdependent, allowing for examples.

- Tourism is the study of man away from his usual habitat, of the industry which responds to his needs and of the impacts that both he and the industry have on the host's socio-cultural, economic and physical environments. Jafari (1990) p.36
- The sum of the phenomena and relationships arising from the interaction among tourists, business suppliers, host governments, host communities, origin governments, universities, community colleges and non-governmental organisations, in the process of attracting, transporting, hosting and managing these tourists and other visitors. Weaver and Oppermann (2000) p.458
- Travel sits alongside tourism as a key component: • Travel involves movement from place to place. This is a fundamental aspect of tourism, and in its absence there would be no tourism. Wall (2000) p.600
- Hospitality and the hospitality industry: • Friendly and generous reception and entertainment of guests or strangers. Oxford Quick Reference Dictionary (1996), p.424 • A harmonious mixture of tangible and intangible components – food, beverages, beds, ambience and environment, and behaviour of staff. Cassee (1983), p.xiv. • Commercial organisations that specialise in providing accommodation and/ or food and/or drink through a voluntary human exchange, which is contemporaneous in nature, and undertaken to enhance the mutual wellbeing of the parties involved. Brotherton and Wood (2000) p.14
- The interdependence between travel, tourism and hospitality can be explained in terms that tourists by nature must travel from one place to another; other than day visitors, all other forms of tourism involve overnight stays, which intrinsically links to hospitality and the provision of accommodation and catering. It is difficult for a tourism experience to be taken in isolation, away from travel and hospitality.

### **(b) Instructions to markers**

Award one mark for each reason identified, explained or exemplified, up to a maximum of five marks for each type.

#### Economic reasons

- to earn foreign exchange
- to boost the country's GDP
- to provide jobs for local people
- to provide local people with an income
- to provide government with taxes
- to enhance quality of living standards
- to help develop country's infrastructure

#### Social reasons

- to encourage interaction between locals and visitors
- to encourage pride in national identity
- to provide training opportunities for locals
- to improve standards of living
- to prevent migration to cities in search of employment
- and consequently to preserve traditional family make up

#### Cultural reasons

- to preserve customs, culture and traditions
- to showcase local food, dance, art, crafts etc
- to preserve local heritage for future generations
- to promote cultural understanding between different countries
- to share traditions with others

### **3. Recommendations**

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Learners need to really understand the relationship between each of the core sectors of the industry and should be able to give clear and concise definitions of all key terminology used to describe the structure of the industry.

#### **Examiner's tips**

Social impacts of tourism are not understood as well as economic and cultural impacts; it is important that learners understand the key differences between each of these categories

### Question 3

#### Question wording

- (a) Describe the early origins of tourism behaviour.**  
**(b) Outline, using examples, how political change can impact on international tourism.**

*Learning Outcome 2. Understand the major trends with regard to tourist movements and reasons for tourism flow patterns*

*2.1 Understand the origins of modern international tourism*

*4. Outline the key international travel and transport developments that have affected tourism*

*4.4 Recognise the impact of political change – reduced border controls*

#### 1. Comments on learners' performance

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**(a)** This question was not a popular choice and caused some issues, with a minority of those who attempted the question, omitting this part. The phrase 'Origins of tourism behaviour' was poorly understood by those who did attempt an answer.

**(b)** Political change as a concept was difficult for some learners, although there were also some insightful responses here.

#### 2. Mark scheme

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The mark scheme entry here was fit for purpose, giving clear guidance and useful indicative content to aid markers to credit full and partial answers.

##### **(a) Instructions to markers**

Award one mark for each key point, up to a maximum of 10 marks. Allow for exemplification and development.

- Pilgrimage is earliest form of tourism journey, especially to Buddhist sites 2000 years ago and hajj to Mecca
- During the sixteenth century, it became fashionable to undertake a Grand Tour. An extended tour of Europe was seen as an essential educational and cultural experience and many wealthy families sent their children to see the sights of Europe's major cities. Their experiences are echoed today by the hordes of backpackers and gap-year students eager to know more of the world.
- During the eighteenth century tourism for health became extremely important spa tourism - many towns developed specifically to cater for the needs of health visitors, offered mineral rich spa water for bathing; said to have healing properties for all kinds of ailments from gout and liver disorders to bronchitis. Widespread throughout Europe, especially with the wealthy
- 19th century, many seaside and mountain resorts developed with the purpose of attracting and entertaining various types of visitor.

