

UNIVERSITY OF COLOMBO-SRI LANKA

FACULTY OF ARTS

FOURTH YEAR EXAMINATION IN ARTS -2018/2019

(End of First Semester)

ECN 4177 – Economics of Tourism Development

Time: 2 Hours

ANSWER ONLY THREE (3) QUESTIONS INCLUDING QUESTION No (1)

(Question No. (1) is Compulsory)

(1) Tourism is a strategically vital sector and a great stimulator to ensure the economic growth and development of Sri Lanka. Alternatively, assurance of the security and safety for international inbound tourists should be one of the most important single-focus priorities of the government in Sri Lanka.

- a) Discuss the gravity and intensity of the impact of Easter Sunday Terror Attack on Sri Lanka Tourism.
- b) Explain the key lessons that can be learned from the best practices of tourist destination countries which could successfully recover back from such types of attacks and disasters in a shorter period of time.
- c) Discuss the possible strategies and policy measures that can be useful for Sri Lanka Tourism to successful recover from the “**tourist slump**” in the wake of terror attacks.

(2) Sri Lanka has been ranked as 100th out of 190 countries in **Ease of Doing Business Index** from the World Bank's Report in 2019. On the other hand, Sri Lanka intends to improve its business climate ranking in the World Bank's Ease of Doing Business Index, as to be amongst the top 70 countries in the world by 2020. This won't be a pipe dream if the untapped potential is properly exploited through the investment in a sector such as tourism

- a) How do you recognize tourism sector as vibrant ripe sector for foreign direct investment?
- b) Explain the recent major strategies and policy measures implemented for promotion of Foreign Direct Investment in tourism industry of Sri Lanka.

- c) Explain the major factors determining the attraction of foreign direct investment for the tourism industry in Sri Lanka?
 - d) Discuss the most suitable strategies and policy measures that can be applied in promoting the tourism investment in Sri Lanka.
- (3) **“Rip-off Sri Lanka: The most expensive poor place in the world!”**. This is a statement made by a TripAdvisor user. Furthermore, this review has been further reviewed by 55 reviewers and with 111 helpful votes.
- a) Briefly explain the global indicators that can be used to examine whether this statement is true or false.
 - b) Compare and contrast travel and tourism competitiveness of Sri Lanka Tourism between other competitive destinations in the region.
 - c) Discuss the possible strategies that can enhance the travel and tourism competitiveness of tourism industry in Sri Lanka.
 - d) Identify the roles and responsibilities of the key stakeholders in making Sri Lanka as a destination of the worthy of value for money.
- (4) At present, growing tourism industry expects the consistent delivery of tourism products and guest services according to required standards. In this context, the level of quality service is an important factor in the experience that guests receive during their visits to a destination.
- a) What is meant by the quality standards of tourism services in general?
 - b) Explain the Original Dimensions of Service Quality.
 - c) Describe the QE (5S) System with the assistance of suitable examples.
 - d) What are the possible advantages of implementing QE (5S) System in a tourism business operation?
 - e) Explain the P-D-C-A Cycle and 5W2H Approach of the implementation of QE (5S) System.

(5) Wellness Tourism is now growing in unprecedented ways. It is hard to grasp the speed of its growth and evolution.

- a) What is meant by Wellness Tourism?
- b) How do you recognize the importance of Wellness Tourism in general?
- c) Discuss the prospects and potential in promoting Wellness Tourism in Sri Lanka.
- d) Explain the major challenges in promoting Wellness Tourism in Sri Lanka.

(6) a) What is meant by a travel agency?

b) How do you differentiate between a travel agency and tour operator?

c) Explain the major roles of a travel agency in promoting Sri Lanka tourism.

d) Discuss the possible impact of travel agency operation on Sri Lankan economy on following aspects:

- i. Backward and forward Linkages
- ii. Direct, Indirect and Induced Impact
- iii. Fair distribution of tourism income
- iv. Tourism Income Leakages