

# Unit 5: Marketing Travel and Tourism Products and Services

<b>Unit code:</b>	<b>R/600/9489</b>
<b>QCF Level 3:</b>	<b>BTEC National</b>
<b>Credit value:</b>	<b>10</b>
<b>Guided learning hours:</b>	<b>60</b>

## ● Aim and purpose

The unit provides learners with an understanding of the background and concepts of marketing and the factors that influence marketing decisions. Learners will gain skills in practical activities: investigating the marketing mix of a specific travel and tourism organisation; planning, designing and conducting a market research activity; planning a promotional campaign and designing promotional material.

## ● Unit introduction

Marketing plays a significant role in any industry and particularly in a service industry such as travel and tourism. Modern organisations cannot operate without the use of promotion or market research as a key method of communicating with customers. Many organisations allocate large budgets to marketing in order to maintain a competitive edge and meet the needs of their customers.

Learners will explore marketing in the context of the travel and tourism sector, starting with a definition of marketing and an appreciation of the background and concepts of marketing. Learners will examine the factors that influence the marketing of products and services, studied in the context of consumer protection and the social responsibilities of companies as well as economic and technological factors.

Learners will investigate the marketing mix (also known as the '4 Ps') of a travel and tourism organisation and identify the products and services offered, the pricing strategies utilised, the methods of distribution and promotion.

Learners will conduct a market research activity for which they will prepare a plan that includes setting objectives; for example, identifying customer needs, measuring effectiveness of promotion, or identifying a target market. Learners will design appropriate market research documentation and then conduct a market research activity, collecting specific information from a sample in order to achieve the objectives.

In addition, they will organise a promotional campaign for a travel and tourism organisation. This will be achieved by selecting suitable promotional techniques and designing appropriate promotional material to meet the objectives of the campaign.

## ● Learning outcomes

### On completion of this unit a learner should:

- 1 Understand the factors influencing marketing in travel and tourism
- 2 Know the marketing mix (the 4 Ps) of a travel and tourism organisation
- 3 Be able to conduct a market research activity for a travel and tourism organisation
- 4 Be able to organise a promotional campaign for a travel and tourism organisation.

# Unit content

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## 1 Understand the factors influencing marketing in travel and tourism

*Marketing – background and concepts:* definition of marketing; function of marketing; marketing mix; marketing segmentation; marketing communication methods; e-marketing

*Factors:* company ethos eg social responsibility; consumer protection eg data protection; standards of practice eg codes of practice; political eg international relations; economic eg interest rates; social eg demographic changes; technological eg internet, transport developments

*Influences:* decisions eg changes to products, changes to marketing communications, changes to pricing, designing new marketing campaigns, use of internet marketing

## 2 Know the marketing mix (the 4 Ps) of a travel and tourism organisation

*Product:* nature of product eg intangible, perishable, service related; characteristics eg branding, unique selling point (USP), features; product life cycle

*Price:* pricing strategies (competitor pricing, discounting, seasonality)

*Place:* physical location and accessibility; channels of distribution eg internet, shops, call- centres

*Promotion:* methods eg advertising, public relations, sales promotions, direct marketing, different media; materials eg leaflets, adverts, press releases

## 3 Be able to conduct a market research activity for a travel and tourism organisation

*Market research activity:* plan (identifying objectives, research methods in relation to objectives, target group); design research documentation eg questionnaire, observation checklist, focus group report, feedback cards; secondary research sources eg company records, travel and tourism websites, statistics

## 4 Be able to organise a promotional campaign for a travel and tourism organisation

*Promotional campaign – plan:* objectives eg attract customers, inform customers; promotional methods; target market; timings; budget considerations; procedures for monitoring and evaluating

*Promotional campaign – material:* eg leaflets, advertisements, direct marketing letters, press releases

## Assessment and grading criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria for a pass grade describe the level of achievement required to pass this unit.