##### **(b) Instructions to markers**

Award one mark for each relevant point made, up to a maximum of 15, allowing for relevant examples and development.

- Political change in a country can seriously impact the prospects for the tourism industry in that country.
- Radical changes in a countries politics can cause tourists to fear for their safety and, therefore, avoid a country.
- Recently, Thailand (which has various popular beach resorts) has had political unrest which, at one point, extended to the occupation of the airport in its capital. This sort of political change is likely to have negative impacts on the tourism industry.
- Political change in the tourists' home country can also have an impact on the tourism industry. Perhaps the best example of this right now would be Cuba. The restrictions on travel by US citizens to Cuba seriously reduces the prospects for that country's tourism industry.
- Not many people have been booking hotels and tours in Tunisia or Egypt at the moment, as even the appearance of instability or unrest tends to seriously discourage peoples' travel plans to a region.

- War, civil unrest, political demonstrations all have negative impacts on tourism numbers as tourists fear for their own safety in such situations.

### 3. Recommendations

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Learners need to be more familiar with the various stages in the development of the tourism industry. For many, the introduction of package holidays signified the beginning, clearly overlooking this assessment criterion altogether.

#### Examiner's tips

Key phrases from the syllabus should be visited on a regular basis throughout the learning journey – learners could make their own tourism glossary to learn vocationally specific terminology.

## Question 4

### Question wording

- (a) (i) Define the term 'tourism intermediary'.  
(ii) Describe the role played by wholesalers and retailers as intermediaries in the travel distribution system.  
(b) Explain the benefits to the customer of purchasing an all-inclusive package.

*Learning Outcome 5. Understand the role of intermediaries within the travel distribution system*

*5.1 Define tourism intermediaries*

*5.2 Identify main tourism intermediaries – travel agents, tour operators*

*Learning Outcome 8. Understand the main forms of tourism packaging*

*8.2 Identify and explain the main forms of tourism packaging – free independent travellers, group, business, all-inclusive*

### 1. Comments on learners' performance

- (a) (i) There were few issues here, with the majority of learners clearly comfortable with the use of this term.  
(a) (ii) Most learners have a general understanding of the traditional roles of tourism intermediaries although the quality of explanation here was variable.  
(b) There were some good answers here, although weaker learners are still unsure what 'all-inclusive' means and therefore did not give an applied context response.

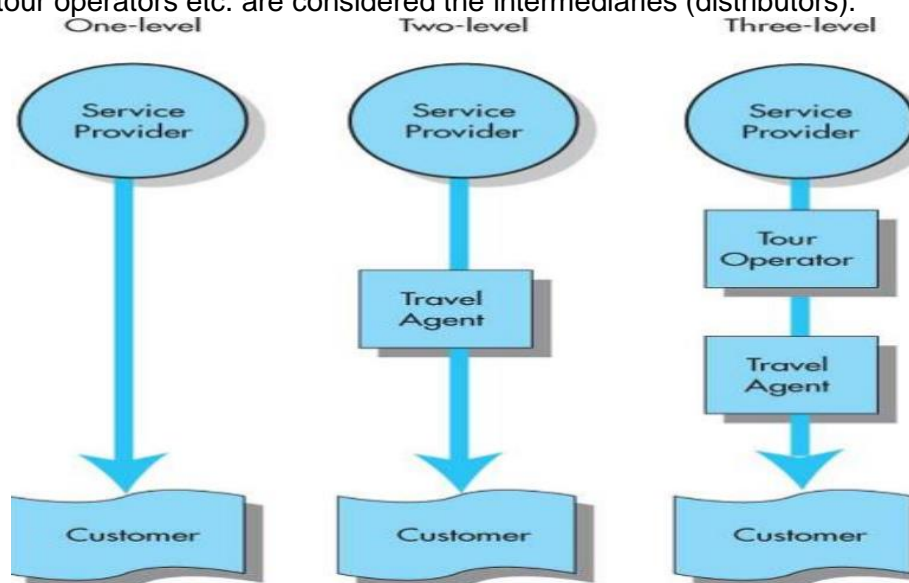
### 2. Mark scheme

The mark scheme worked effectively, allowing a flexible approach in marking developed answers. This worked to the candidates' best advantage.

