

**M.Sc. IN HOSPITALITY ADMINISTRATION
(MHA)**

Term-End Examination

February, 2021

MHA-18 : MANAGERIAL ECONOMICS

Time : 3 hours

Maximum Marks : 100

Note : Answer any **five** questions in about **600** words each. All questions carry equal marks.

1. Discuss the nature and scope of Managerial Economics. 20

2. Write notes on : 2×10=20
 - (a) Opportunity Cost
 - (b) The Incremental Concept

3. What do you mean by “Demand” ? Give reasons as to why the firm might need accurate demand information. Give suitable examples from hospitality industry. 20

4. What are the major marketing approaches to demand measurement ? 20

5. What is a production function ? How does a long run production function differ from a short run production function ? Distinguish. 20
 6. “To make wise decisions concerning how much to produce and what prices to charge, a manager must understand the relationship between the firm’s output rate and its costs.” Analyse the statement by citing suitable examples from the travel and tourism industry. 20
 7. Economists frequently say that the firm plans in the long run and operates in the short run. Explain with the help of a suitable example. 20
 8. What is Time series analysis, Cross-section analysis and Engineering analysis ? What are the limitations of different types of Statistical analysis ? Discuss. 20
 9. Discuss different types of barriers to entry. Give suitable examples from the travel and tourism industry. 20
 10. Discuss the characteristics of perfect competition with the help of examples. 20
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