

Write your name here	
Surname	Other names
<b>Edexcel</b> <b>Principal Learning</b>	Centre Number
	Candidate Number
<b>Hospitality</b>	
<b>Level 3</b>	
<b>Unit 7: Sales and Marketing in the Hospitality Industry</b>	
Thursday 10 June 2010 – Afternoon <b>Time: 1 hour 30 minutes</b>	Paper Reference <b>HO307/01</b>
<b>You do not need any other materials.</b>	Total Marks

### Instructions

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

### Information

- The total mark for this paper is 60.
- The marks for **each** question are shown in brackets  
– *use this as a guide as to how much time to spend on each question.*

### Advice

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

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**Use the information given below to answer Questions 1 – 9**

Paul and Beth Parker bought *The Old Manor House*, an 18 bedroom hotel on the Isle of Man, five years ago with the plan of refurbishing it and developing it in to a high quality hotel which would attract business people as well as holidaymakers, primarily from the UK mainland.

*The Old Manor House* is located on the seafront in Douglas, the island's largest town which is also the main port for ferries from the UK mainland. The town has a large shopping area, two theatres, a marina and various other visitor attractions. It also has a bus station with good transport links throughout the island. The island is famous for the annual motorcycle races and the banking business.

The accommodation consists of 12 double bedrooms and 6 family bedrooms, all of which are en-suite. Currently they offer rooms on a bed and breakfast basis only. However Paul, who used to work in the licensed retail trade, has opened up a licensed bar on the ground floor of the hotel for both residents and non-residents and is considering serving bar snacks and evening meals in the hotel's restaurant.

Their five year refurbishment plan has kept to schedule and the Parkers are pleased with what is now high quality accommodation and a welcoming and professionally run operation. They now wish to develop a marketing strategy to improve the hotel's occupancy rates, sales and profits.



**Answer ALL questions. Write your answers in the space provided.**

**1** As part of their marketing strategy the Parkers will be considering what marketing and selling techniques they could use for *The Old Manor House*.

(a) What is meant by the term **marketing**?

(2)

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(b) What is meant by the term **selling**?

(2)

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**(Total for Question 1 = 4 marks)**



**2** Beth Parker is good at using IT and over the past five years has kept a database of all the previous customers of the hotel.

(a) Identify **two** ways in which the customer database could be used to market the hotel.

(2)

1 .....

2 .....

(b) Describe **two** ways Beth could use IT for online marketing to attract new business to the hotel.

(4)

1 .....

2 .....

**(Total for Question 2 = 6 marks)**



**3** Paul would like to develop the food and beverage side of the business.

(a) Identify **two** promotional techniques that Paul could use to increase **beverage sales**.

(2)

1 .....

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2 .....

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(b) Describe **two** promotional techniques not identified in (a) that Paul could use to increase **food sales**.

(4)

1 .....

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2 .....

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**(Total for Question 3 = 6 marks)**



**4** Beth will concentrate on developing the sales of accommodation at the hotel.

(a) Identify **four** market segments which Beth could target to improve occupancy at *The Old Manor House*.

(4)

1 .....

2 .....

3 .....

4 .....

(b) Describe the specific needs of **one** market segment you identified in (a).

(2)

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**(Total for Question 4 = 6 marks)**



**5** The Parkers are aware that external factors can have an impact on their business and need to carry out a PEST analysis.

(a) What does each initial in PEST stand for? Give an example for each one.

(4)

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(b) Describe how fluctuating currency exchange rates could affect business at the hotel.

(3)

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(c) The local government has now licensed additional passenger ferry services from different UK ports to the island.

Explain how this could impact on attracting visitors to the hotel.

(3)

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**(Total for Question 5 = 10 marks)**





**6** Discuss how the Parkers might minimise the effects of poor summer weather on sales at the hotel.

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**(Total for Question 6 = 6 marks)**



**7** Paul and Beth are planning an extension to the hotel to provide a function room to hold weddings and business events.

(a) Identify **two** different market research techniques they could use to determine the feasibility of this project.

(2)

1 .....

2 .....

(b) Evaluate the advantages and disadvantages of **one** of the techniques identified in (a).

(6)

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(Total for Question 7 = 8 marks)



**8** The hotel's occupancy rate is currently 60%. Paul and Beth have set an objective of increasing occupancy to 80% over the next twelve months. The two following activities are proposed.

- An advertisement in a UK national newspaper costing £15 000
- An open day at the hotel costing £3 000

Explain how they are going to evaluate the effectiveness of the two activities.

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**(Total for Question 8 = 6 marks)**



