

## Unit 5: Marketing in Travel and Tourism

**Unit code:** R/601/1744

**QCF level:** 4

**Credit value:** 15

- **Aim**

This unit enables learners to understand the concepts, principles and role of marketing and the marketing mix, and gain skills to use the promotional mix in travel and tourism.

- **Unit abstract**

The aim of this unit is to develop learners' understanding of the key concepts and principles of marketing as they apply to the travel and tourism sector. The unit aims to equip learners with the knowledge and understanding of the key factors affecting marketing environments and the role of marketing in different industries within the travel and tourism sector.

The focus of this unit is initially on marketing at a strategic level before moving on to the functional and operational aspects of marketing as the unit progresses. Learners will investigate the implications for marketing in today's competitive and service-based sector and will have the opportunity to develop practical skills of marketing.

- **Learning outcomes**

**On successful completion of this unit a learner will:**

- 1 Understand the concepts and principles of marketing in the travel and tourism sector
- 2 Understand the role of marketing as a management tool in travel and tourism
- 3 Understand the role of the marketing mix in the travel and tourism sector
- 4 Be able to use the promotional mix in travel and tourism.

## Unit content

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### 1 Understand the concepts and principles of marketing in the travel and tourism sector

*Core concepts:* concepts eg marketing concept and orientation, customer needs, wants and demands, products (and services) and markets, value, customer satisfaction and the exchange process, changing emphasis of travel and tourism marketing

*Marketing environment:* micro environment eg the tourism organisation, suppliers, intermediaries, customers, competitors; macro environment eg demography, economy, society, technology, politics, culture, tourism systems and destinations

*Consumer markets:* factors eg tourist motivations and determinants, models of consumer behaviour, consumer decision process, types of buyer behaviour, value-chain, customer value and satisfaction

*Market segmentation:* principles eg segmentation, targeting and positioning, segmentation bases, geographic, psychographic, demographic, behavioural, life-cycle stage, income, gender, geo-demographic, integrated methods, simple multivariate, advance multivariate, multistage, tourist typologies

### 2 Understand the role of marketing as a management tool in travel and tourism

*Strategic planning:* role eg strategic plans, Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis, the concept of the product life cycle (PLC)/tourist area life cycle (TALC), Boston Matrix, strategic and tactical objectives, Ansoff's matrix, competitive advantage

*Marketing research and market information:* importance for eg travel and tourism managers, market information systems, defining the market, measuring current demand and tourism trends, the marketing research process, forecasting and demand measurement

*Marketing and society:* influence on eg society, social responsibility and ethics, regulations and public policy, the impact of marketing on society, consumerism, environmentalism, legal considerations, sustainability

### 3 Understand the role of the marketing mix in the travel and tourism sector

*Role:* key issues; importance of service sector

*Marketing mix:* product; price; place

*Product:* elements eg product features, advantages and benefits, tangible, intangible and service elements, product classification, product mix and portfolio analysis, product life cycle, product development and formulation, individual tourism business product, total tourism product (TTP), product differentiation and branding

*Pricing:* elements eg role of price in the marketing mix, price setting considerations, cost classification, factors affecting pricing decisions, approaches to pricing, cost-plus pricing, break-even pricing, value-based pricing, pricing strategies

*Place:* elements eg distribution channels, location and access, principals and intermediaries, channel behaviour and the organisation, vertical marketing, channel objectives and strategy, physical distribution and logistics

*Service sector mix elements:* elements eg the nature and characteristics of services, internal marketing, interactive marketing, service quality, people, partnerships, programming, packaging

### 4 Be able to use the promotional mix in travel and tourism

*Promotional mix:* nature and role eg public relations, selling, advertising and sales promotion, direct marketing, internet and online promotion, integrated communications, communication channels, promotional mix decisions, budgetary considerations, monitoring and evaluating promotions

*Advertising and public relations:* principles eg objectives, methods, reach, frequency, impact, creating copy, costs and budgeting, media planning, public relations activities and tools, limitations, evaluation, role of agencies

*Sales promotion and personal selling:* skills eg aims and objectives, reasons for growth of sales promotion and merchandising, points of sale, methods of sales promotion used in travel and tourism, importance of travel and tourism brochures, personal selling functions

## Learning outcomes and assessment criteria

<b>Learning outcomes</b>  <b>On successful completion of this unit a learner will:</b>	<b>Assessment criteria for pass</b>  <b>The learner can:</b>
LO1 Understand the concepts and principles of marketing in the travel and tourism sector	1.1 discuss the core concepts of marketing for the travel and tourism sector 1.2 assess the impact of the marketing environment on individual travel and tourism businesses and tourist destinations 1.3 discuss the factors affecting consumer motivation and demand in the travel and tourism sector 1.4 analyse the principles of market segmentation and its uses in marketing planning
LO2 Understand the role of marketing as a management tool in travel and tourism	2.1 analyse the importance of strategic marketing planning for a selected travel and tourism business or tourist destination 2.2 discuss the relevance of marketing research and market information to managers in the travel and tourism sector 2.3 assess the influence of marketing on society
LO3 Understand the role of the marketing mix in the travel and tourism sector	3.1 discuss issues in the product, price and place elements of the marketing mix 3.2 assess the importance of service sector mix elements to the travel and tourism sector 3.3 apply the concept of the total tourism product to an individual tourism business or tourist destination
LO4 Be able to use the promotional mix in travel and tourism	4.1 assess the integrated nature and role of the promotional mix 4.2 plan and justify an integrated promotional campaign for a travel and tourism business or destination

## Guidance

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### Links

This unit can be linked successfully with:

- *Unit 1: The Travel and Tourism Sector*
- *Unit 7: Sustainable Tourism Development*
- *Unit 8: Legislation and Ethics in the Travel and Tourism Sector*
- *Unit 11: Travel and Tourism Entrepreneurs*
- *Unit 17: Work-based Experience*
- *Unit 22: Public Relations and Promotions in Travel and Tourism.*

This unit maps to the following Management NVQ units:

- B1: Develop and implement operational plans for your area of responsibility
- B2: Map the environment in which your organisation operates
- F4: Develop and review a framework for marketing
- F9: Build your organisation's understanding of its market and customers.

### Essential requirements

For many learners this unit will provide their first contact with the main aspects of marketing theory applied to the travel and tourism sector. As such the unit may be delivered as a stand-alone package, but the recommendation is that centres attempt to integrate this unit into the programme as a whole. As marketing underpins business operations, this should be achievable without difficulty. Current trends, issues and innovations must be used to identify the application of marketing principles and techniques.

Tutors must take a practical, sector-related approach to the delivery of this unit. This may be achieved by a combination of visiting speakers, visits to businesses, residential visits and international exchanges.

### Employer engagement and vocational contexts

A team of employers could be identified to support the different units. Employers could help tutors, for example, with the planning of programmes of learning, or provision of visits, guest speakers and mentors. They could also help to design assessment activities.

The delivery of this unit would be enhanced by employer engagement involving, for example, local travel agencies, tourist attractions and particularly the local tourist board, and a resort rep/resort manager.

Sustained links with travel agencies may support further units as well as work placement opportunities.