



Competency-Based  
Competitive Events  
\*Written Exam\*  
For State/Province Use

Test Number 1342  
Booklet Number \_\_\_\_\_

# Hospitality and Tourism Cluster Exam

HTPS - Hospitality and Tourism Professional Selling Event  
HTDM - Hospitality Services Team Decision Making Event  
HLM - Hotel and Lodging Management Series Event  
QSRM - Quick Serve Restaurant Management Series Event  
RFSM - Restaurant and Food Service Management Series Event  
TTDM - Travel and Tourism Team Decision Making Event

**INSTRUCTIONS:** This is a timed, comprehensive exam for the occupational area identified above. Do not open this booklet until instructed to do so by the testing monitor. You will have \_\_\_\_\_ minutes to complete all questions.

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1. Dena, a hotel guest with a severe peanut allergy, asks the front desk to remove all complimentary snacks in her room and replace them with nut-free alternatives. How should the employee handle Dena's request?
  - A. Minimize the risk of contamination and leave the current packaged items in place.
  - B. Deny the request for liability reasons and suggest she buy her own snacks.
  - C. Explain the hotel's standard policy and offer room service at a fee.
  - D. Alert relevant departments and coordinate the delivery of safe items.
2. Bob's Beds, a hotel chain, claims to clean its sheets after every stay, but often skips this step if the bedding looks "clean enough." How might this practice affect the company's business?
  - A. The company will get more customers.
  - B. Customers will complain less.
  - C. The company will get fewer customers.
  - D. Customers will leave fewer reviews.
3. Zeynep presents a 10% coupon at check-in for a weekend stay at a theme park resort. The front desk agent notes that a current 15% seasonal promotion is active but cannot be combined with external coupons. How should the agent handle the transaction?
  - A. Inform Zeynep of the 15% promotion and apply the higher discount.
  - B. Apply the 10% coupon to respect Zeynep's original request.
  - C. Apply the 15% discount automatically without mentioning the coupon.
  - D. Advise Zeynep to save the 15% promotion for a future booking.
4. Northbridge University purchases books only to sell them again at its bookstore. This process is known as
  - A. renting.
  - B. donating.
  - C. resale.
  - D. buying.
5. When trying to model ethical behavior, what is the first step you should take?
  - A. Participate in ethics training
  - B. Make ethics relevant and valuable
  - C. Assess your own personal values and behavior
  - D. Follow the code of conduct
6. Maria is a barista at a coffee shop. When a customer orders a small coffee, Maria mentions they can upgrade to a large for only one dollar more. The customer agrees and purchases the more expensive drink. Maria successfully used
  - A. upselling.
  - B. cross-selling.
  - C. suggestion selling.
  - D. product bundling.

7. Barry's Big Bench Supplements sells pre-workout, protein shakes, and supplement blends tailored to bodybuilders and Olympic lifters. Barry's Big Bench Supplements would benefit the most from a(n) \_\_\_\_\_ marketing strategy.
- A. segment
  - B. undifferentiated
  - C. industrial
  - D. mass
8. Why has information management become increasingly important and complex for modern businesses?
- A. Increased geographical distribution of employees and smaller workforces
  - B. Higher employee turnover and increased inflation
  - C. Increased use of AI and decreased cybersecurity management
  - D. Increased number of electronic documents and outsourcing
9. Which of the following is the most critical consideration for a hotel front desk clerk when a guest presents a credit card for payment:
- A. Ensuring the card is EMV chip-enabled and that the correct fee structure is applied
  - B. Verifying that the name on the card matches the name on the guest's ID
  - C. Confirming that the guest's home address and phone number are current
  - D. Checking the card's expiration date to ensure it is at least six months from the current date
10. A travel agency prints 5,000 postcards with an incorrect website URL. The error is only discovered after the postcards have been mailed to customers. The cost of reprinting and resending the postcards is an example of \_\_\_\_\_ costs in quality management.
- A. appraisal
  - B. external failure
  - C. prevention
  - D. internal failure
11. Which of the following is a reason government involvement in the economy is generally necessary for providing essential goods and services:
- A. Most people cannot afford public goods and services, so government is necessary to make them free.
  - B. Businesses do not have sufficient profit incentives to supply public goods like roads or aircraft carriers.
  - C. Businesses do not follow economic frameworks, making it unpredictable whether most goods will be produced.
  - D. Government is the sole source of monetary value and must be involved in all exchanges of value.
12. Until recently, Aaron worked as a cashier at a local department store. After his company installed automatic checkout kiosks in the store, Aaron stopped checking out customers and instead maintained and assisted customers using the checkout kiosks. This is an example of technology
- A. eliminating industries.
  - B. driving up prices.
  - C. reducing in-person shopping.
  - D. altering existing jobs.

13. Daniela is analyzing her hotel's pricing power relative to the competition. She divides the total room revenue of \$50,000 by the 500 rooms actually sold to arrive at a value of \$100. This calculation identifies which key performance indicator?
- A. Revenue per available room (RevPAR)
  - B. Occupancy rate
  - C. Average daily rate (ADR)
  - D. Gross operating profit per available room (GOPPAR)
14. Elsa runs a marketing agency. Her top marketing specialist, Amber, is considering leaving her company for another that would pay more for the same work. As a result, Elsa decides to raise Amber's salary to keep her. This change is a result of
- A. competitive pressures.
  - B. organizational growth or expansion.
  - C. a changing economy.
  - D. new management.
15. What is a potential drawback of having too wide and shallow a product mix?
- A. It can be overwhelming to customers.
  - B. It can present a discount image.
  - C. It can make it seem more exclusive.
  - D. It can provide customers with too little options.
16. After Sam checks into their hotel room, they find a directory listing the fitness center hours of operation, airport shuttle schedule, and room service menu. The purpose of this directory is to
- A. remind.
  - B. persuade.
  - C. document.
  - D. inform.
17. Ramona is traveling for business but is extending her stay for a family vacation. What term refers to this increasingly popular segment of the travel market?
- A. Ecotourism
  - B. Incentive travel
  - C. Bleisure
  - D. Voluntourism
18. A catering company's cash flow statement shows a large negative cash flow in the investing activities section for the current year. What is the most likely interpretation of this finding?
- A. The company is struggling to pay its daily operating expenses.
  - B. The company raised a significant amount of cash by issuing new stock.
  - C. The company spent significant cash on buying new assets or improving existing ones.
  - D. The company is generating less profit than it did in the previous financial period.

19. Paloma requests a refund from the Millhouse Bed & Breakfast front desk but is refused because the reservation was made through a third-party website. The front desk agent directs Paloma to the third-party website for a resolution, leaving her frustrated. This conflict illustrates how indirect distribution can create challenges regarding
- A. maintaining occupancy during off-peak periods.
  - B. controlling the customer service interaction.
  - C. protecting the privacy of sensitive guest data.
  - D. lowering the property's total operating costs.
20. Mac's Market purchases printers from manufacturers to print receipts for customers. This is called buying for
- A. resale.
  - B. business use.
  - C. personal use.
  - D. transformation.
21. Lacy needs to analyze which marketing channel generates the most profitable guests. She uses a web analytics tool to track a guest's journey from their initial click on an advertisement to the completion of a booking. What specific metric or report is she likely using?
- A. Customer lifetime value (CLV)
  - B. Daily occupancy rate (DOR)
  - C. Source/Medium conversion report
  - D. Employee shift efficiency report
22. Misha decides she wants to spend her day going on a run with her friend, eating lunch at a cafe, and listening to music. Which of the following accurately characterizes these wants:
- A. Misha has a mix of economic and noneconomic wants.
  - B. Misha has a mix of economic and capital wants.
  - C. Misha has a mix of industrial and consumer wants.
  - D. Misha has only noneconomic wants for the day.
23. Which of the following is a benefit of assessing your personal strengths and weaknesses:
- A. It makes you better than some of your peers.
  - B. It increases your opportunities for career success.
  - C. It ensures you will be successful in the future.
  - D. It lets you see how well you compare to other people.
24. Daiyu needs to present a visual report showing the trend of revenue per available room (RevPAR) over the past three months. Which chart type is best suited for displaying this continuous data over a specific time period?
- A. Pie chart
  - B. Line chart
  - C. Bar chart
  - D. Scatterplot

