



**Module:** Tourism Policies and Fashion, Art and Food Industries

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### DURING COURSE WRITTEN EXAM

#### PART 1: TRUE/FALSE (8 questions)

**Instructions:** Read each statement below carefully. Place a **T** on a separate blank sheet, indicating the question number, if you think a statement is **TRUE**. Place an **F** if you think the statement is **FALSE**. Every right answer will ensure you **1 point**. If you have questions ask to your teacher, preferably before starting.

1. National tourism means internal tourism plus outbound tourism
2. The balance of payments is a statement of all transactions made between entities within one country.
3. The gender pay gap or gender wage gap is the average between the remuneration for men and women who are working.
4. Tourism seasonality is the tendency of tourist flows to become concentrated into relatively short periods of the year.
5. For normal products, the demand curve slopes downwards.
6. The relative responsiveness of changes in price to the changes in demand is known as elasticity.
7. Demand = f (propensity, resistance). Resistance relates to the relative attractiveness of various destinations and it is measured by those costs an individual has to bear for enjoying a travel experience.
8. Hard Money Travellers include the business individuals travelling at their own expense.

#### PART 2: MULTIPLE CHOICE (8 questions)

**Instructions:** Read each question carefully, and then **REPORT THE ANSWER**, and the related question number, that best fits the question on the same sheet. Every right answer will ensure you **1.5 points**.

- 9.** Psychographic segmentation is the process of:
- creating clusters of customers who share similar characteristics and then grouping them together.
  - dividing the market into groups that are identifiable in terms of physical and factual data.
  - grouping firms which provide similar travel experiences for visitors.
- 10.** The market segments must possess the following characteristics:
- measurability, substantiality, accessibility, actionability.
  - measurability, sustainability, accessibility, actionability.
  - measurability, substantiality, flexibility, advocacy.
- 11.** The relative responsiveness of changes in demand to the changes in price is known as elasticity. Particularly, the demand is elastic if:
- the percentage change in demand is greater than the percentage change in price which caused it.
  - the percentage in demand is less than the percentage change in price which caused it.
  - the responsiveness of demand is exactly proportional to the change in price.
- 12.** A Pigouvian tax:
- corrects for the divergence between the market price and the social marginal cost of a negative externalities by being set equal to the external marginal cost.
  - is a distortion in the market and amplifies the divergence between the market price and the social marginal cost.
  - corrects for market failures by being set equal to the external total cost of the negative externalities.
- 13.** The process of policy formulation in tourism industry is conceptualized as containing distinct sub-stages grouped into:
- definitional phase, the analytical phase, the operational phase, and the evaluation phase.
  - definitional phase, the analytical phase, the operational phase, and the implementation phase.
  - agenda setting, impact analysis, policy formulation, policy implementation, and policy evaluation.
- 14.** The balance of payments, also known as balance of international payments, summarizes:
- the value of a nation's total export goods and services minus the value of all the goods and services.
  - the total amount of consumption, investments and exports.

- c. all transactions that a country's individuals, companies, and government bodies complete with individuals, companies, and government bodies outside the country.
- 15.** The marginal propensity to consume (MPC) is defined as:
- the willingness to consume of an individual based on the total available income.
  - the proportion of an aggregate raise in income that a consumer spends on the consumption of goods and services, as opposed to saving it.
  - a relevant index negatively affecting the income multiplier.
- 16.** There are several measures to appraisal the actual tourism demand. One is based on the “Visitor-days or visitor-nights” obtained as:
- the estimation on the tourist expenditures by multiplying visitor-days or visitor nights by the average per-year expenditure.
  - the estimation on the tourist expenditures by multiplying visitor-days or visitor nights by the average per-day or per-night expenditure with reference to a specific time frame of interest.
  - the total amount of expenditures for taxation.

**PART 3: OPEN QUESTION (3 questions)**

**Instructions:** Read each question carefully and then **ILLUSTRATE** the topics assigned on a blank sheet. Please write **LEGIBLY**. Any given answer will give you up to a maximum of **4 points**.

- 17.** Outline, in your words, why tourism exports do affect the balance of payments and economic conditions generally.
- 18.** Please define and explain the stages in the market research process.
- 19.** Discuss about the implications of the market power and the implementation of an export tax on the domestic economy. Showing it also by means of a graph will be particularly appreciated.

**END**