

Economics of Hotel Management

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Preface

The field of economics encompasses the study of the entire economic system — both at the micro and macro level. Hotel economics is one such area where the subject matter of economics has gained its growth in obtaining for the hotel industry needed aspects, right from its initiation, establishment, and growth. The hotel industry though considered to be a service sector has proved its might in different dimensions — providing employment, revenue to the government and also acting as a promoter of culture by developing the most vital industry which is tourism. Tourism has emerged as a most instrumental phenomenon in the economic and social development of the society. It also acts as a subsidiary in providing accommodation to the tourist who visit the country — by providing the most luxurious accommodation to the one like the motel where basic necessities are provided even to a poor tourist. It is seen that the industry as a whole generates not only a sizeable percentage of employment but also contributes to the GNP of a country. The importance of this field has grown over the years leading many institutes to provide education in this field.

The thought of writing a textbook on Hotel economics originated from the author's experience as a teacher in the subject. Since it was a foray into a new field of economics, it needed immense effort to provide the students with a better understanding of the subject, the conflux of various concepts into the syllabi, total lack of textbooks in the subject has posed great difficulty not only to students but also to teachers. This strengthened the conviction to pen a book on the subject.

The main objective of the book is :

- To educate the students in understanding the concepts of economics which helps in the study of hotel management?

- It also tries to link the interrelated dimension of economics into the tourism and hotel industry.

The author has endeavoured to bring in the various dimensions of economic concepts related to the study of hotel management. Through suitable examples, it provides an insight into the subject matter of economics, which is not only theory based but which helps in day-to-day business operations.

The book has ten chapters. They throw light on the efficacy on the subject matter of economics both at the micro level and macro level in the hotel industry. The discussions have been corroborated with suitable figures illustrations, examples and flow charts, which simplifies the understanding of the theme.

The author is heavily indebted to many libraries like the Indian Social Institute, ISEC, 'Equations' and others which helped in providing valuable research material.

Grateful thanks to Dr. Lalith, professor, University of Agricultural sciences for his constant support and guidance. The author wishes to specially thank Ms. Adithi of Equations for the timely help. Wish to thank many friends like Mr. Surender, Mr. Samuel, Mr. Shashi Sharma, Ms. Deepa, Mr. Srinivasa and Mr. Nagaraj. She also wishes to thank New Age International Publishers and Director Mr. K.K. Gupta for providing me with an opportunity to publish my first work through their company. I would sincerely thank Mr. V.R. Babu New Age International Publishers, Bangalore in this regard.

I hope this book will be of immense help to hotel management students, and also business management students. Valuable suggestions for improvements from fellow teachers and students will be highly appreciated.

A.M. Sheela

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