25. What is the most valuable long-term business outcome of consistently exceeding guest expectations?
- A. Eliminating all negative online reviews
  - B. Reducing the initial investment required for facility upgrades
  - C. Ensuring the business can operate without following health codes
  - D. Achieving high levels of guest loyalty
26. Autumn is the sole proprietor of Buildings for Birds, a birdhouse business. As her business grows, Autumn wants to avoid unlimited liability without giving away ownership or dealing with a board of directors. What form of business ownership would be most fitting?
- A. "S" corporation
  - B. Partnership
  - C. Limited liability partnership (LLP)
  - D. Limited liability company (LLC)
27. Pins and Ladles, a restaurant supply outlet, organizes its departments by product. For example, it has a rolling pin department, a ladle department, and a colander department. Pins and Ladles uses a \_\_\_\_\_ structure.
- A. linear
  - B. matrix
  - C. functional
  - D. divisional
28. Larry wants to open a checking account and a credit card. He would prefer banking with a not-for-profit institution that he has an ownership stake in. What kind of institution should Larry pursue?
- A. Savings and loan association
  - B. Sales finance company
  - C. Commercial bank
  - D. Credit union
29. Rutabaga, a luxury mountain resort, is in search of vendors to supply its biodegradable cutlery and tablecloths. Which of the following should Rutabaga prioritize in its vendors:
- A. Market share
  - B. Customer recognition
  - C. Low prices
  - D. Reliability
30. Lewis Viton, an American luxury clothing brand, wants to improve brand visibility and recognition by stepping outside of its industry. In addition to luxury clothes, Lewis Viton now sells branded cereals, furniture, and tech accessories. This is an example of brand
- A. licensing.
  - B. extension.
  - C. coordination.
  - D. positioning.

31. Which of the following is an application of customer service skills in hospitality and tourism:
- A. A server orders a medium-rare steak, even though the customer requested medium
  - B. A hotel concierge offers a free restaurant voucher while customers wait for their hotel room to be cleaned
  - C. A tour guide leads a group of customers through a new city, answering questions only in return for tips
  - D. A barista uses cow's milk in a drink, then tells the customer they used almond milk instead
32. Callie, a hospitality manager, requires that the employee who counts the cash at the end of the shift must be different from the employee who prepares the daily bank deposit slip. This procedure is an example of which cash control measure?
- A. Cash clearing
  - B. Segregation of duties
  - C. Signature card requirement
  - D. External control
33. Hotels collect vast amounts of unstructured data, such as guest feedback and email inquiries. If a hotel lacks a system to organize and utilize this information, what is the primary risk?
- A. The hotel will fail data compliance audits.
  - B. The system will automatically delete old data.
  - C. Actionable insights will be lost or overlooked.
  - D. Unauthorized users will access the private records.
34. Maxine's friend raves about Gumby Inc.'s exceptional customer service, so Maxine decides to shop there. What factor is influencing Maxine's expectations?
- A. Sales promotion
  - B. Individual need
  - C. Word of mouth
  - D. Past experience
35. Natasha, the executive chef of a large banquet facility, needs to immediately inform a sous chef, who is currently managing the hot line in the kitchen, that a banquet for 200 people has requested a last-minute change to a specific allergy-restricted menu item. Which communication channel is the most appropriate?
- A. Writing a large note on the sous chef's dry-erase board for them to read later
  - B. Placing a direct call to the sous chef's personal phone
  - C. Giving a brief, face-to-face verbal instruction to the sous chef in the kitchen
  - D. Sending a formal email to the sous chef's workstation
36. Sales at the Billy Goat Bar & Grill have dropped by 20%. Bianca, the manager, cannot immediately identify the reason for this downturn. Which of the following steps should she take to address the issue:
- A. Launch an advertising campaign to reach new local audiences.
  - B. Cut staff hours drastically to preserve the current profit margins.
  - C. Eliminate the top-selling menu items to encourage new products.
  - D. Review sales reports and customer surveys to gather feedback.

37. Kit compares two motels, the Marlin Cove and the Truck Bucket. The Marlin Cove looks nicer, but costs more than the Truck Bucket. Kit calls the Marlin Cove and they agree to offer him the same price as the Truck Bucket. Kit books with the Marlin Cove as a result. This is an example of how a \_\_\_\_\_ guarantee can capture more sales.
- A. satisfaction
  - B. friendliness
  - C. money back
  - D. price match
38. Which action is a key component of effective service recovery?
- A. Follow standard operating procedures and require guests to submit complaints in writing.
  - B. Empower staff to make quick decisions to correct the issue and compensate the guest.
  - C. Offer a sincere apology without providing any concrete solution or compensation.
  - D. Immediately blame the back-of-house staff for the service failure to shift accountability.
39. Blue Loop Systems intends to reduce its expenses for the following month. This past month, it went below budget on supply expenses and production costs, above budget on marketing efforts and virtual technology, and met its budget for travel expenses. Which expenses should Blue Loop Systems aim to reduce in the following month?
- A. Production costs and travel expenses
  - B. Virtual technology and travel expenses
  - C. Supply expenses and production costs
  - D. Marketing efforts and virtual technology
40. The Sleepy Sloth Inn shares sensitive guest information with third-party marketing vendors. To most effectively mitigate the risk of a data breach originating from these external partners, management should
- A. require vendors to notify the hotel immediately after a breach occurs.
  - B. conduct a comprehensive security audit of vendors before sharing data.
  - C. ask guests to sign waivers acknowledging potential third-party data risks.
  - D. change marketing vendors every month to minimize long-term data exposure.
41. Brenda, a resort manager, wants to learn specifically why potential customers are choosing a competitor's all-inclusive package over their own. She commissions an independent research firm to conduct one-on-one interviews with recent non-booking visitors to collect feedback. This type of information is best classified as
- A. internal data.
  - B. secondary data.
  - C. quantitative sales data.
  - D. primary market information.
42. When you purchase a phone, the connection service you receive from the company you purchased the phone from is called a(n) \_\_\_\_\_ service.
- A. pure
  - B. economic
  - C. product-related
  - D. owned-goods



43. How does technology like mobile apps improve efficiency for hotel guests?
- A. It allows the hotel to manage internal security camera feeds.
  - B. It eliminates the need for any in-person interaction with hotel staff.
  - C. It enables guests to use their phone to check in before arrival.
  - D. It automatically posts the guest's photos to social media.
44. What makes customer service in hospitality unique compared to other industries?
- A. Technological speed and minimal human contact
  - B. Product durability and physical goods quality
  - C. Transactional sales and one-time interactions
  - D. Emotional connection and total guest experience
45. Project managers focus on assembling a team and acquiring resources, completing required tasks, and guiding the team as they complete work during the \_\_\_\_\_ stage of project management.
- A. initiation
  - B. closing
  - C. planning
  - D. execution
46. Kiki's Catering Company has transitioned to electronic invoicing (e-invoicing) to streamline its accounting. To effectively track the status of every invoice in the system, the finance department should
- A. delete invoices from the database once they are paid.
  - B. assign each invoice a unique internal identifier.
  - C. rely on vendors to send monthly statements to verify invoices.
  - D. allow individual departments to store their invoices on local drives.
47. Inaya, a staff member on a high-end cruise ship, overhears some guests exhibiting signs of confusion regarding the ship's laundry facilities. Which action should Inaya take to resolve the guests' unspoken needs?
- A. Ignore the guests unless directly spoken to.
  - B. Wait nearby to see if the guests find the laundry room.
  - C. Offer to explain the laundry services to the guests.
  - D. Ask a coworker to check on the guests.
48. Dilan is the brand manager for Flowers n' Flours, a gardening supply and bakery chain. The company has been trying to project a brand that consumers associate with friendliness and empathy. However, surveys show that customers see the brand as cold and transactional. Which of the following approaches could Dilan use to communicate the company's brand:
- A. Conduct meetings with stakeholders about brand values
  - B. Give all employees a raise in their wages
  - C. Lower prices temporarily to increase sales
  - D. Incorporate brand identity into all touchpoints