#### (a) Instructions to markers

Award one mark for a valid definition and up to nine marks for a description of the roles played by wholesalers and retailers in travel distribution.

- The term intermediaries can be defined as any dealer who acts as a link in the chain of distribution (middleman) between the company and its customers. (Lubbe 2000) In the tourism industry, travel agents, tour operators etc. are considered the intermediaries (distributors).



- The tour operator in the three level distribution system acts as a wholesaler, purchasing tourism services in bulk and then marking up the price and reselling in packaged form. The Tour Operator as a wholesaler plans, prepares, markets and often operates vacation tours. They are also known as tour packagers or tour wholesalers.



- The travel agent, in both the two level and the three level distribution channel acts as the retailer. This is the most common form of tourism supplier. Travel agencies are the department stores of the travel industry

### **(b) Instructions to markers**

Award one mark for each relevant point made, up to a maximum of 15, allowing for relevant examples and development.

- all-inclusive vacations have become increasingly popular due to their convenience and affordability.
- With all meals, drinks and activities included in the price, you will have very little to spend once you reach your destination.
- So, if your idea of heaven is a beach getaway on which you can relax and enjoy being catered for, an all-inclusive trip is the perfect choice.
- All-inclusive resorts are secure, safe and offer a range of amenities, dining options and activities on site.
- There are also many resorts that are perfect for families, with children's clubs, activities and entertainment for all ages.
- Many all-inclusive resorts blend these family amenities with indulgent escapes for adults; guests at these all-inclusive resorts are a mix of families, friends and couples.
- at most all-inclusive resorts free-flowing alcoholic beverages are part of the deal but premium brands may not be; at others, your all-inclusive plan may just cover non-alcoholic beverages.
- Non-motorised water sports such as kayaking are also usually included, but motorised water sports such as jet skiing may not be.
- Tours and excursions are not generally included nor are spa services.
- All-inclusive resorts will almost always have a detailed description of their all-inclusive plan available on their website, so it pays to do your research before reaching for your wallet.
- Some resorts advertise themselves as "24-hour all-inclusive" – this means that you will have access to unlimited food and drink 24 hours a day, while resorts that are not open day and night will usually specify meal times for you to follow.
- Speaking of food, do you consider fine dining a pre-requisite for a great vacation? If so, you may want to focus your search on four- or five-star all-inclusive resorts, which offer a variety of speciality restaurants and diverse menus. Less expensive all-inclusive resorts usually feature a lot of buffet-style dining.

### **3. Recommendations**

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Many learners would benefit from studying the different forms of distribution channel in more detail. Most have an excellent understanding of direct selling via the Internet, but there still exists some confusion about the roles of tour operators and travel agents except for the very top performing candidates.

#### **Examiner's tips**

'All-inclusive' refers to the provision of food, beverages and entertainment. This does not necessarily mean things are 'cheaper' just more convenient in terms of all costs are paid up-front.

## Question 5

### Question wording

**(a) (i) Identify two public sector organisations and two private sector organisations from the tourism industry.**

**(ii) Explain how public sector and private sector organisations work together in tourism development.**

**(b) Explain why marketing is important for emerging tourist destinations.**

*Learning Outcome 10. Identify the basic requirements for the development of a tourism destination*

*10.4 Identify the marketing role in destination development*

*Learning Outcome 11. Evaluate a government's interest and involvement with main public tourism organisations at both national and international levels*

*11.2 Understand the structure of the tourism sector and the need for co-ordination at destination and national level*

### 1. Comments on learners' performance

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**(a) (i)** Answers here were variable. Some learners gave specific named examples, whereas others described types of organisations. Both types of response were credited as long as the examples given were valid.

**(a) (ii)** Most answers here were generic about partnership working. There were, however, several outstanding responses which demonstrated a thorough appreciation for the interrelationship and interdependency of organisations across the sectors within the tourism industry.

**(b)** This acted as a good discriminator. At the lower end, learners described different forms of marketing used by tourism providers. The best answers were those where learners recognised the applied context for this question; a newly emerging destination is at the introduction stage of the destination life cycle model and is therefore very reliant on marketing to establish an image for itself.

