S5 Tourism and Hospitality Studies Practice Paper: The Tourism Industry, The Travel Trade, Passenger Transport, Accommodation Services, Food and Beverage Services, Sustainable Tourism

S5 | Tourism and Hospitality Studies | Time: 75 minutes | Total: 100 marks | 24 questions

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Part 1 The Tourism Industry

Study the data, show all working and give the answer.

1. Source 1: visitor arrivals rose from 34.0 million to 46.0 million. Find the percentage increase, correct to one decimal place. [4]

Answer: Increase = (46.0 - 34.0) / 34.0 x 100% = 12.0 / 34.0 x 100% = 35.3%.

2. Source 2: visitors spend HK$120 million directly and the tourism multiplier is 1.8. Find the total economic contribution and explain why the multiplier exceeds one. [4]

Answer: Total contribution = 120 x 1.8 = HK$216 million. The multiplier exceeds one because visitor spending becomes revenue for hotels, restaurants and retailers, which then buy from local suppliers and pay wages, creating further rounds of spending.

3. Source 3: tourism products are intangible, perishable and produced and consumed at the same time. Using hotel rooms as an example, explain how perishability affects revenue management. [4]

Answer: Unsold rooms cannot be kept: the value of a room not sold tonight is lost for ever and cannot be sold tomorrow. Hotels therefore practise revenue management, adjusting room rates by demand, taking controlled overbookings and running low-season promotions so that as many room-nights as possible are sold.

4. Source 4: arrivals average 5.2 million a month in peak season and 3.1 million in low season. Find the seasonality ratio and suggest two ways to reduce seasonality. [5]

Answer: Seasonality ratio = 5.2 / 3.1 = 1.68. Ways to reduce it: attract convention, business and cruise visitors in the low season, and work with airlines and hotels on low-season packages and staycations for local guests to smooth demand across the year.

Part 2 The Travel Trade

Study the data, show all working and give the answer.

5. Source 1: an agency sells a ticket with a face value of HK$7,200 on a 6% airline commission and charges a HK$180 service fee. Find the commission, the agency income and what the customer pays. [4]

Answer: Commission = 7,200 x 6% = HK$432. Total agency income = 432 + 180 = HK$612. The customer pays 7,200 + 180 = HK$7,380.

6. Source 2: a package costs HK$4,800 for the flight, HK$2,100 for three hotel nights and HK$300 for transfers. The agency adds a 15% mark-up. Find the cost, the selling price and the gross profit. [4]

Answer: Cost = 4,800 + 2,100 + 300 = HK$7,200. Selling price = 7,200 x 1.15 = HK$8,280. Gross profit = 8,280 - 7,200 = HK$1,080.

7. Source 3: group tours and independent (FIT) packages differ in itinerary control, price transparency and liability. Compare two advantages of each and state one legal duty of a tour operator selling a group tour. [4]

Answer: Group tour advantages: the operator arranges transport, hotels and itinerary, saving the traveller time, and a tour escort handles language and emergencies. FIT advantages: the traveller chooses the sights and the length of stay, and can trade cost against comfort openly. One legal duty: the operator must deliver the services in the published itinerary and compensate the client for any reduction or change caused by its own fault.

8. Source 4: a tour costs HK$12,000. Cancellation terms: 20% is charged 30 days or more before departure, 50% from 15 to 29 days, and 100% within 14 days. The client cancels 20 days before departure. Find the charge and the refund. [5]

Answer: 20 days before departure falls in the 15 to 29 day band, so 50% is charged: 12,000 x 50% = HK$6,000. Refund = 12,000 - 6,000 = HK$6,000.

Part 3 Passenger Transport

Study the data, show all working and give the answer.

9. Source 1: a flight offers 240 seats and carries 168 passengers. Find the seat load factor. [4]

Answer: Seat load factor = 168 / 240 x 100% = 70%.

10. Source 2: a route earns HK$312,000 from 200 passengers over 1,200 km. Find the revenue passenger kilometres and the yield per RPK. [4]

Answer: RPK = 200 x 1,200 = 240,000. Yield = 312,000 / 240,000 = HK$1.30 per RPK.

11. Source 3: on the Hong Kong to Guangzhou route high-speed rail takes 47 minutes and a coach takes 210 minutes. Find the time saved and explain the effect of high-speed rail on short-haul air travel. [4]

Answer: Time saved = 210 - 47 = 163 minutes, that is 2 hours 43 minutes. High-speed rail stations sit in city centres, so the airport transfer and check-in time disappear and fares are steadier; airlines therefore lose short-haul traffic and must cut frequencies or use smaller aircraft.

12. Source 4: the checked baggage allowance is 23 kg and excess baggage costs HK$120 per kg. A bag weighs 29 kg. Find the excess charge and suggest two ways to avoid it. [4]

Answer: Excess = 29 - 23 = 6 kg, so the charge is 6 x 120 = HK$720. To avoid it, buy extra baggage online in advance, which is usually cheaper than at the airport, and move heavy items into carry-on within the liquid limits.