49. While scrolling on Instagram, Elliot sees a series of Pure Michigan ads highlighting the state's scenic lakes and trails. This campaign is an example of
- A. primary product promotion.
  - B. institutional promotion.
  - C. secondary product promotion.
  - D. public relations.
50. Why does the hospitality and tourism industry typically see a decline in revenue when the economy enters a recession?
- A. The industry is subsidized by the government.
  - B. Tourism is considered a non-cyclical industry.
  - C. Consumers view travel as a discretionary expense.
  - D. Hospitality is a leading indicator of economic health.
51. Chiara, the manager of the Crystal Lodge, discovers that a large corporation is opening a new location down the street. She proactively contacts the office manager to introduce her meeting space and solicit future business. By initiating this first conversation to build a relationship, Chiara is performing the \_\_\_\_\_ step of the selling process.
- A. following up
  - B. approaching
  - C. prospecting
  - D. closing
52. Julian wants to promote his restaurant to younger audiences. Which of the following marketing strategies would be best:
- A. Door-to-door advertising
  - B. Social media and online ads
  - C. Brochures, posters, and magazines
  - D. Local newspaper ads
53. Robert and June start an exam at the same time. Robert is forced to turn in his exam at the end of the normal allotted time, while June is given an extra 30 minutes to complete the exam because English is not her first language. Robert feels this is unfair and that June should get the same time as everyone else, while June thinks the extra time is fair. Which of the following statements is true:
- A. Robert wants June to be treated justly, while June wants to be treated equally.
  - B. Robert wants June to be treated equally, while June wants to be treated justly.
  - C. Both Robert and June want the situation to be treated justly, but they disagree on the definition of an equal outcome.
  - D. Both Robert and June agree that everyone should be treated equally to achieve a fair outcome.
54. Which service characteristic makes a luxury resort stay harder to market than a physical product like travel luggage?
- A. Portability
  - B. Durability
  - C. Homogeneity
  - D. Intangibility

55. Sebastian's special order for a proposal includes flowers and a rare champagne currently out of stock globally. Which strategy should the manager use to ensure the guest's needs are met while maintaining professional standards?
- A. Cancel the entire request because the order is incomplete.
  - B. Substitute a lower-tier product without notifying Sebastian.
  - C. Wait until Sebastian's arrival to address the shortage.
  - D. Proactively suggest a comparable or superior alternative.
56. Which of the following topics is appropriate for Kennedy to discuss with her coworkers:
- A. The new laptop she purchased over the weekend
  - B. Why she is voting for a political candidate
  - C. An argument she had with her partner
  - D. Details about another employee's job status
57. Blaine wants to harvest knowledge from Violet, a senior employee who is close to retiring. Which of the following techniques should Blaine use:
- A. Ask Violet to participate in a series of knowledge-capturing interviews
  - B. Ask Violet's coworkers about what they have learned from her
  - C. Try getting Violet to talk about her experience in casual conversation
  - D. Observe and take notes on Violet's behavior throughout the day
58. Museum management needs to determine if operations were profitable over the last fiscal quarter. What financial document should Geraldine prepare to show the relationship between the museum's total revenue and its expenses?
- A. Balance sheet
  - B. Statement of shareholders' equity
  - C. Cash flow statement
  - D. Profit and loss statement
59. Malcolm is writing an internal memo to all department heads to announce a new policy regarding the processing of group booking cancellations. To ensure the written communication is effective, what should Malcolm prioritize?
- A. Clarity
  - B. Expressiveness
  - C. Complexity
  - D. Length
60. The Arctic Tern Resort faces risks from employee theft of guest snow boards and potential building damage caused by avalanches. Which pair of risk controls correctly addresses these issues?
- A. Internal: Weather forecasting; External: Quality control inspections
  - B. Internal: Liability insurance; External: Employee background checks
  - C. Internal: Security cameras; External: Property insurance
  - D. Internal: Market research; External: Daily cash counts

61. Marcus, a national park transit service coordinator, wants to understand visitor satisfaction with its shuttle service. He decides to stand at a major bus stop and count how many visitors board the bus versus how many choose to walk, noting whether the waiting visitors appear frustrated. Marcus is using \_\_\_\_\_ to collect data.
- A. participant observation
  - B. mechanical observation
  - C. phone surveying
  - D. direct observation
62. Which sequence of steps is the most effective strategy for a hospitality employee to follow when resolving a guest complaint?
- A. Apologize, leave, return, avoid (ALRA)
  - B. Discuss, defend, determine, deter (DDDD)
  - C. Listen, apologize, solve, thank (LAST)
  - D. Blame, insult, retaliate, dismiss (BIRD)
63. Greenhouse Bistro is evaluating local produce suppliers for a long-term partnership. When analyzing vendor performance, which factor is most important to ensure Greenhouse Bistro can maintain its farm-to-table menu standards?
- A. Most recent annual revenue
  - B. Product quality consistency
  - C. Maximum warehouse capacity
  - D. Variety of payment options
64. When a good or service is sold, the buyers and sellers have agreed on a value for the product. This amount of money is known as the \_\_\_\_\_ price.
- A. exchange
  - B. list
  - C. market
  - D. demand
65. Which characteristic of hospitality and tourism services makes it challenging to ensure consistent, reliable quality?
- A. Intangibility
  - B. Perishability
  - C. Inseparability
  - D. Heterogeneity
66. If a business has a low gross profit margin, how should it respond?
- A. By filing for bankruptcy
  - B. By seeking a loan
  - C. By decreasing its operating costs
  - D. By increasing its spending

67. In the hospitality industry, zoning laws and public health codes are primarily designed to
- A. maximize profit margins and lower overhead costs.
  - B. limit market saturation and prevent new competition.
  - C. standardize pricing and ensure fair competition.
  - D. protect the public and manage property locations.
68. One key benefit of product bundling for consumers is that it
- A. gives them more control and choice.
  - B. guarantees they get a fair price.
  - C. makes them spend more money.
  - D. reduces the pain of buying.
69. Which of the following digital media strategies is most effective for a resort to enhance the customer's post-sale experience:
- A. Provide a personalized digital follow-up package, including a discount for their next booking.
  - B. Send a single, standardized email receipt 30 days after departure with links to travel articles.
  - C. Require the guest to download an app to view a static, generic digital brochure of the resort.
  - D. Unsubscribe the guest from email lists immediately after check-out to avoid becoming spam.
70. Thandiwe manages stock for the Poseidon River Rafting Company. She specifically oversees the flow of materials and resources required to deliver the guest experience. Thandiwe is managing \_\_\_\_\_ inventory.
- A. service
  - B. raw materials
  - C. manufacturing
  - D. work-in-process
71. What is a major, ongoing challenge in implementing enterprise risk management (ERM) across a large organization?
- A. Securing the initial software budget
  - B. Employee resistance to change
  - C. Scheduling risk training sessions
  - D. Frequency of password updates
72. At Cadence's Corner Restaurant, employees must mop the floors, wash the dishes, clean the restrooms, and lock the doors before exiting for the night. These tasks are part of the restaurant's \_\_\_\_\_ procedures.
- A. human resource
  - B. opening/closing
  - C. emergency
  - D. customer inquiry
73. Samantha frequently purchases a milkshake from her favorite store down the street. This is an example of customer
- A. feedback.
  - B. service.
  - C. loyalty.
  - D. satisfaction.