Assessment and grading criteria		
To achieve a pass grade the evidence must show that the learner is able to:	To achieve a merit grade the evidence must show that, in addition to the pass criteria, the learner is able to:	To achieve a distinction grade the evidence must show that, in addition to the pass and merit criteria, the learner is able to:
<b>P1</b> outline the background and concepts of marketing	<b>M1</b> explain how factors have influenced marketing decisions in relation to a selected travel and tourism organisation	<b>D1</b> analyse the marketing decisions within a travel and tourism organisation in relation to the marketing mix and influencing factors
<b>P2</b> review the factors influencing marketing decisions using examples from different travel and tourism organisations		
<b>P3</b> describe the marketing mix of a selected travel and tourism organisation	<b>M2</b> explain how the 4 Ps work together as a marketing mix in a travel and tourism organisation	
<b>P4</b> plan, design documentation and conduct a market research activity for a travel and tourism organisation [SM 2, SM 3]	<b>M3</b> explain how the plan and the documentation contributed to meeting the market research objectives	<b>D2</b> analyse the results of the market research activity, recommending how these results can benefit the organisation.
<b>P5</b> plan a promotional campaign for a selected travel and tourism organisation to achieve stated marketing objectives	<b>M4</b> explain how the planned promotional campaign would enable the objectives to be met.	
<b>P6</b> prepare an item of promotional material as part of a planned promotional campaign for a target market.		

**PLTS:** This summary references where applicable, in the square brackets, the elements of the personal, learning and thinking skills applicable in the pass criteria. It identifies opportunities for learners to demonstrate effective application of the referenced elements of the skills.

<b>Key</b>	IE – independent enquirers	RL – reflective learners	SM – self-managers
	CT – creative thinkers	TW – team workers	EP – effective participators

# Essential guidance for tutors

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## Delivery

Some learners may have already studied marketing in a previous qualification but others may be new to the topic. It is vital to determine learners' prior knowledge and understanding of what marketing is, its roles and significance. This could be done through brainstorming and covered in one or two introductory sessions.

This unit will enable learners to examine marketing in the travel and tourism industry. This could be achieved through relevant current examples from the industry using material such as journals and newspapers, websites, brochures and leaflets, advertisements, questionnaires and feedback cards. Talks from marketing personnel of different types of travel and tourism organisations could be particularly useful.

It is important that learners investigate a number of organisations in order to obtain a broad understanding of marketing in travel and tourism and from which they can select a number of examples to support assessment. For some assessments learners will need to select appropriate organisations and undertake in depth research, eg for market research, for marketing mix.

Market research could be introduced by looking at a variety of questionnaires and feedback cards available from different travel and tourism organisations. For secondary market research learners could scrutinise sources such as the ABTA website, StarUK, Office for National Statistics data or World Travel and Tourism Council research.

Learners need to be able to recognise how different factors can have a positive or negative impact on an organisation's marketing decisions and activities. Talks from representatives of travel and tourism organisations may be particularly useful, as learners may have little awareness of factors and their impacts. Industry talks could help learners understand how a specific travel and tourism organisation deals with particular factors and especially how they overcome the impact of negative factors or 'constraints'. These could be useful when learners attempt M1 or D1 criteria.

The focus of teaching and learning is on application and learners' ability to use the knowledge acquired in classes in their assignment. This could be achieved through practical, class-based tasks covering the range given in the content. Tutors could support learners during the planning of the market research activity and design of the research documentation. However, learners are required to work individually to produce their own documentation, whether questionnaires, focus group questions or feedback cards.

A selection of examples of research documentation used by travel and tourism organisations may be useful so that learners familiarise themselves with the types of questions, the length of questionnaires and the form of recording responses. Learners should also be familiar with a selection of secondary market research sources, eg VisitBritain or a broadsheet newspaper.

When discussing the marketing mix it is advisable to use different companies within the travel and tourism industry. Some organisations can be used as good examples of a complex pricing strategy which ensures high sales, while others may be used as examples of organisations exploring different distribution channels or ensuring a high number of customers through an ideal location and perfect accessibility. Examples of mismatch in marketing mix (eg high prices and low quality product) could also be better used to illustrate the links between the 4 Ps, which learners may find useful when attempting M2 criterion.