Part 4 Accommodation Services

Study the data, show all working and give the answer.

13. Source 1: a hotel has 240 available rooms and sells 186 of them on one night. Find the occupancy rate. [4]

Answer: Occupancy = 186 / 240 x 100% = 77.5%.

14. Source 2: room revenue that night is HK$241,800. Find the average daily rate and revenue per available room, and check that RevPAR equals ADR times occupancy. [5]

Answer: ADR = 241,800 / 186 = HK$1,300.0. RevPAR = 241,800 / 240 = HK$1,007.5. Check: 1,300.0 x 77.5% = 1,007.5, which matches.

15. Source 3: the hotel overbooks by 5%, that is 12 rooms. Explain why hotels overbook and what is offered to a guest who is walked because of overbooking. [4]

Answer: Hotels expect some cancellations, no-shows and early departures, so rooms would otherwise stay empty. If the hotel is overbooked, the walked guest is usually moved to a hotel of the same or higher standard at the hotel's expense, with transport and the night covered and a gesture on the next stay.

16. Source 4: the front office, housekeeping, food and beverage and engineering departments each have a role. Using a complaint about a faulty air-conditioner, describe the handling flow and the principles of service recovery. [4]

Answer: Flow: the front office records the room, time and details and apologises at once, calls engineering to attend, offers a room move or a fan, asks housekeeping to follow up, and has the duty manager reply and log the case. Service recovery should be immediate, owned by one person to the end, proportional to the failure, and reviewed to prevent recurrence.

Part 5 Food and Beverage Services

Study the data, show all working and give the answer.

17. Source 1: food cost is HK$42 thousand against sales of HK$140 thousand. Find the food cost percentage and the cost allowed if it is to fall to 28%. [4]

Answer: Food cost = 42 / 140 x 100% = 30%. At 28% the food cost may be 140 x 28% = HK$39.2 thousand, a cut of 2.8 thousand.

18. Source 2: a restaurant has 60 seats and serves 180 guests in an evening. Find the table turnover and give one benefit and one risk of raising it. [4]

Answer: Turnover = 180 / 60 = 3.0 times. Benefit: sales and profit rise without extra rent or staff. Risk: guests feel rushed, service quality drops and repeat business suffers.

19. Source 3: a dish costs HK$38 and the target food cost is 30%. Find the price by cost pricing, and the actual cost percentage if it is sold at HK$128. [4]

Answer: Price = 38 / 30% = HK$126.67, rounded to HK$128 in practice. Actual cost percentage = 38 / 128 x 100% = 29.7%, below target and therefore acceptable.

20. Source 4: a kitchen handles raw meat, ready-to-eat food and seafood at the same time. Give three measures against cross-contamination and explain what a control point means in HACCP. [5]

Answer: Measures: use separate colour-coded chopping boards and knives for raw and ready-to-eat food; store ready-to-eat items above raw meat, which is kept covered below; and wash hands and sanitise benches after handling raw meat. A control point is a step where a hazard can be prevented, eliminated or reduced to an acceptable level, such as a chilling temperature or a cooking core temperature.

Part 6 Sustainable Tourism

Study the data, show all working and give the answer.

21. Source 1: a site has a daily carrying capacity of 20,000 visits but receives 25,000. Find the percentage over capacity and suggest two visitor management measures. [4]

Answer: Over capacity = (25,000 - 20,000) / 20,000 x 100% = 25%. Measures: require online booking with timed entry to cap numbers, and raise peak-season prices or set a daily quota while diverting visitors to nearby sites.

22. Source 2: a return flight covers 9,000 km and emits 0.15 kg of carbon dioxide per passenger-kilometre. Find the emissions per passenger and suggest one way the industry can cut them. [4]

Answer: Emissions = 0.15 x 9,000 = 1,350 kg, that is 1.35 tonnes. Ways to cut them: use sustainable aviation fuel, raise load factors so emissions are shared among more passengers, and replace some business trips with video meetings.

23. Source 3: tourism receipts are HK$500 million, of which 45% leaks out through imports, foreign-owned profits and payments abroad. Find the income retained locally and give two ways to reduce leakage. [4]

Answer: Retained = 500 x (1 - 45%) = HK$275 million. Ways to reduce leakage: have hotels and restaurants buy local produce, and train local staff for management posts so fewer people and profits go abroad.

24. Source 4: an old district sees a surge of visitors, and residents complain of rising prices, crowded streets and traditional shops replaced by chains. Explain two socio-cultural impacts of overtourism and suggest two ways to balance visitor and resident interests. [4]

Answer: Impacts: living costs rise and small shops and markets are priced out, damaging community networks; and local culture is commodified, with festivals and crafts turned into shows, which breeds resentment and a loss of identity. Ways forward: set carrying-capacity limits with zone-based management, and channel part of tourism revenue into community facilities and resident concessions.
