

**CHUKA**



**UNIVERSITY**

## **UNIVERSITY EXAMINATIONS**

### **EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF SCIENCE IN TOURISM**

**BTOM 152: THE BUSINESS OF TOURISM**

**STREAMS:**

**TIME: 2 HOURS**

**DAY/DATE: TUESDAY 10/04/2018**

**2.30 P.M – 4.30 P.M**

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**INSTRUCTION:**

- **Answer all questions in section A and any other two questions in section B**
- **Do not write anything on the question paper**

**SECTION A: 30MARKS**

1. Explain briefly four characteristics that make tourism production a fundamentally different from other industries. [4marks]
2. Discuss briefly six inputs that constitute the tourism production function. [6marks]
3. Discuss briefly the effect of each of the following on tourism demand in a destination. [3marks]
  - (i) Veblen effect
  - (ii) Giffen paradox
  - (iii) Habits
4. Which four factors are likely to change the supply of tourism in a destination?
5. Using the Maslow's hierarchy of needs theory explain briefly the possible motives behind travel behavior among tourists. [5marks]
6. Explain briefly four important considerations in deciding on the location of a new hotel business. [4marks]

7. Outline the chain of distribution in the travel tourism business. [4marks]

**SECTION B: (40MARKS)**

8. Explain how the varied characteristics of tourism destination influence the carrying capacity. [20marks]
9. Discuss how the macro-environment may influence the operations of tourism businesses globally. [20marks]
10. Citing relevant examples, explain how the Kenyan government uses legal interventions to control the conduct of tourism businesses. [20marks]
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