74. Brian is under a tremendous amount of stress at work and decides to confide in a friend. How is Brian managing his stress?
- A. By practicing meditation
  - B. By staying healthy
  - C. By getting support
  - D. By knowing his limits
75. Oliver is selling a new salad dressing to an interested customer. The customer asks Oliver if the dressing contains any additives or preservatives. Oliver knows that the dressing contains both additives and preservatives, but also knows that if he is honest, he will most likely lose out on the sale. What should Oliver say?
- A. "Yes, the dressing does contain additives, but not preservatives."
  - B. "No, the dressing does not contain any additives or preservatives."
  - C. "Yes, the dressing contains additives and preservatives."
  - D. "I'm not sure if the dressing contains additives or preservatives."
76. To promote its new slide, a water park installs a decal on a mall elevator that appears as if the floor is missing and the rider is about to go down the steep slide. This attention-grabbing tactic is an example of
- A. guerilla marketing.
  - B. influencer marketing.
  - C. publicity.
  - D. personal selling.
77. What is the main goal of guest recovery in the hospitality industry?
- A. To turn a bad experience into a positive one and regain the guest's trust
  - B. To offer the highest refund possible without checking what went wrong
  - C. To identify and properly discipline the employee who made the mistake
  - D. To strictly enforce rules so the guest doesn't complain again
78. A venue manager anticipates that high-energy crowds at an upcoming concert may lead to attendee injuries. To ensure immediate and appropriate care should an incident occur, the manager must prioritize
- A. conducting a structural safety inspection of the stage flooring.
  - B. increasing the number of security guards near the stage barriers.
  - C. coordinating with emergency medical services for on-site presence.
  - D. installing additional lighting to improve visibility in the crowd.
79. What is a common challenge for a hospitality team with significant generational diversity?
- A. Uneven technology adoption and narrow guest understanding
  - B. Limited creative thinking and repetitive perspectives
  - C. Conflicting communication styles and feedback preferences
  - D. Rigid holiday schedules and religious conflicts
80. The process of capital budgeting involves
- A. taking out a loan from a bank or other lending institution.
  - B. funding a business venture.
  - C. raising money by selling shares in the company.
  - D. determining which projects a company should invest in.

81. In addition to customer service skills, Vanessa has a keen sense of organization that is key to her job. She must keep track of reservations, maintain the cleanliness of her building, and provide a smooth and pleasant customer experience. It is most likely that she works in
- A. recreation, amusements, and attractions.
  - B. travel and tourism.
  - C. lodging.
  - D. restaurants and food/beverage service.
82. Two private label brands, Yalulu and Fromage, compete for the same customers. Which of the following would be an example of a competitive advantage:
- A. Yalulu manufactures products more efficiently than Fromage.
  - B. Fromage spends more and has a larger budget for marketing.
  - C. Fromage hires fewer workers.
  - D. Yalulu hires more workers.
83. Management at Scott's Spot has established a single long-term agreement with a local farm for recurring vegetable deliveries. The agreement locks in a fixed unit price for the year but allows the kitchen manager to adjust the specific quantity needed for each delivery. This type of contract is most likely a \_\_\_\_\_ purchase order.
- A. contract
  - B. standard
  - C. blanket
  - D. planned
84. Akihito manages the Abundant Valley, a sustainable restaurant near a national park. To align with his guests' expectations regarding ethical waste disposal, which method should Akihito implement to handle food scraps?
- A. Incinerate the scraps for quick disposal.
  - B. Freeze the scraps for later use.
  - C. Compost the organic scraps onsite.
  - D. Deposit the scraps in standard landfills.
85. A customer is interested in buying multiple syrups from the coffee shop where Allison works. Allison believes the shop has around 10 bottles left in stock but isn't certain, so she tells the customer that she can locate five. What technique for building positive customer relations is Allison demonstrating?
- A. Resolve complaints in a quick, satisfactory manner
  - B. Keep your promises
  - C. Pay attention to internal customers
  - D. Remember your touchpoints
86. Javier has two tasks to complete today: a major project due in two hours and a non-urgent email from a coworker. He chooses to finish the project first. This is an example of what time management strategy?
- A. Prioritizing
  - B. Delegation
  - C. Goal setting
  - D. Using free time

87. Jameson owns the Snowball Ski Resort and has authorized a manager to make purchases using a company credit card. To most effectively safeguard against fraudulent transactions, Jameson should
- A. rely on the bank to automatically flag any suspicious activity.
  - B. allow multiple employees to share the card to expedite purchases.
  - C. require the manager to sign a strictly worded code of ethics.
  - D. reconcile monthly credit card statements with the original receipts.
88. Juliet operates restaurants in multiple states and subscribes to legislative alerts to ensure she catches changes in labor laws, such as tipped wage increases. Which business practice involves actively monitoring and interpreting these legislative changes to avoid penalties?
- A. Environmental scanning
  - B. Collective bargaining
  - C. Market segmentation
  - D. Quality assurance
89. During a job interview for a guest services position, what is the most appropriate action the candidate should take when the interviewer asks, "Do you have any questions for me?"
- A. State, "No, I think I have all the information I need. Thank you."
  - B. Bring up a minor scheduling concern you anticipate having in the near future.
  - C. Ask about the salary and benefits package before anything else.
  - D. Inquire about the next steps in the hiring process and training opportunities.
90. An employee who uses a company forklift for a personal project over the weekend is committing an ethics violation related to
- A. conflicts of interest.
  - B. misuse of company equipment.
  - C. time theft with the company.
  - D. inventory shrinkage.
91. Which personal trait is essential for a hospitality and tourism professional who consistently works with diverse guests and must handle unexpected service issues calmly and effectively?
- A. Financial expertise
  - B. Emotional resilience
  - C. Mechanical aptitude
  - D. Data analysis skills
92. Corporate goals and objectives, production capacity, and research and development efforts are examples of \_\_\_\_\_ factors that impact company selling policies.
- A. technological
  - B. internal
  - C. competitor
  - D. regulatory



93. The producers of a popular docuseries, Shark People, want to film a new season. They decide to conduct an environmental scan, which is as broad as possible, making use of surveys, focus groups, research studies, and political news. However, the producers do not obtain much useful information, and the new season performs poorly. What mistake did they make?
- A. Gathered too little information
  - B. Performed the scan too early
  - C. Performed the scan too late
  - D. Gathered too much information
94. Deena wants to send a promotional update to a large group of guests who have subscribed to the aquarium's newsletter. Instead of entering every address individually, she sends the message to a single email address that automatically distributes it to all subscribers. Deena is using a(n)
- A. autoresponder.
  - B. attachment.
  - C. listserv.
  - D. hyperlink.
95. Which of the following is a major difference between monopolistic competition and a monopoly:
- A. Monopolies do not have competition.
  - B. Monopolistic competition requires one large business.
  - C. Monopolies occur when most products are similar.
  - D. Monopolistic competition is illegal.
96. Elliot hires a cybersecurity consultant to improve his company's digital asset management. Which of the following is a mistake the consultant might mention:
- A. Only allowing employees to access digital assets that they need
  - B. Regularly educating employees about digital privacy and security
  - C. Using two-factor authentication for company accounts and Wi-Fi
  - D. Listing the Wi-Fi password in a clear, centralized location
97. A guest accidentally drops an expensive bottle of wine at Clyde's dinner party, creating a large mess. The guest is embarrassed and apologetic, but Clyde responds by laughing about the accident and reassuring them that it is no big deal. Clyde demonstrates self-control by
- A. laughing at the guest.
  - B. yelling angrily.
  - C. showing empathy.
  - D. being impatient.
98. Brian wants to identify which 20% of visitor complaints are causing 80% of his museum's negative reviews so he can respond appropriately. Which visual tool should he use to rank these problems from most to least frequent?
- A. Scatter diagram
  - B. Pareto chart
  - C. Flow chart
  - D. Histogram

99. Lillia tries to be an active listener during class, focusing on being silent, holding eye contact, and making it clear to the teacher that she is being attentive by nodding as they speak. After class, however, Lillia finds it difficult to recall what class was about, and she often misses important lecture points. How could Lillia improve her listening?
- A. Close her eyes while the teacher lectures.
  - B. Frequently ask the teacher to repeat themselves.
  - C. Record the lecture to listen again later.
  - D. Ask the teacher questions and take notes.
100. A local restaurant goes viral after it is found to be serving expired food to its customers, causing some people to get sick. Which of the following are likely consequences of this:
- A. More customers, less financial risk, and more productivity
  - B. Fewer customers, greater customer loyalty, and positive public image
  - C. More customers, more publicity, and negative public image
  - D. Fewer customers, less customer loyalty, and exposure to lawsuits

1. D

Alert relevant departments and coordinate the delivery of safe items. Accommodating special needs, especially serious health concerns like allergies, requires cross-departmental communication and a coordinated effort to ensure the guest's safety and satisfaction. The front desk employee should contact the housekeeping and food and beverage departments to coordinate replacement snacks for Dena. Charging extra for a necessary safety modification fails to meet the commitment to guest accommodation and demonstrates a lack of understanding of the severity of the request. Leaving the current snacks in place increases the risk of contamination and fails to address the request with the seriousness required for life-threatening allergies. Passing the responsibility to the guest for a service the hotel provides is poor customer service and ignores the principle of accommodating needs to ensure a comfortable stay.