### 2. Mark scheme

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The mark scheme did not really anticipate the fact that learners might use either named examples or types of organisations in answering this question. In all other respects the mark scheme was effective.

#### **(a) Instructions to markers**

Award one mark for each correctly identified organisation, up to a maximum of four marks. Award one mark for each point made relating to public and private sector partnership working, up to a maximum of six marks. Allow for development of ideas and examples.

Public sector e.g.

- National Tourist Board
- Tourist Information Centre
- City councils

Private sector e.g.

- Hotel chains
- Airlines
- Cruise companies
- Travel agents
- Theme parks
- Public sector bodies carry out market research, to find out if destinations meet the needs of visitors
- They obtain funding to market destinations, via a national tourist board website, trade fairs, etc to domestic and overseas visitors
- Public sector organisations will enter into partnership arrangements with agents of tourism development from the private sector to develop and market a destination
- Partnership working ensures that the development is more likely to succeed, as everyone is represented in decision making
- There is the opportunity through partnership working to share costs and expertise.

#### **(b) Instructions to markers**

Award one mark for each relevant point made, up to a maximum of 15, allowing for relevant examples and development.

Marketing helps T&T organisations and destinations gain:

- increased sales - e.g. number of tours sold
- increased usage - e.g. number of visitors to a free entry museum
- profitability - private sector organisations aim to make as much profit as they can from the income generated from sales
- market share /customer base - the percentage of the overall business gained by the organisation and the total number of customers
- competitive advantage - how well the organisation is doing compared to its rivals
- positive organisational and product image - how customers perceive the organisation and the quality of its products and services
- customer satisfaction/brand loyalty/repeat business - whether customers feel they get value for money

Credit any reasonable answers

### 3. Recommendations

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It would be beneficial to give learners specific guidance on how to answer the first part of this question, i.e. if named examples are required the command verb could have been 'Name two examples'.

#### Examiner's tips

This is another example of where the glossary of key terms would have been beneficial to learners. If they were familiar with the phrase 'emerging tourist destination', this question would have been more accessible.

## Question 6

### Question wording

- (a) (i) Define the term 'pilgrimage tourism'.  
(ii) Describe the likely needs of pilgrimage tourists.
- (b) Explain the reasons why some people prefer to use the services of a travel agent when booking a holiday.

*Learning Outcome 5. Understand the role of intermediaries within the travel distribution system*

*5.3 Identify the role and function of travel agents*

*Learning Outcome 6. Recognise the key types of tourist groups and their main needs*

*6.2 Recognise main tourist groups by purpose of visit – business, leisure, visiting friends and relatives, pilgrimages, health, sport*

*6.4 Understand the main requirements of different tourist groups*

### 1. Comments on learners' performance

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(a) (i) and (ii) Not all learners were familiar with the concept of pilgrimage tourism. The second part of this question was generally answered badly, with most answers describing the likely needs of any type of visitor.

(b) This question was answered well, with most learners showing a great understanding of the benefits to customers of booking via a travel agent. Weaker learners tended to emphasise the negative aspects of other distribution channels, rather than focusing on the strengths of this channel.

### 2. Mark scheme

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Clear marking guidance and integrated flexibility in allowing developed answers caused no issues here for this mark scheme.

#### (a) Instructions to markers

Award one mark for a valid definition and up to nine marks for description of travel needs of pilgrimage tourists. Allow for examples and development of ideas.

- Pilgrims seek to strengthen and renew their faith through travel. For a tourist, travel is an end in itself. For a pilgrim, travel is a means to an end. Pilgrims travel with a clear intention, to draw closer to God.
- Pilgrimage is a journey undertaken for a religious motive. Pilgrims commonly seek a specific place that has been sanctified by association with a divinity or other holy personage. The institution of pilgrimage is evident in all world religions.

