

Programme: MBA Tourism & Travel Management

MBT5106 MANAGERIAL ECONOMICS FOR TOURISM

Course Code	MBT5106	Semester	I
Course Title	Managerial Economics for Tourism		
Credits	3	Type	Core

Course Description

The course provides general managerial economics knowledge and its applications in the tourism industry and develops students' critical thinking and analytical skills.

Course Outcome

By the end of the course, students are expected to be able to:

- CO1: Acquire knowledge of the basic concepts of Economics and managerial skills associated with it.
- CO2: Analyse the cost concepts and types.
- CO3: Understand the application areas of Economics in Tourism.
- CO4: Analyse the macroeconomic environment and its influence on tourism.
- CO5: Illustrate the economic impact of tourism on the Indian Economy.

Course Structure

The following is a detailed syllabus of Managerial Economics for Tourism.

Module I: Economics and Tourism

Circular Flow of Economy, Tourism Demand: Types of Tourism Demand – Elasticity of Demand and Supply - Determinants of Tourism Demand – Life Cycle Factors- Measurement of Tourism Demand - National and International Tourism Demand, Tourism Demand Forecasting - Methods of Forecasting, Law of Marginal Utility.

Module II: Cost Concepts

Short Run vs. Long Run Costs – Types of Cost, Production Function: Input: Output Relationship - Law of Variable Proportions - Returns to Scale - Break Even Analysis.

Module III: Tourism Market Structure & Competition

Product Markets –Price determination under Perfect Competition – Monopoly – Monopolistic Competition – Duopoly – Oligopoly, Pricing: Determinants of Price- Price Discrimination - Degrees of Price Discrimination.

Module IV: Macro-Economic Environment

National Income Analysis – GDP, NNP, Per Capita Income – Factors determining National Income- Challenges- Problems- National Income Beaching- Business Cycles - Fiscal and Monetary Policies, Multiplier Effect.

Module V: Economic Impacts of Tourism

Economic Transition in India, Liberalization, Privatization and Globalization - Government's Role in Tourism. Business and Government, Public-Private Participation (PPP), Investment: Industrial Finance - Foreign Direct Investment (FDIs) - Displacement Effect and Tourism- Tourist Spending - Costs and Benefits of Tourism to Community - Environmental Economics.

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Testing & Evaluation:

Internal Assessment (40 Marks)	External Assessment (60 Marks)
Two Class Tests – 20 Marks (10+10) Assignment – 10 Marks Presentation – 10 Marks	End Semester Assessment

References

- Dwyer, L., Forsyth, P., & Dwyer, W. (2010). Tourism economics and policy (Vol. 3). Channel View Publications.
- Samuelson, W. F., & Marks, S. G. (2008). Managerial economics. John Wiley & Sons.
- Varshney, R.L. & Maheswari, K.L. (2004), Managerial Economics, Sultan Chand, New Delhi.
- Maddala (2004), Microeconomics, Tata McGraw - Hill, New Delhi.
- Jhon, T. (1995), the Economics of Leisure and Tourism, Oxford Butterworth, Heinemann.
- Chawla, R. (2004), Economics of Tourism & Development., Sonali Publications, New Delhi.