S4 Tourism and Hospitality Studies Practice Paper

S4 | Tourism and Hospitality Studies | Time: 75 minutes | Total: 100 marks | 24 questions

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Part 1: The Tourism Industry and Visitor Profiles (16 marks)

All money is in HK dollars. Show your working.

1. Visitor arrivals rose from 56.0 million last year to 61.6 million this year. (a) Find the growth rate. (b) If arrivals grow another 5% next year, find next year's arrivals.

Answer: (a) growth = (61.6 - 56.0) / 56.0 x 100% = 10.0%. (b) next year = 61.6 x 1.05 = 64.68 million arrivals.

2. This year there are 64 million visitor arrivals spending HK$3200 billion in total. (a) Find the per-capita spending. (b) If retail takes 55% of visitor spending, find the retail receipts in HK$ billion.

Answer: (a) per-capita = HK$5000. (b) retail = 3200 x 55% = HK$1760 billion.

3. A new attraction brings HK$8.0 billion of extra visitor spending. The local tourism multiplier is 1.8. (a) Find the total contribution to the local economy. (b) The attraction directly employs 2000 people and indirect and induced jobs are 1.5 times direct jobs; find total employment.

Answer: (a) total = 8.0 x 1.8 = HK$14.4 billion. (b) indirect = 3000, total employment = 5000.

4. This year there are 2800 million overnight visitors and 3600 million same-day visitors. (a) Find the percentage of overnight visitors. (b) Overnight visitors stay 3.2 nights on average; find the annual room-nights in millions.

Answer: (a) total = 6400 million; overnight share = 43.75%. (b) room-nights = 8960 million.

Part 2: Tourism Resources and Attraction Management (16 marks)

Assume the attraction opens daily unless stated otherwise.

5. An attraction has a daily carrying capacity of 12000 visitors and received 10500 visitors yesterday. (a) Find the capacity utilisation rate. (b) If it opens 360 days a year at yesterday's level, find the annual visitor number.

Answer: (a) utilisation = 87.5%. (b) annual = 3,780,000 visitors.

6. A theme park charges $68 for adults and $34 for children. On one day it sold 4,200 adult tickets and 1,800 child tickets. (a) Find that day's ticket revenue. (b) A school group of 600 students pays 85% of the child fare; find the group revenue.

Answer: (a) revenue = $346,800. (b) group revenue = 600 x 34 x 0.85 = $17,340.

7. A theme park receives 480 million visitors a year, with 45% concentrated in the 3 peak months. (a) Find the peak-season visitors and the peak monthly average. (b) Find the monthly average in the 9 off-peak months.

Answer: (a) peak = 216 million, 72 million per month. (b) off-peak monthly average = 29.33 million.

8. A visitor satisfaction survey interviewed 500 visitors and 380 were satisfied. (a) Find the satisfaction rate. (b) Last year the rate was 70%, find the change in percentage points. (c) If next year 600 visitors are interviewed at the same rate, estimate the number satisfied.

Answer: (a) 76.0%. (b) change = +6.0 percentage points. (c) 600 x 76.0% = 456 visitors.

Part 3: Transport and Itinerary Planning (17 marks)

Hong Kong is UTC+8. State local time when crossing time zones.

9. A flight departs Hong Kong at 08:30 and flies for 3 hours 45 minutes; the destination is UTC+9. (a) Find the local arrival time. (b) If the return flight takes the same time and departs at 20:00 local time, find the Hong Kong arrival time.

Answer: (a) arrival at 13:15 local time. (b) departing 20:00 local, the flight lands in Hong Kong at 22:45.

10. An air ticket has a net fare of $4200, a fuel surcharge of $520 and airport tax of $120. The travel agent charges a 6% service fee on the net fare. (a) Find the service fee. (b) Find the total amount payable.

Answer: (a) service fee = $252. (b) total = $5092.

11. From Hong Kong to Guangzhou, high-speed rail takes 47 minutes at $247, while a coach takes 195 minutes at $100. (a) Find the time saved by rail in hours. (b) Find the extra fare per hour saved.

Answer: (a) saves 2.47 hours. (b) extra fare $147 per 2.47 h = $60 per hour.

12. A 5-day, 4-night package: return airfare $4,840, hotel $980 per night for 4 nights, meals $350 per day for 5 days, attraction tickets $620 and local transport $480. (a) Find the total cost per person. (b) A group of 20 gets a 5% discount; find the group total.

