



MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS
2021/2022 ACADEMIC YEAR**

SECOND YEAR FIRST SEMESTER

**SCHOOL OF NATURAL RESOURCES, TOURISM
AND HOSPITALITY MANAGEMENT**

BACHELOR OF TOURISM MANAGEMENT

COURSE CODE: BTM 2112-1

COURSE TITLE: TOURISM ECONOMICS

DATE: 1ST APRIL, 2022

TIME: 1100-1300

INSTRUCTIONS TO CANDIDATES

Answer **ALL** questions in section **A** and any other **Two** in section **B**.

This paper consists of 2 printed pages. Please turn over

SECTION A- COMPULSORY (20 MARKS)

- 1 a) Explain four major factors that determine tourism's contribution to a country's Gross Domestic Product. (4 Marks)
- b) Expound on determinants of tourism demand for a destination. (4 Marks)
- c) Critically analyse the differences between Micro-economics and Macro-economics. (4 Marks)
- d) With the aid of a diagram, explain the effect of a proportionate increase in demand and supply of tourism products on the market equilibrium. (8 Marks)

SECTION B- ANSWER ANY TWO QUESTIONS (30 MARKS)

- 2 a) Critically discuss the roles of Tourism Satellites Accounts (TSA) in tourism Industry. (5 Marks)
- b) Tourism has increasingly become a global phenomenon. Explain five economic benefits associated with the tourism industry. (10 Marks)
- 3 a) Explain five factors that are likely to influence a country's national income. (5 Marks)
- b) Bull (1995) posits that large well developed destinations demonstrate the lowest leaking rate. Explain five possible causes of leakage from a tourism destination. (10 Marks)
- 4 a) Explain the main causes of inflation and recommend possible counter inflationary measures that a government could adopted in addressing each cause. (5 Marks)
- b) Elucidate the importance of tourist statistical data to a country. (10 Marks)
- 5 a) Critically analyse the economic and management implications of e-tourism. (5 Marks)
- b) Discuss the various issues that one will consider when doing competitive analysis. (10 Marks)

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