In order to start the planning of the market research activity learners will have to select a real or hypothetical travel and tourism organisation and then set the objectives of their market research. Tutors may need to run workshops in order to give every learner an opportunity to discuss their ideas. Alternatively, tutors may select the organisation and objectives, allowing learners to design their own documentation and plan. Individual workshops may still be advisable. Learners should investigate the use of secondary market research sources. The market research activity will then have to be carried out individually. All learners will have to be able to describe briefly what they did.

In order to introduce promotional techniques and materials it is best to look at leaflets, brochures, special offers, advertisements and direct mail produced by travel and tourism organisations. These could be provided either by the tutor or by learners. The session could include group work focusing on identifying suitable language, layout, design etc and a discussion about what makes promotional materials effective. Learners should also be made aware of the importance of timings and budget considerations when designing their promotional campaigns.

It is important that when learners are organising a promotional campaign the materials they choose support the promotional technique and the campaign's objectives. Workshop classes may need to be run in order to give learners the opportunity to discuss individual ideas with tutors. Tutors may pre-select the organisation and objectives, leaving the choice of promotional campaign and materials to the learners. Tutors could familiarise learners with a selection of promotional materials and promotional techniques most commonly used by travel and tourism organisations. In order to develop better understanding of learners, tutors should encourage individual research.

## Outline learning plan

The outline learning plan has been included in this unit as guidance and can be used in conjunction with the programme of suggested assignments.

The outline learning plan demonstrates one way of planning the delivery and assessment of this unit.

### Topic and suggested assignments/activities and/assessment

Introduction to marketing – background and concepts

Classroom discussion and brainstorming activity about 'what is marketing'

Working in small groups to produce a definition of marketing

Introduction to the marketing mix and market segmentation

Class activity to analyse a variety of tour operator brochures to illustrate market segmentation

Class research to identify the different ways tour operators market their holidays to illustrate the different marketing communication methods and e-marketing

Class discussion about marketing factors: company ethos; consumer protection; standards of practice; political; economic; social; technological

Marketing Decisions

Class activity: discuss the decisions that organisations have to make to ensure they remain competitive

Small group-activity: examine recent articles in the Travel Trade Gazette and identify where organisations have had, or will have, to make decisions about changing their products, changing how they market their product, re-pricing, new marketing campaigns, using internet marketing

Preparation for assessment

**Assignment 1: Part A – What is Marketing? (P1, P2, M1)**

Feedback on assessment

## Topic and suggested assignments/activities and/assessment

The Marketing Mix (Product, Price, Place, Promotion)

Class activity: examine a product and identify the nature of the product and its characteristics; investigate the pricing strategies used to sell the product; examine how the product is sold; investigate the methods and materials used to promote the product

Small group activity: each group to select their own product to analyse the marketing mix and feedback to the group

Preparation for assessment

### **Assignment 1: Part B – The Marketing Mix (P3, M2, D1)**

Feedback on assessment

Class discussion – the nature of primary and secondary market research

Market research – class discussion about the variety of methods used and why market research is undertaken and how it is used

Small group activity: internet investigation to find evidence of different methods of market research being undertaken – feedback to the group

A market research plan and the documentation used. Small group activity to identify information required, eg where people have recently been on holiday, formulate a plan (identifying objectives, methods to be used, target group); design documentation, eg questionnaire, survey questions

Carry out the research, analyse the results and feed back to the group

Preparation for assessment

### **Assignment 2: Conducting a Market Research Activity (P4, M3, D2)**

Feedback on assessment

Class research: using the internet, newspapers, magazines, identify and examine some current promotional campaigns and the materials being used

Discuss how organisations plan a promotional campaign

Small group activity: plan a promotional campaign for a selected product or service - set the objectives, decide on suitable promotional methods and materials to be used, identify the target group, decide the schedule and the budget

Preparation for assessment

### **Assignment 3: Designing the best promotional campaign (P5, P6, M4)**

Feedback on assessment and unit review

## Assessment

The assessment criteria can be grouped together to enable learners to expand on one criterion in order to gain higher grades. The links are as follows: P1, P2, P3, M1, M2 and D1; P4, M3 and D2; P5, P6 and M4. Where possible learners should be encouraged and given the opportunity to meet the relevant higher grading opportunities at the same time as they attempt the appropriate pass criteria.