SOURCE: CR:054 Accommodate special needs/specific requests of customers

SOURCE: Invisibly Allergic. (2022, November 2). *8 steps to successfully managing food allergies in a hotel*. Retrieved December 8, 2025, from <https://invisiblyallergic.com/2022/11/02/managing-food-allergies-in-a-hotel-setting/>

2. C

The company will get fewer customers. Bob's Beds is being unethical by lying to its customers and neglecting their health and safety. It is likely that customers will notice that their sheets are not always fresh, leading to less overall business. The hotel will not get more customers. Customers will not necessarily leave fewer reviews or complain less—they may leave more negative reviews and complain more.

SOURCE: PD:400 Discuss the role of ethics in hospitality and tourism

SOURCE: Lacalle, E. (2023, December 12). *9 most common ethical practices in the hospitality industry*. Retrieved December 8, 2025, from <https://www.mews.com/en/blog/ethical-practices-in-hotels>

3. A

Inform Zeynep of the 15% promotion and apply the higher discount. Informing Zeynep of the higher discount and then informing her before applying it builds trust and loyalty with the guest. Customers are much more likely to return to a business that acted transparently and ethically during their transaction. Applying the 10% coupon when there is a better discount available may increase the company's profits in the short-term, but at the cost of long-term trust and loyalty. Considering the promotion is seasonal, it may end before Zeynep places another booking.

SOURCE: SE:149 Process complimentary offers and coupons/discounts

SOURCE: Thompson, J. (2025, June 30). *Using coupons to drive engagement and retention*. Retrieved December 17, 2025, from <https://www.business.com/articles/use-coupons-to-drive-engagement/>

4. C

Resale. Resale is the process of purchasing a product and then selling it. Northbridge University completed the process of resale by purchasing books only to sell them again at its bookstore. Renting involves paying for the use of something (typically property, land, or a car) for a temporary period. Buying involves purchasing a product for use. Donating involves giving money or goods to a good cause (for example, charity). Northbridge University did not complete the process of renting, buying, or donating.

SOURCE: SE:017 Explain the nature and scope of the selling function

SOURCE: LAP-SE-017—Sell Away (The Nature and Scope of Selling)

5. C

Assess your own personal values and behavior. When trying to model ethical behavior, the first step is to assess your own personal values and behavior. It is important to figure out what you value and what ethics mean to you. Values are the ideas, morals, and characteristics that are the most important to you. Understanding your own values can help you act ethically and behave in a way that supports your values. Following the code of conduct (or code of ethics) is the second step, followed by participating in ethics training, knowing your audience, communicating clearly and openly, making ethics relevant and valuable, being consistent, and providing and receiving feedback—positive AND constructive.

SOURCE: EI:132 Model ethical behavior

SOURCE: LAP-EI-132—Practice What You Preach (Modeling Ethical Behavior)

6. A

Upselling. Upselling is a sales technique in which a higher priced product than the one originally requested by the customer is suggested. In this scenario, Maria successfully recommended a higher priced item. Suggestion selling is a sales technique in which the salesperson attempts to increase the customer's purchase by recommending additional items after the original decision to buy has been made. Product bundling involves offering several products for sale as one combined product. Cross-selling involves selling related items to existing customers. Maria was not using suggestion selling, product bundling, or cross-selling.

SOURCE: SE:476 Up-sell to enhance customer experience

SOURCE: Kapur, N. (2025, June 16). *What is upselling? It's not the sales tactic you think it is*. Retrieved December 17, 2025, from <https://www.salesforce.com/sales/what-is-upselling/>

7. A

Segment. Segment marketing refers to dividing the total market for a product into groups or segments. Since Barry's Big Bench Supplements is tailored to a specific group of customers, it makes sense to divide the market in this way. Mass and undifferentiated marketing refer to a strategy where the seller promotes products that appeal to a wide and general audience. Industrial marketing would refer to marketing to an industrial market.

SOURCE: MP:003 Explain the concept of market and market identification

SOURCE: LAP-MP-003—Have We Met? (Market Identification)

8. D

Increased number of electronic documents and increased use of outsourcing. Businesses have greatly increased the amount of digital information they keep, requiring dedicated strategies and attention to properly manage. Businesses have also increased outsourcing for services like payroll, server hosting, and customer service, requiring management of information from many different parties. Higher employee turnover could increase some paperwork but does not significantly impact information management, while inflation has little impact on information management. Smaller workforces would likely decrease the complexity of information management for a company, not increase. Similarly, the use of AI can help simplify information management, and cybersecurity management is increasing, not decreasing.

SOURCE: NF:110 Discuss the nature of information management

SOURCE: LAP-NF-110—In the Know (Nature of Information Management)

9. B

Verifying that the name on the card matches the name on the guest's ID. This is the most critical, direct, and common step an employee can take to prevent fraud (specifically, unauthorized card use or identity theft) by confirming the person presenting the card is the legitimate cardholder, which is a major consideration in accepting credit card payments. While general guest information (like the guest's home address and phone number) is important for the hotel's records and marketing, it is a secondary security measure and not the most immediate or critical step for preventing fraudulent card use at the point of sale. Processing technology (EMV) and fee structures are important operational and financial considerations for the business, but they are typically automated by the point-of-sale system and not the primary security check that the employee must perform to protect the business and the cardholder. The expiration date only needs to be after the current date for the transaction to be valid. Requiring it to be six months out is an unnecessary and incorrect restriction that would not be standard procedure for payment acceptance.

SOURCE: FI:789 Discuss considerations in accepting credit-card payments

SOURCE: Aggarwai, S. (2024, October 15). *How can you improve your hotel security with identity verification?* Retrieved December 9, 2025, from <https://www.amsinform.com/digital-id-verification/how-can-you-improve-your-hotel-security-with-identity-verification/>

10. B

External failure. External failure costs are those associated with defective products that have reached the customer. In this case, the postcards have already been delivered to the customers. Internal failure costs are the costs associated with the defective products before they make it to the customer; these are the defective products caught by quality control. Prevention costs are costs associated with making sure defective products don't get made in the first place (quality assurance). Finally, appraisal costs are those associated with catching defective products as quickly as possible (quality control). These costs include paying inspectors or purchasing and maintaining inspection equipment.

SOURCE: QM:001 Explain the nature of quality management

SOURCE: LAP-QM-001—Keep It Quality (Nature of Quality Management)

11. B

Businesses do not have sufficient profit incentives to supply public goods like roads or aircraft carriers. Businesses operate on supply and demand, and many public goods are expensive or not profitable. Since businesses are unlikely to provide unprofitable public needs, government generally provides them instead through production or regulation. Businesses do generally follow economic frameworks such as supply and demand. Government is not the sole source of monetary value. It is not clear that most people cannot afford public services, and public goods and services are often paid for through taxes.

SOURCE: EC:008 Determine the relationship between government and business

SOURCE: LAP-EC-008—Regulate and Protect (Government and Business)

12. D

Altering existing jobs. Technological innovations often alter or even eliminate jobs that they affect. In this case, Aaron's job changed as a direct result of automation. Aaron's industry was not eliminated, just changed. Increased in-person kiosks would not reduce in-person shopping, and there is no indication that prices are being driven up.

SOURCE: NF:003 Identify ways that technology impacts business

SOURCE: LAP-NF-003—TECH-tastic (Technology's Impact on Business)

13. C

Average daily rate (ADR). ADR is a widely used metric in the hospitality industry that indicates the average revenue earned for an occupied room on a given day. ADR is calculated by dividing the revenue earned from rooms by the number of rooms sold. RevPAR is calculated by multiplying the ADR by the occupancy rate. GOPPAR is calculated by dividing the gross operating profit by the total number of available rooms. Occupancy rate is calculated by dividing the number of occupied rooms by the total number of rooms, then multiplying by 100.

