UNIVERSITY OF SWAZILAND

DEPARTMENT OF BUSINESS ADMINISTRATION

SUPPLEMENTARY EXAMINATION JULY 2016

TITLE OF COURSE:

TOURISM MARKETING (BA 433)

DEGREE AND YEAR:

BACHELOR OF COMMERCE YEAR 4

TIME ALLOWED:

THREE (3) HOURS

INSTRUCTIONS:

- 1. TOTAL NUMER OF QUESTIONS ON THE PAPER IS 5
- 2. ANSWER QUESTION 1 IN SECTION A AND ANY THREE (3) QUESTIONS FROM SECTION B
- 3. MARKS AWARDED ARE INDICATED AT THE END OF EACH QUESTION
- 4. MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH LANGUAGE AND FOR ORDERLY PRESENTATION OF YOUR WORK

SPECIAL REQUIREMENTS:

NONE

THIS PAPER IS NOT TO BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

INSTRUCTIONS

ANSWER SECTION A AND ANY THREE (3) QUESTIONS FROM SECTION B.

SECTION A: (COMPULSORY)

QUESTION 1: SUN INTERNATIONAL HOTELS, RESORTS AND CASINOS

Sun International is a South African hotel and resort chain which started in 1969 when the Southern Sun Hotel was created as a result of South African Breweries and the "Sun King" Sol Kerzner joining forces. Today, Sun International is the largest tourism, leisure and gaming group, with 15 operations in South Africa, two in Zambia, four in Botswana, one in Namibia, two in Lesotho and three Swaziland.

The group contributes significantly to the South African tourism industry. Everyday more than 50 000 customers from more than 50 countries visit a Sun International property. Over a period of three decades, Sun International has invested more than R10 billion in new tourism infrastructure. It employs more than 8560 people in southern Africa and has created 50 000 new employment opportunities in the tourism industry.

Sun International is the leading operation of luxury hotels, resorts and casinos in southern Africa. The group's flagship, Sun City, is South Africa's leading destination resort and conference venue. Sun International's product range also includes the five star Table Bay hotel at the V&A Waterfront in Cape Town, The Royal Livingstone hotel and the Zambezi Sun located at the Victoria Falls in Zambia, the Gaborone Sun hotel in Botswana, the Kalahari Sands in Windhoek Namibia, and the Lesotho Sun and Maseru Sun in Lesotho.

The Grand West casino in Cape Town is South Africa's largest casino and is one of the most popular entertainment venues in the Mother City. Other casinos in the Sun International stable are Sibaya in Kwa-Zulu-Natal, Carnival City and Morula in Gauteng, the Wild coast Sun in the Eastern Cape, Flamingo in the Northern Cape, Windmill and Naledi in the Free State, Maropa casino in Limpopo, Carousel in North West and the Golden Value casino in the Western Cape.

The focus in terms of expansion for Sun International hotel and resort business is in Africa, the Indian Ocean islands and the Middle East. This will be undertaken through the broad models: firstly an expansion of the group "Route of the African Sun" resort destinations and secondly, city based hotels with major casinos in leading African cities. It is also looking at urban casino opportunities outside Africa.

The group is developing a major casino property in Chile comprising 1500 slot machines, 80 tables, 300 large positions, 1800 seater conference centre, high quality 150 key hotel and sports facility and a wellness centre as well as retail shops and a range of restaurants and other entertainment facilities. Good progress has also been made in securing a resort casino opportunity in Nigeria.

Sun International's marketing philosophy is as follows: "To build and leverage the Sun International brand. We proactively deliver innovative, world class services and solutions through technology, creative internal and external communication, relevant pricing and unique product offerings. All of this is promised and delivered in Sun International's positioning statement: "A Million Thrills, One Destination."

According to David Couth-Trotter, the CEO, "we intend to retain leadership of the markets in which we operate through innovation, an obsession with service excellence and the delivery of unique, market leading and customer focused product offerings. Sun International has pioneered a new approach to customer management in the tourism industry. While a customer centric focus is what all service industry companies aspire to, our future will depend on our ability to transcend the more typical customer management parameters and deliver to all our customers a consistently outstanding experience. "What this means is getting the fundamentals right every time and making it possible for our customers to do business with us. It also requires us to invest heavily in the employees that are primarily accountable for direct customer interaction, empowering them to make the critical decisions needed in every encounter,"

Sun International always concentrated on pampering guests at all of its resorts. Ultimately, the group's core business resolves around its customers. As much as the group's destinations are notable for their diversity, common to each is a consistency of customer focus and a high standard of hospitality which have become characteristic of the Sun International brand. All staff undergoes extensive ongoing training and each staff member experiences the resort first hand before working on the front line. Sun International is customer and service oriented. Each hotel, casino and resort has a customer focus and offers high standards of customer service. The group goes out of its way to help customers in every way possible from highly informative concierge desk assistants to teaching rooms in its casinos.

Sun International places high priority on contributing constructively to the social wellbeing of the communities in which it operates. The group also has a proactive commitment to corporate social investment (CSI) promoting the improvement and socio-economic development of the communities in which it operates. There is probably no better example of a tourism organization in South Africa with such an effective marketing orientation technique. The company is one of the few companies in South Africa to have its own research and development (R&D) department which ensures that it remains South Africa's leading hotel and resorts group.

QUESTIONS

- 1. How has Sun International demonstrated marketing orientation? (5)
- 2. What can other tourism organizations learn from the marketing orientation philosophy of Sun International? (10)
- 3. Assess Sun International's philosophy and brand positioning statement. (10)

TOTAL: 25 MARKS

SECTION B

INSTRUCTIONS

ANSWER ANY THREE (3) QUESTIONS FROM THIS SECTION

QUESTION 2

- a. Discuss the factors that affect pricing decisions in tourism marketing. Illustrate your understanding by using a practical example in each case. (15)
- b. Briefly discuss the five elements of a basic tourism product mix giving an example in each case. (10)

TOTAL:

25 MARKS

QUESTION 3

- a. Discuss the decisions that a tourism consumer needs to make and the process they go through in decision making. (15)
- b. Define sales promotion. Briefly discuss the sales promotion tools that can be used by a tourism marketer. (10)

TOTAL:

25 MARKS

QUESTION 4

- a. Outline the contents of the tourism marketing plan. (15)
- b. Discuss the principles of Total Quality Management in tourism. (10)

TOTAL:

25 MARKS

QUESTION 5

- a. Discuss the 4As of a tourism destination. (15)
- b. Briefly discuss the factors that a tourism marketer should consider when selecting a tourism intermediary. (10)

TOTAL:

25 MARKS