Centres should design their assessment strategies to meet a range of individual needs and the local work environment. Assessment should encourage the learners to apply knowledge gained from this unit and reflect on understanding gained from other units.

## **P1 – P2 – P3 – M1 – M2 – D1**

The evidence for P1 could be a report which briefly outlines the background and concepts of marketing covering all the items listed in the content. The evidence will be broad and provide a basic outline to demonstrate understanding of the terms within the content.

The evidence for P2 will review the factors influencing marketing decisions as specified in the unit content. The factors should be reviewed using examples from different travel and tourism organisations. The examples should be both recent (within the last decade) and relevant, and learners should consider both positive and negative factors.

For M1, learners should select a travel and tourism organisation and explain how factors have influenced marketing decisions. Some factors could have adversely affected marketing (ie they are constraints) while others might have opened up new marketing opportunities (eg the internet). Learners will be required to demonstrate an in-depth understanding of how the identified factors have influenced the marketing decisions in the organisation.

For P3, learners will need to examine and describe the marketing mix of a selected travel and tourism organisation. This could be assessed through a presentation (for example to a panel of employers) and evidence would include a detailed and signed observation record completed by the tutor, together with supporting evidence such as presentation notes or handouts. A visit to the organisation where possible is recommended.

For M2, learners should explain how the 4 Ps work together. Typical examples include 'in spite of high accommodation prices this hotel is very often full; this is because of its excellent location in Cardiff Bay' or 'this airline offers discounts when booking on the internet; this way it keeps operational costs low and prices of flights cheap'.

D1 requires learners to analyse the marketing decisions within a selected travel and tourism organisation in relation to the marketing mix of the organisation and the factors that will have influenced these decisions. Learners should demonstrate a higher level of understanding by linking these two aspects, ie the two learning outcomes.

## **P4 – M3 – D2**

P4 is a practical assessment activity and learners should evidence the planning of a market research activity by identifying their objectives and their target group and selecting appropriate research methods. Learners should design research documentation, eg questionnaire, feedback cards, and also evidence the use of secondary research sources, eg statistics. Learners can work in teams during the planning and the designing stage and also when conducting the market research activity but all evidence produced must be individual and any observations by the tutor must be recorded for individual learners.

The assessment should focus on the appropriateness of the plan and the suitability of the market research documentation to gather feedback. For example, if learners design a questionnaire it must contain at least 10 questions and the responses must be designed to achieve the objectives. The documentation should be produced to industry standards and neatly completed. The market research should be conducted in a professional manner with an appropriate number of respondents for the results to be meaningful. Learners must evidence the conducting of the market research by the results of the research supported by a short report or log.

M3 requires learners to explain how the market research method selected and the documentation designed contributed to meeting the objectives of the market research activity. The explanation should clearly link the methods selected and the documentation used with the objectives of the market research activity.



For D2, learners should analyse the findings of their market research activity and make realistic recommendations of how the findings could benefit the organisation. For example, the findings might have resulted in 60% of people interviewed prefer to book online. Analysis of these respondents might have shown that they were within the younger age groups and had access to computers. The benefit of these results to the organisation would be the knowledge that, if they wanted to target the younger market, they would need to invest in an on-line booking system. To achieve D2, the analysis must be comprehensive and fully correlated and recorded using different methods, eg graphs and charts. The recommendations must be fully justified from the results of the market research.