SOURCE: NF:236 Explain the use of descriptive statistics in business decision making

SOURCE: Hargrave, M. (2025, September 28). *Understanding average daily rate (ADR): Definition, calculation, and examples*. Retrieved December 9, 2025, from <https://www.investopedia.com/terms/a/average-daily-rate.asp>

14. A

Competitive pressures. If a competitor is offering superior wages and benefits to employees, a business may have to reevaluate its own compensation plan if it wants to attract and keep top talent. In this scenario, Amber is a top talent in her field, and Elsa raising her salary is a direct result of the pressure applied by a competitive agency pursuing her. This change is not the result of the growth or expansion of Elsa's agency. The reason for Amber's raise is external (the competitor), not internal (the agency's own growth). This scenario is too specific to be a result of a general economic trend, as it pertains to one employee, and it is based on a direct competitor's action. There is no mention of any change in Elsa's leadership structure.

SOURCE: SM:065 Describe managerial considerations in staffing

SOURCE: LAP-SM-065—Dream Team Maker (Staffing)

15. B

It can present a discount image. A potential drawback of having too wide and shallow a product mix is that it can present a discount image. This is because customers sometimes associate higher quality with fewer product lines, so too many product lines can unintentionally communicate to customers lower-quality products. Having too wide and shallow a product mix does not risk conveying exclusivity; it risks conveying a discount image. Overwhelming customers is not a major concern of having too wide and shallow a product mix. A benefit of having too wide and shallow a product mix is that it provides many options to customers.

SOURCE: PM:003 Explain the concept of product mix

SOURCE: LAP-PM-003—Mix and Match (The Nature of the Product Mix)

16. D

Inform. A directory that lists operating hours, a shuttle schedule, and a menu is simply designed to inform customers about hotel amenities. Persuading involves promotional language, such as an ad with a limited time offer for a spa treatment. Reminding references previous information, such as a sign near the elevator with the checkout time. Documenting refers to internal operations or official recordkeeping, such as an incident report.

SOURCE: PR:001 Explain the role of promotion as a marketing function

SOURCE: LAP-PR-901—Razzle Dazzle (Nature of Promotion)

17. C

Bleisure. Bleisure is a portmanteau of the words “business” and “leisure” and is used to describe the consumer trend of combining a work trip with an extended vacation. With more people working remotely, bleisure has seen tremendous growth in the industry. Ecotourism is a form of sustainable tourism focused on preserving nature while enriching local cultures. Incentive travel is a corporate rewards program in which companies send top-performing employees on fully paid trips to drive business goals. Voluntourism combines volunteering with tourism, allowing travelers to help communities while exploring new cultures.

SOURCE: NF:048 Describe current issues and trends in the hospitality and tourism industry

SOURCE: Morgan, B. (2022, June 27). *What is bleisure travel, and how is it transforming the hospitality industry?* Retrieved December 9, 2025, from <https://www.forbes.com/sites/blakemorgan/2022/06/27/what-is-bleisure-travel-and-how-is-it-transforming-the-hospitality-industry/>

18. C

The company spent significant cash on buying new assets or improving existing ones. The investing activities section records the purchase and sale of long-term assets. A large negative number here is common for a growing company that is making significant capital expenditures, like buying new commercial kitchen equipment or renovating a central event space. If the company were struggling to pay its daily operating expenses, it would be indicated by a large negative cash flow in the operating activities section, which reflects the cash generated or consumed by the core business, not the investing activities section. If the company raised a significant amount of cash by issuing new stock, this activity is a cash inflow and would be reported as a positive cash flow in the financing activities section, which deals with funding from owners and creditors. While profitability is related, profit is calculated on the income statement. The statement of cash flows focuses on the movement of actual cash. A large negative investing cash flow does not directly indicate poor profitability; it just indicates large asset purchases.

SOURCE: FI:541 Interpret cash-flow statements

SOURCE: Hayes, A. (2025, May 10). *Cash flow statement: How to read and understand it.* Retrieved December 9, 2025, from <https://www.investopedia.com/terms/c/cashflowstatement.asp>

19. B

Controlling the customer service interaction. By using a third-party website to accept bookings, the Millhouse Bed & Breakfast is using an indirect distribution channel. When using an indirect distribution channel, some aspects of the customer experience are outside of the control of the hotel, such as refunds for reservations. While using an indirect distribution channel can have advantages such as increased market reach and decreased operating costs, it can create challenges regarding customer service. Using a third-party website does not necessarily create challenges regarding operating costs, and it can help maintain occupancy during off-peak periods. Using a third-party website does create challenges regarding the protection of guest data, however this challenge is not demonstrated by the described conflict.

SOURCE: OP:523 Explain the relationship between customer service and distribution

SOURCE: Fernando, J. (2025, October 1). *Understanding distribution channels in business: How they function.* Retrieved December 15, 2025, from <https://www.investopedia.com/terms/d/distribution-channel.asp>

20. B

Business use. Buying for business use involves purchasing items like equipment, office supplies, tools, or furniture that the business will use internally to operate, not to sell. Buying for resale involves purchasing items and selling them to other businesses or final consumers. Buying for transformation involves buying raw materials or components that will be processed or assembled into a different finished product. Buying for personal use refers to purchases made by an individual or household for their own final consumption, not for business purposes.

SOURCE: OP:015 Explain the nature and scope of purchasing

SOURCE: LAP-OP-015—Buy Right (Purchasing)

21. C

Source/Medium conversion report. Analytical tracking tools use source/medium conversion reports to show the specific source and medium that drove a visitor to the website, and whether that visit resulted in a desired action, like a conversion (booking). DOR is an internal operational metric that measures how full the hotel is on a given day; it provides no information about where the booking originated or how much the guest spent. CLV is a long-term metric that estimates the total profit a business expects to earn from a customer over the entire relationship, which is too broad for tracking the success of a single advertising campaign. An employee shift efficiency report is an internal human resources management tool and has no direct relation to tracking online marketing effectiveness or guest web behavior.

SOURCE: NF:205 Use analytical tracking tools

SOURCE: LinkedIn. (2025). *How do you track and optimize conversion rates by source and medium?*

Retrieved December 10, 2025, from <https://www.linkedin.com/advice/1/how-do-you-track-optimize-conversion-rates>

22. A

Misha has a mix of economic and noneconomic wants. Economic wants require spending money to fulfill them, while noneconomic wants do not. Running with a friend is a noneconomic want, while eating lunch at a cafe is an economic want. Listening to music may be economic or noneconomic depending on if Misha is paying for the music. Capital is not a category of wants. Industrial and consumer products are not the same as wants.

SOURCE: EC:002 Distinguish between economic goods and services

SOURCE: LAP-EC-002—Get the Goods on Goods and Services (Economic Goods and Services)

23. B

It increases your opportunities for career success. Self-assessment is important for career success because it lets you take advantage of your strengths, be aware of your weaknesses, and be honest with interviewers and managers about yourself. The goal of self-assessment is not to compare yourself to others or make you better than your peers. Although assessing your personal strengths and weaknesses increases your chances of success, it can't guarantee it.

SOURCE: EI:002 Assess personal strengths and weaknesses

SOURCE: LAP-EI-902—Assess for Success (Assessing Personal Strengths and Weaknesses)



24. B

Line chart. RevPAR is best displayed in bar or line charts, depending on the goal. Daiyu needs to present a chart showing the continuous data over a time period, therefore a line chart would be best. Line charts excel at showing changes over a continuous time period. Bar charts can also demonstrate time, but they fail to show the continuity that a line chart can provide. Bar charts can be simple or complex; simple bar charts illustrate one string and one numeric variable and are easy to visually read, but complex bar charts with too much data can become difficult to read. Pie charts are best used with one string and one numeric variable and show a part-to-whole relationship. Scatterplots are useful for showing precise data-dense visualizations, correlations, and clusters between two numeric variables.