**Needs of pilgrimage tourists.** For Example, for a hajj pilgrimage:

- Direct Flight with British Airways - reliable means of transportation
- Hajj Visa included - assisted application process
- Standard accommodation - 5-6 people sharing near Jamarat with full board/ Makkah Hotel 5\* Star - Grand Zam Zam(Makkah) including B&B/ Madinah Hotel 5\* Star - Hyatt International (Madinah) including B&B
- Transport Included as per provision by Hajj Ministry - transfers and in country transport
- Ziyarat in Madinah - religious guidance
- European tents in Mina with sofa, bed, pillow, blanket / including full board
- Guidance included by fully qualified Sheikh
- Pre-Hajj Seminar included to help prepare for the journey

Allow any reasonable answers, covering a broad range of components, including transportation, accommodation, catering, visa applications, and information and guiding services.

#### (b) Instructions to markers

Award one mark for each relevant point made, up to a maximum of 15, allowing for relevant examples and development.

- Convenience - it is much more convenient to use a travel agent than doing it yourself. The travel websites have made it possible to book your trip online and to compare prices so that you can be sure

that you are getting a good deal. However, it does take a lot of time to sort through all of those sites and make all of the arrangements. With a travel agent they will do all of the work for you, greatly simplifying your life.

- Cost - it may save you money. Most people think that the best way to get a good deal is to use the online booking websites but this in fact may not be true. Often travel agents are able to get deals that are even better than the ones that are offered online. In addition, there are airlines and hotels that don't allow you to book through these sites, often they are the ones that have the best price. Therefore, you may very well save money by using a travel agent.
- Specialist knowledge - travel agents also offer the advantage of being experts in the field, they can provide you with all kinds of advice that you can't get online. For example, the travel agents know all sorts of tricks that can save you money on your trip. They are also able to use knowledge of the destination to help you. For example, they may be able to explain to you why a certain hotel is a good option and another one isn't. You would never know this if you booked your trip online, all you have to go on is the description from the website.
- There are a lot of things that can go wrong on your vacation and this is something that a travel agent can help you with. If something does go wrong your travel agent will work with you to help resolve the problem. They may not always be successful but they will be able to help in most cases. If you book online, you are going to be completely on your own if something goes wrong. Given that things are more likely to go wrong in the first place if you book things yourself this is probably not a good situation.

### 3. Recommendations

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Ensure learners have studied as broad a range of niche markets as possible. A case study approach will be advantageous here.

#### Examiner's tips

To prepare for these types of examination questions, learners should be able to differentiate customer needs according to market segmentation.

## Question 7

### Question wording

- (a) (i) Give two examples of business tourism.  
(ii) Outline the range of products and services which business tourism venues may offer.
- (b) Explain why business tourism is important to many city destinations.

*Learning Outcome Learning Outcome 6. Recognise the key types of tourist groups and their main needs*  
*6.2 Recognise main tourist groups by purpose of visit – business, leisure, visiting friends and relatives, pilgrimages, health, sport*  
*6.4 Understand the main requirements of different tourist groups*

### 1. Comments on learners' performance

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As has been the case previously, learners still find business tourism a difficult concept, with many omitting Q7 (a) (i). Responses to Q7 (a) (ii) tended to be restricted to hotels as business tourism venues, perhaps because this has been the focus of a previous question on an earlier question paper. Responses to (b) were variable. At the top end, learners understood that business tourists are high yield and that city destinations have the necessary resources for developing infrastructure. Weaker responses tended to answer this from the customers perspective i.e. why business tourists come to city destinations. These answers were not credit-worthy as they were not relevant to the question set.

### 2. Mark scheme

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There were no issues with the mark scheme, which encouraged clear differentiation by outcome across the whole ability range.

#### (a) Instructions to markers

Award one mark for each of two different types of business tourism, and up to eight marks for appropriate business tourism products and services.

- Meetings, incentives, conferences and exhibitions
- meeting rooms - dedicated area for business events
- conference centre, including large ballroom
- business services - secretarial services, faxing, photocopying
- transport services - limousine, airport transfers
- free Wi-Fi service throughout - expectation of market group.
- dining and refreshments - high calibre dining experiences

#### (b) Instructions to markers

Award one mark for each relevant point made, up to a maximum of 15, allowing for relevant examples and development.