### **P5 – P6 – M4**

P5 and P6 could be assessed together. For P5, learners should produce a plan for their promotional campaign. This could be short but should be factual and name the selected company, identify the objective(s) of the campaign, the target market, the timings, the budget considerations, the procedures for monitoring and evaluating and the promotional methods to be used. For P6, learners need to produce an item of promotional material. This could be a leaflet, a direct marketing item, a display etc. Assessment should ensure balance between creativity and fitness for purpose. The item should be attractive and well presented; any text should be typed, spellchecked and proofread. Learners should be encouraged to use colour, images, different fonts and different font sizes. However, their items must remain informative and fulfil the requirements of any promotional material in terms of ability to meet objectives, eg attract and inform customers. The promotional material could be used to promote extended opening times, special offers, a new product etc. Evidence must be submitted individually, not as part of a group.

For M4, learners should fully explain how their campaign will meet the stated objectives and the reasons must be valid. For example, the campaign may be for a travel agency to encourage customers to book during December and January for the following summer. Learners would need to explain how their campaign would appeal to customers and encourage early bookings.

### **Programme of suggested assignments**

The table below shows a programme of suggested assignments that cover the pass, merit and distinction criteria in the assessment and grading grid. This is for guidance and it is recommended that centres either write their own assignments or adapt any Edexcel assignments to meet local needs and resources.

<b>Criteria covered</b>	<b>Assignment title</b>	<b>Scenario</b>	<b>Assessment method</b>
PI, P2, P3, M1, M2, D1	Assignment I Part A: What is Marketing? Part B: The Marketing Mix	Working for a travel trade newspaper you have been asked to write a short article about marketing within the travel and tourism sector and a feature article about a travel and tourism organisation	Short article P1, P2, M1 Feature article P3, M2, D1

Criteria covered	Assignment title	Scenario	Assessment method
P4 M3 D2	Assignment 2: Conducting a Market Research Activity	Working for a travel and tourism organisation you are to plan and conduct a market research activity, analyse the results and make recommendations	A log of the planning stages and how the market research was conducted and the documentation used (a market research plan) P4  Report – how the plan and the documentation contributed to meeting the market research objectives M3  Analysis of results and recommendations to the organisation D2
P5, P6, M4	Assignment 3: Designing the best promotional campaign	You work for a large travel and tourism organisation and all employees in the marketing department have been invited to design and plan a promotional campaign. The employee submitting the best campaign will receive a prize	The promotional campaign plan (written or oral presentation) P5, M4  Produce an item of promotional material P6

## Links to National Occupational Standards, other BTEC units, other BTEC qualifications and other relevant units and qualifications

This unit forms part of the BTEC travel and tourism sector suite. This unit has particular links with:

Level 2	Level 3
Exploring Marketing in Travel and Tourism	Investigating the Travel and Tourism Sector
	Retail Travel Operations
	Business Travel Operations
	Tour Operations

## Essential resources

For this unit learners need access to the internet and access to published material such as the travel trade press, newspapers and textbooks. Use of tour operator brochures and other promotional material associated with the travel industry would be beneficial.

## Employer engagement and vocational contexts

Learners must investigate marketing using examples from travel and tourism organisations and for some assessment criteria they must undertake an in-depth investigation of a selected travel and tourism organisation. It is essential, therefore, that links are formed with a number of travel and tourism organisations to facilitate a range of resources, eg visits, visiting speakers, promotional materials, marketing plans, market research data and documentation. At least one organisation will need to be investigated in depth to facilitate the achievement of most of the pass criteria and all of the higher grades.

This unit links to the following NOS in Travel and Tourism:

- TT23 Obtain and analyse customer feedback
- TT35 Contribute to the production of promotional and interpretive media.