SOURCE: NF:289 Display hospitality and tourism data in charts/graphs or in tables

SOURCE: UC Berkeley. (2025, August 18). *Data visualization: Choosing a chart type*. Retrieved December 9, 2025, from <https://guides.lib.berkeley.edu/data-visualization/type>

25. D

Achieving high levels of guest loyalty. Exceeding expectations creates guest satisfaction, which is the strongest driver of customer loyalty. While high service reduces negative feedback, no business can guarantee the complete elimination of all negative reviews. Exceeding expectations often involves investing more in staff training, superior amenities, or personalized service, which typically increases capital costs. Compliance with health codes is a legal minimum requirement for operation, entirely separate from and not substituted by the goal of exceeding customer service expectations.

SOURCE: CR:067 Explain the importance of meeting and exceeding customer/guest expectations

SOURCE: Kyamko, M. (2025, September 25). *Meeting customer expectations: Importance, strategies to exceed them, and management tips*. Retrieved December 8, 2025, from <https://www.crowdspring.com/blog/customer-expectations/>

26. D

Limited liability company (LLC). Since Autumn wants to remain the sole owner of her business, she shouldn't turn it into a corporation or partnership. Instead, she should acquire a limited liability company to retain her ownership while being protected from full liability for her business. Since she is retaining sole ownership, it would not make sense to acquire a limited liability partnership.

SOURCE: BL:003 Explain types of business ownership

SOURCE: LAP-BL-003—Own It Your Way (Types of Business Ownership)

27. D

Divisional. A divisional structure is characterized by having departments separated by product, process, territory, or other factors. In this case, Pins and Ladles organizes its departments by product. Functional structure is characterized by departments that are organized by the responsibilities and skills of employees who work there. Matrix structure is a combination of divisional and functional structures. Linear is not a typical descriptor for organizational structures.

SOURCE: SM:064 Explain managerial considerations in organizing

SOURCE: LAP-SM-064—Put It All Together (Managerial Organizing)

28. D

Credit union. Credit unions are member-owned, not-for-profit financial institutions that offer many of the same services as banks. This fits Larry's requirements. Commercial banks are larger, for-profit institutions that are shareholder-owned. Savings and loan associations mainly make loans, such as for real estate. Sales finance companies offer credit through other institutions and generally do not offer services like checking accounts.

SOURCE: FI:002 Explain the purposes and importance of credit

SOURCE: LAP-FI-002—Give Credit Where Credit Is Due (Credit and Its Importance)

29. D

Reliability. For any hospitality business, reliability is key to preventing disruptions of service. Additionally, customers of a luxury resort are likely to have higher standards and have lower tolerance for such disruptions. Rutabaga should choose reasonably priced vendors, but it should not prioritize lower prices at the cost of quality in other areas. Customers of a luxury resort are unlikely to care about a vendor's name recognition or market share.

SOURCE: PM:318 Choose hospitality and tourism vendors

SOURCE: Jenkins, A. (2024, August 22). *A guide to improved hospitality procurement*. Retrieved December 10, 2025, from <https://www.netsuite.com/portal/resource/articles/accounting/hospitality-procurement.shtml>

30. B

Extension. Brand extension is a strategy in which a company expands its product line, which is exactly what Lewis Viton is doing. Brand licensing is a strategy in which one company uses another brand's name or likeness. Brand positioning refers to establishing a brand's point of difference within the market. Brand coordination is not a typical brand strategy but could refer to ensuring a brand has cohesive marketing, aesthetics, or products.

SOURCE: PM:021 Explain the nature of product/service branding

SOURCE: LAP-PM-021—It's a Brand, Brand, Brand World! (Nature of Product Branding)

31. B

A hotel concierge offers a free restaurant voucher while customers wait for their hotel room to be cleaned. Solving a customer's problem is a common function of customer service. In this case, the concierge solves a customer's problem by keeping them satisfied while they wait for their room. A server ordering the wrong temperature of steak demonstrates a failure to listen to the customer. A tour guide, like other customer service roles, should offer services with or without direct payments from the customer. A barista lying about what type of milk they used is a violation of ethics and safety.

SOURCE: PD:111 Describe the nature of the hospitality and tourism industry

SOURCE: Swiss Education Group. (2025). *Excellent customer service examples that define hospitality*. Retrieved December 8, 2025, from <https://www.shms.com/en/news/excellent-customer-service-examples/>

32. B

Segregation of duties. Segregation of duties is a core internal control procedure that prevents fraud and error by ensuring that no single individual has control over all aspects of a financial transaction, such as handling the asset (cash) and recording the transaction (preparing the deposit). Cash clearing is an accounting process used to reconcile and temporarily record cash transactions, but it is not the name of the procedural control implemented by assigning different tasks to different employees. External controls refer to procedures outside the organization, such as a full audit conducted by an independent accounting firm, not the internal operational structure described in the scenario. A signature card is a document used by banks to verify authorized signatures for transactions, and while it is a control procedure, it does not describe the operational action of dividing tasks between two different employees.

SOURCE: FI:113 Explain cash control procedures (e.g., signature cards, deposit slips, internal/external controls, cash clearing, etc.)

SOURCE: Marafioti, M. (2025). *Protect your cash with segregation of duties*. Retrieved December 9, 2025, from <https://inseroadvisors.com/blog/protect-your-cash-with-segregation-of-duties/>

33. C

Actionable insights will be lost or overlooked. Abundant hotel data is a valuable asset, but it can become a liability if management is unable to effectively collect, analyze, and leverage it. The abundance of data can be overwhelming and crucial insights that lead to higher engagement or revenue optimization may be missed. Lacking a system to organize and utilize the information does not inherently create a security risk such as unauthorized access. Compliance is focused on how data are stored, not how data are analyzed. Lack of organization does not trigger auto-deletion of data. Systems can only delete data if they are programmed to do so.

SOURCE: NF:285 Identify challenges with the use of unstructured business data

SOURCE: Revinate. (2025, November 10). *Big data 101 for hotels and hospitality businesses*. Retrieved December 9, 2025, from <https://www.revinate.com/blog/hotels-big-data-analytics/>

34. C

Word of mouth. Word of mouth is the informal process of people recommending or discussing a product or service with others. Past experience refers to the experience a customer has with a product or service before interacting with Gumby Inc. Individual need refers to a desire the customer has that is satisfied by the product or service sold. A sales promotion refers to a coupon or promotional campaign that encourages a customer to stop in.

SOURCE: SE:076 Explain the role of customer service as a component of selling relationships

SOURCE: LAP-SE-076—Go Beyond the Sale (Customer Service in Selling)

35. C

Giving a brief, face-to-face verbal instruction to the sous chef in the kitchen. For critical, urgent, and high-stakes information in a high-intensity environment like a commercial kitchen, brief, in-person verbal instructions ensure immediate delivery and confirmation, and minimal disruption to workflow. Email is too slow for an urgent, time-sensitive change that impacts food safety and immediate service, as the sous chef is unlikely to check their workstation computer while actively working the line. Writing a note on the sous chef's dry-erase board lacks urgency and confirmation. It is unreliable for critical, time-sensitive, and safety-related information changes. While direct, using a phone in a noisy, high-pressure kitchen environment is often impractical and unprofessional, and may violate workplace policies.

SOURCE: CO:092 Choose and use appropriate channel for workplace communication

SOURCE: Birt, J. (2025, June 6). *7 essential channels of communication in the workplace*. Retrieved December 10, 2025, from <https://www.indeed.com/career-advice/career-development/channels-of-communication>

36. D

Review sales reports and customer surveys to gather feedback. Bianca's first step to solving the problem of decreasing sales is to gather information about potential factors. The best way to gather this information is to review detailed business reports and customer feedback to identify issues. Launching an advertising campaign, cutting staff hours, or changing the menu are all actions that may or may not help, depending on what is causing the decrease in sales.

SOURCE: NF:279 Explain the need for hospitality and tourism business information

SOURCE: Allen, A. (2024, July 27). *What to do when sales are down*. Retrieved December 9, 2025, from <https://trnusa.com/what-to-do-when-sales-are-down/>

37. D

Price match. The Marlin Cove captures Kit's business because they matched the price of the Truck Bucket, which demonstrates the power of a price match guarantee. This is not an example of a money-back guarantee. There is no indication that a friendliness or satisfaction guarantee informed Kit's decision.