- Growth of investment in business tourism, which includes establishing city centres, facilities of conferences and exhibitions, conference and exhibitions centres organising companies, events organising companies, suppliers of events, destinations management companies, etc.
- increased revenue opportunities of business tourism suppliers.
- Trade exchange and deals which are concluded during exhibitions and conferences.
- increases promotional activities.
- Participants are high yield and have high level of purchasing power
- Exhibitions and conferences increase the demand on tourism services and products during off peak seasons and thus provide jobs.
- Enhance tourist experience which leads tourist to extend residence period or repeat the visit.
- Enrich event calendar in the destination.
- Market and highlight potential of the destination.
- Increase the demand on services, tour operators programmes and tourist guides.

### 3. Recommendations

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Learners need to spend more time studying the role of business tourism in the industry. This is a significant growth market within the industry yet is generally poorly understood by learners.

#### Examiner's tips

Here there were two main elements to the question – firstly recognising types of business tourism (MICE) and where different business events are held; secondly understanding why business tourism usually takes place in city destinations and why tourism authorities are keen to encourage this form of tourism activity.

## Question 8

### Question wording

- (a) (i) Describe the components of a tour package.  
(ii) Outline the steps involved in developing a tour package.
- (b) Explain the relationship between cost of travel and international tourism flows.

*Learning Outcome 7. Understand the main motivational factors that influence the tourist's choice of travel*

*7.3 Recognise the impact of demographic and economic factors on travel motivation and choice*

*Learning Outcome 8. Understand the main forms of tourism packaging*

*8.2 Identify and explain the main forms of tourism packaging – free independent travellers, group, business, all-inclusive*

### 1. Comments on learners' performance

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(a) (i) was answered well by all learners who opted for this question. (a) (ii) caused some difficulties especially at the bottom end of performance, where learners seemed unsure of the roles played by tour operators and travel agents in the process.

(b) was not generally understood. Learners were able to explain a broad range of influences on price, with many outlining a range of different pricing techniques. However, the phrase 'international tourism flows' was unfamiliar to the significant majority of learners, thus affecting the overall marks gained here.

### 2. Mark scheme

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The marking guidance here was useful. The indicative content helped determine credit-worthy answers in order to discriminate across the ability range.

#### (a) Instructions to markers

Award one mark for each of four main components of a tour package, and one mark for each point in the process of developing a tour package, up to a maximum of six marks to allow for development.

- Components of a typical package include: attractions, events, activities, transportation, accommodation, meals, drinks and taxes.

There are a number of steps involved in developing a tour package, including:

- Market research to identify the experiences and features the target market desires
- Setting clear sales and customer expectation objectives for the package
- Assessing the area attractions and traveller services.
- An appealing inventory of experiences, attractions and support services is necessary to sell a package
- Developing a package concept, which includes setting a theme, a market position (economy, deluxe or other), and the specific products to be offered chosen on the basis of the best fit with the target market
- Pricing the package. On a per-customer basis, you will need to calculate the variable costs, the fixed costs and the overhead/marketing costs. Variable costs are those that will change according to the number of customers you have on the trip.
- Establish management and quality control systems to coordinate plans with package partners, establish credit policies, contingency arrangements, customer communications and tracking of results.

#### (b) Instructions to markers

Award one mark for each relevant point made, up to a maximum of 15, allowing for relevant examples and development.

- Tourism, as an economic activity, is characterized by a high level of elasticity.
- As transport costs are significant for international transportation, demand is strongly influenced by cost fluctuations. Therefore, transport is the key element in the tourism industry.
- The demand in international and even national transport infrastructures implies a very large number of people who wants to move in an efficient, fast and inexpensive manner.



- the growth in low cost carriers contributes to international tourism flows, depending on route networks offered
- "Holiday spenders" usually make enough contribution to the local economy that governments are more than willing to invest in efficient road networks or airport facilities, especially in locations that have limited economic opportunities other than tourism.
- There are however significant differences in the amount of spending per type of mode, namely between cruise and air transport tourism. Cruise shipping tourism provides much less revenue, with \$15 per passengers spent per port of call on average. A significant reason is that cruise lines are capturing as much tourism expenses within their ships as possible (food, beverages, entertainment, shopping).

### 3. Recommendations

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The wording of (b) caused comprehension difficulties for a significant number of learners. This term should be included within the glossary that learners compile during their programme of study.

#### Examiner's tips

Learners should read the whole question carefully before making a selection from the options available. Only choose questions where you are confident you understand all parts of the question.