## Indicative reading for learners

### Textbooks

Dale G – *BTEC Level 3 National Travel and Tourism Student Book 1* (Pearson, 2010) ISBN 9781846907272

Dale G – *BTEC Level 3 National Travel and Tourism Student Book 2* (Pearson, 2010) ISBN 9781846907289

Dale G, Kelly M, King C and Jefferies M – *BTEC Level 3 National Travel and Tourism Teaching Resource Pack* (Pearson, 2010) ISBN 9781846907296

Holloway C – *The Business of Tourism, Seventh Edition* (FT Prentice Hall, 2006) ISBN 0273701614

James E, Thirlaway J and Woodhouse U – *BTEC National in Travel and Tourism* (Hodder Education, 2007) ISBN 9780340945735

Kotler P, Armstrong G, Wong V, Saunders J – *The Principles of Marketing, Fifth Edition* (Pearson, 2008) ISBN 0273711568

### Journals

*Marketing Week* – Centaur Communications

### Websites

Most travel and tourism organisations have websites to promote their products and services.

## Delivery of personal, learning and thinking skills (PLTS)

The table below identifies the personal, learning and thinking skills (PLTS) that have been included within the pass assessment criteria of this unit.

Skill	When learners are ...
Self-managers	planning, designing documentation and conducting a market research activity for a travel and tourism organisation [SM 2, SM 3]

Although PLTS are identified within this unit as an inherent part of the assessment criteria, there are further opportunities to develop a range of PLTS through various approaches to teaching and learning.

Skill	When learners are ...
Independent enquirers	reviewing the factors influencing marketing decisions using examples from different travel and tourism organisations
Team workers	reviewing the factors influencing marketing decisions using examples from different travel and tourism organisations
Self-managers	reviewing the factors influencing marketing decisions using examples from different travel and tourism organisations planning a promotional campaign for a selected travel and tourism organisation to achieve stated marketing objectives
Effective participators	planning a promotional campaign for a selected travel and tourism organisation to achieve stated marketing objectives

## ● Functional Skills — Level 2

Skill	When learners are ...
<b>ICT — Use ICT systems</b>	
Select, interact with and use ICT systems independently for a complex task to meet a variety of needs	planning, designing documentation and conducting a market research activity for a travel and tourism organisation
Use ICT to effectively plan work and evaluate the effectiveness of the ICT system they have used	planning a promotional campaign for a selected travel and tourism organisation to achieve stated marketing objectives
Manage information storage to enable efficient retrieval	planning, designing documentation and conducting a market research activity for a travel and tourism organisation
Follow and understand the need for safety and security practices	ongoing
Troubleshoot	as required
<b>ICT — Find and select information</b>	
Select and use a variety of sources of information independently for a complex task	planning, designing documentation and conducting a market research activity for a travel and tourism organisation
Access, search for, select and use ICT-based information and evaluate its fitness for purpose	planning, designing documentation and conducting a market research activity for a travel and tourism organisation
<b>ICT — Develop, present and communicate information</b>	
Enter, develop and format information independently to suit its meaning and purpose including: <ul style="list-style-type: none"> <li>• text and tables</li> <li>• images</li> <li>• numbers</li> <li>• records.</li> </ul>	planning, designing documentation and conducting a market research activity for a travel and tourism organisation
Bring together information to suit content and purpose	planning, designing documentation and conducting a market research activity for a travel and tourism organisation
Present information in ways that are fit for purpose and audience	planning, designing documentation and conducting a market research activity for a travel and tourism organisation
<b>Mathematics</b>	
Understand routine and non-routine problems in a wide range of familiar and unfamiliar contexts and situations	analysing results of market research activity for a travel and tourism organisation
Identify the situation or problem and the mathematical methods needed to tackle it	analysing results of market research activity for a travel and tourism organisation
Interpret and communicate solutions to practical problems in familiar and unfamiliar routine contexts and situations	analysing results of market research activity for a travel and tourism organisation
Draw conclusions and provide mathematical justifications	analysing results of market research activity for a travel and tourism organisation

Skill	When learners are ...
<b>English</b>	
Speaking and listening – make a range of contributions to discussions and make effective presentations in a wide range of contexts	discussing market research activity for a travel and tourism organisation
Writing – write documents, including extended writing pieces, communicating information, ideas and opinions effectively and persuasively	designing documentation for market research activity for a travel and tourism organisation