Answer: (a) per person = $11,610. (b) after discount $11,029.5 each, group total $220,590.

Part 4: Accommodation Operations (17 marks)

Occupancy, ADR and RevPAR are calculated on 365 days a year.

13. A hotel has 320 rooms; on one day 272 rooms were sold at an average daily rate of $1150. (a) Find the occupancy rate. (b) Find that day's RevPAR.

Answer: (a) occupancy = 85.0%. (b) RevPAR = 1150 x 0.8500 = $977.50.

14. The food and beverage department took $1,850,000 this month with food cost of $555,000. (a) Find the food cost percentage. (b) Management wants the cost at 28% of revenue with revenue unchanged; find the cost reduction needed.

Answer: (a) 30%. (b) target cost $518,000, so cut $37,000.

15. The hotel restaurant has 180 seats, opens 6 hours a day and has an average turnover of 2.4 times. (a) Find the maximum covers per day. (b) Yesterday 350 covers were served; find the seat utilisation rate.

Answer: (a) maximum covers = 432. (b) utilisation = 81.0%.

16. A hotel has 250 rooms, annual occupancy of 78% and an ADR of $1,050. Labour is 32% and other operating costs 28% of room revenue. (a) Find the annual room revenue. (b) Find the operating profit.

Answer: (a) room revenue = $74,733,750. (b) costs total 60%, so operating profit = $29,893,500.

Part 5: Marketing and Visitor Behaviour (17 marks)

Promotion return is measured as incremental net revenue, ignoring fixed costs.

17. A hotel spends $600,000 on promotion and gains 1,200 extra room-nights worth $620 net each. (a) Find the incremental revenue. (b) Find the net return on investment.

Answer: (a) incremental revenue = $744,000. (b) net gain $144,000, ROI = 24%.

18. This year arrivals were 4800 million from the mainland, 900 million from Southeast Asia, 500 million from Europe and the Americas and 300 million from elsewhere. (a) Find total arrivals. (b) Find the mainland market share.

Answer: (a) total = 6500 million. (b) mainland share = 73.85%.

19. A survey shows 68% of visitors book through online platforms, and 45% of them book on a mobile phone. (a) Find the percentage of all visitors who book on a mobile phone. (b) For 25,000 visitors, find the number booking by mobile phone.

Answer: (a) 68% x 45% = 30.6%. (b) 7,650 visitors.

20. A survey of 800 visitors on why they chose an attraction: 320 by word of mouth, 200 by social media, 120 by guidebooks and 160 other. (a) Find each percentage. (b) If the word-of-mouth share rises by 10 percentage points, how many of the same 800 visitors would be influenced by it?

Answer: (a) 40.0%, 25.0%, 15.0%, 20.0% (total 100%). (b) 50% of 800 = 400 visitors.

Part 6: Sustainability and Tourism Impacts (17 marks)

Water is in cubic metres; 1 m3 = 1,000 litres.

21. A resort area receives 15,000 visitors a day using 300 litres each, and has 20,000 residents using 220 litres each a day. (a) Find the visitors' total daily water use in m3. (b) Compare it with the residents' total.

Answer: (a) 4,500 m3. (b) residents use 4,400 m3, so visitors use 1.023 times as much.

22. A long-haul flight emits 1200 kg of CO2 per passenger and a short-haul flight 180 kg. A group of 40 takes a long-haul flight. (a) Find the group's total emissions in tonnes. (b) Carbon offset costs $120 per tonne; find the offsetting cost.

Answer: (a) 48,000 kg = 48.0 tonnes. (b) offsetting cost = $5,760.

23. A destination earns HK$12 billion from tourism, of which 45% leaks out through imports, foreign profits and currency outflow. (a) Find the leakage. (b) Find the revenue retained locally and suggest one way to reduce leakage.

Answer: (a) leakage = HK$5.40 billion. (b) retained = HK$6.60 billion; e.g. buy locally produced food and crafts to cut import dependence.

24. A historic town receives 260 million visitors a year against an environmental carrying capacity of 180 million, opening 350 days a year. (a) Find the percentage over capacity. (b) Find the sustainable daily visitor limit. (c) Suggest one management measure.

Answer: (a) over capacity by 44.4%. (b) daily limit = 5,142 visitors. (c) e.g. a daily booking quota with timed entry and peak-season pricing.
