	Utech
Name:	
Roll No.:	In Summer (V. Samueledge Stad Conference)
Invigilator's Signature :	

# CS/BTTM/SEM-3/TTM-303/2012-13

# 2012

### **TOURISM ECONOMICS**

Time Allotted: 3 Hours Full Marks: 70

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

# GROUP – A ( Multiple Choice Type Questions )

- 1. Choose the correct alternatives for the following:  $10 \times 1 = 10$ 
  - i) Law of demand explains
    - a) demand varies directly with price
    - b) demand varies indirectly with price
    - c) there is no relationship between demand and price
    - d) none of these.
  - ii) Cross price elasticity of complementary commodities is
    - a) negative
- b) positive

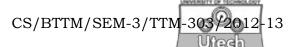
c) zero

- d) none of these.
- iii) Production function depicts the relation between
  - a) demand and supply
- b) input & output
- c) both (a) and (b)
- d) none of these.

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iv)	In the long run, all cost is			(4)			
	a)	fixed	b)	variable			
	c)	both fixed and variabl	e d)	none of these.			
v)	In v	which market has no	differ	ence between firm and			
	industry?						
	a)	Monopoly	b)	Oligopoly			
	c)	Perfect competition	d)	None of these.			
vi)		en there is excess d ilibrium price	eman	d in the market, the			
	a)	decreases	b)	increases			
	c)	remains same	d)	none of these.			
vii)	In t	he method	only	some of the units of the			
	population are studied.						
	a)	sampling	b)	census			
	c)	barometric	d)	none of these.			
viii)	i) Cruise tourism falls under						
	a)	adventure trip	b)	pleasure trip			
	c)	education trip	d)	eco-tourism trip.			
ix)	Which one is the fixed cost in tourism service?						
	a)	Transportation cost	b)	Rent on hotel			
	c)	Fooding cost	d)	None of these.			
x)	Demand for hotels in a tourist spot is						
	a)	elastic	b)	inelastic			
	c)	perfect elastic	d)	none of these.			



#### **GROUP - B**

#### (Short Answer Type Questions)

Answer any three of the following

 $3 \times 5 = 15$ 

- 2. What is multiplier effect?
- 3. If the price of *X* falls from Rs. 60 to Rs. 50, its demand rises from 500 units to 800 units. Find the price elasticity of demand.
- 4. What is leakage in Tourism? What are the different factors responsible for Tourism leakage?
- 5. Define income elasticity of demand. How can you measure income elasticity of demand?
- 6. State the importance of Tourism as a tool for economic development to any country.

#### **GROUP - C**

#### (Long Answer Type Questions)

Answer any *three* of the following.

 $3 \times 15 = 45$ 

- 7. a) What are the foundations of tourism demand?
  - b) Differentiate between 'change in demand' and 'change in quantity demanded'.
  - c) Draw the demand curves when the price elasticity of demand is zero, infinite and one. 4 + 6 + 5
- 8. a) What are the various methods of demand forecasting?
  - b) Annual sales of tourism product of a showroom are given below:

Year	1999	2000	2001	2002	2003
Sales	45	56	78	46	75

Forecast the amount of sale in the year 2007.

7 + 8

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- Define marginal cost. Draw the short run cost curves and show the relationship between average variable cost, average cost and marginal cost.
   5 + 10
- 10. a) Explain the different pricing methods used in tourism.
  - b) What is price discrimination and under what condition price discrimination is possible and profitable in tourism?
- 11. a) Differentiate between the functions of commercial bank and central bank.
  - b) State the importance of bank in a society. 10 + 5

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