SOURCE: PM:314 Explain guarantees in hospitality and tourism

SOURCE: Canary Technologies. (2024, September 27). *Best rate guarantee explained for hotels: Attract guests and boost revenue*. Retrieved December 9, 2025, from <https://www.canarytechnologies.com/hotel-terminology/best-rate-guarantee>

38. B

Empower staff to make quick decisions to correct the issue and compensate the guest. Empowerment gives staff the authority to quickly and creatively solve problems and offer compensation, turning a negative situation into a positive one and demonstrating genuine care for the guest's satisfaction. Shifting blame is unprofessional and makes the guest feel like the problem is not being handled by the service provider. While an apology is essential, it must be paired with action to demonstrate that the business values the guest and is committed to correcting the mistake. Strict adherence to rigid standard operating procedures can often prevent the flexible, immediate resolution needed for service recovery, especially in unique or complex complaint situations.

SOURCE: CR:052 Identify factors associated with positive customer experiences

SOURCE: Indeed. (2025, July 24). *What is customer service empowerment? (With definition and examples)*. Retrieved December 8, 2025, from <https://www.indeed.com/career-advice/career-development/empowerment-in-customer-service>

39. D

Marketing efforts and virtual technology. Blue Loop Systems should aim to reduce its marketing efforts and virtual technology expenses in the following month. This is because the company went above budget on these expenses in the prior month. Reducing these expenses would effectively keep the company within its budget. Blue Loop Systems should not aim to reduce its supply expenses and production costs since both are already well within budget. Similarly, Blue Loop Systems met its budget for travel expenses, but did not exceed it, so there is no need to reduce these expenses either.

SOURCE: FI:579 Describe the need for financial information

SOURCE: LAP-FI-579—By the Numbers (The Need for Financial Information)

40. B

Conduct a comprehensive security audit of vendors before sharing data. Data collection from consumers has become an enormous advantage in modern business operations; however, it also increases potential risks such as cybersecurity risks. When a business utilizes third-party vendors with access to sensitive consumer information, it's essential to have cybersecurity standards in place to mitigate the risk of data breach. Requiring vendors to notify the hotel after a breach has occurred and asking guests to sign waivers are helpful actions for damage control once a breach has occurred but are not preventative measures. Changing vendors every month increases the risk of a data breach by increasing the number of external parties with access to the data.

SOURCE: OP:518 Comply with strategies to protect digital customer data (e.g., information about customers, customers' credit-card numbers, passwords, customer transactions)

SOURCE: J.P. Morgan. (2023, March 29). *5 tips to help protect customer data*. Retrieved December 15, 2025, from <https://www.jpmorgan.com/insights/fraud/fraud-protection/how-to-protect-and-secure-customer-data>

41. D

Primary market information. Primary market information is data collected specifically for the current, distinct research problem (in this case, why guests choose a competitor), using methods like interviews, surveys, or focus groups. Secondary data is information that already exists and was collected for another purpose (e.g., government census data, published travel reports); this does not describe the new, custom-collected interview data. Internal data is information generated within the company (e.g., past sales reports, guest history); the interviews were conducted with non-customers by an external firm, making it external data. Quantitative sales data refers to numerical data that can be counted or measured (e.g., number of bookings, total revenue). The interview feedback is qualitative information, providing a deeper understanding of customer motivations and opinions.

SOURCE: NF:282 Explain types of primary hospitality and tourism market information

SOURCE: The Hartford. (2025). *Types of research: Primary vs secondary*. Retrieved December 10, 2025, from <https://www.thehartford.com/business-insurance/strategy/market-research/primary-second-research>

42. C

Product-related. When you purchase a phone, the connection service you receive from the company you purchased the phone from is called a product-related service. A pure service is a service provided to customers without the involvement of any tangible product. An economic service is a productive act that is useful, scarce, and transferable and that satisfies economic wants. An owned-goods service is a product that involves repairing or changing a good that the consumer has already purchased. The connection you receive from the company you purchased your phone from is not a pure, economic, or owned-goods service.

SOURCE: PM:001 Explain the nature and scope of the product/service management function

SOURCE: LAP-PM-001—Serving Up Products (Nature of Product/Service Management)

43. C

It enables guests to use their phone to check in before arrival. Mobile apps directly improve guest efficiency by digitizing and automating key touchpoints like check-in, reducing wait times, and the need for direct staff interaction for routine tasks. Mobile apps may limit staff interaction, but they rarely eliminate it completely. Allowing the hotel to manage internal security camera feeds is a technology benefit, but is not related to the guest's experience. Mobile apps do not typically post guests' photos to social media.

SOURCE: NF:060 Explain ways that technology impacts the hospitality and tourism industry

SOURCE: Tepia. (2025). *Mobile apps revolution: The hospitality industry*. Retrieved December 10, 2025, from <https://tepia.co/mobile-apps-revolution-the-hospitality-industry/>

44. D

Emotional connection and total guest experience. Customer service in hospitality and tourism is unique compared to most other industries because it is driven by a focus on the emotional connection and overall guest experience. While transactions occur, the service is not just about the transaction but the entire emotional and physical journey the guest takes, making it relationship-driven. Technological speed is vital, but human interaction remains the critical differentiator and the source of personalized service that defines hospitality quality. Hospitality products are primarily intangible (e.g., experiences, comfort, service), meaning the quality of the service delivery is often more critical than any physical items provided.

SOURCE: CR:049 Explain the nature of customer service in the hospitality and tourism industry

SOURCE: Swiss Education Group. (2025). *What is customer service in hospitality? An essential guide*. Retrieved December 8, 2025, from <https://www.shms.com/en/news/what-is-customer-service/>

45. D

Execution. Project execution involves carrying out the actual project. Project managers have planned their work—now, they must work their plans! During this stage, project managers will focus on assembling a team and acquiring resources, completing required tasks, and guiding the team as they complete work. In the project planning stage, the project manager oversees the creation of the project management plan, which integrates the planning for all parts of the project, including scope, schedule, budget, risk, etc. The project initiation stage of project management starts with just that—an idea. The business's top managers convene to discuss whether the idea seems feasible or worth exploring. The closing stage involves tying up any loose ends, such as closing vendor accounts or finalizing any last-minute details or reports.

SOURCE: OP:158 Explain the nature of project management

SOURCE: LAP-OP-158—Projected to Win (Nature of Project Management)

46. B

Assign each invoice a unique internal identifier. E-invoicing can be an effective tool to reduce operating costs and increase efficiency, but it requires careful tracking of invoices. The best way to track the invoices in the system is to assign each invoice its own unique identification number, which allows the company to quickly review these invoices. Relying on vendors to send monthly statements increases the risk of inaccurate data. Deleting the paid invoices from the database can have legal consequences and prevents the utilization of historical data. Allowing individual departments to store invoices on local drives decentralizes the data, which makes it impossible to track the company's total liabilities.

SOURCE: OP:184 Track invoices

SOURCE: Carter, S. (2025, October 9). *Comprehensive guide to e-invoicing: Definition, process & benefits*. Retrieved December 15, 2025, from <https://www.ivalua.com/blog/e-invoicing/>

47. C

Offer to explain the laundry services to the guests. In many hospitality and tourism businesses, service is measured by proactivity and anticipation. Anticipatory service requires identifying a guest's needs before they ask for help. Inaya noticed that the guests are confused regarding the laundry services, therefore she should politely approach the guests and offer to clear up any confusion they might have. Asking a coworker to check on the guests simply defers responsibility onto another staff member. Waiting nearby or ignoring the guests are passive options that do not directly resolve the guests' unspoken needs.

SOURCE: SE:500 Determine hospitality and tourism customer/guest needs

SOURCE: Grant, M. (2025, May 3). *What is customer service, and what makes it excellent?* Retrieved December 17, 2025, from <https://www.investopedia.com/terms/c/customer-service.asp>

48. D

Incorporate brand identity into all touchpoints. One primary way to communicate a corporate brand to customers is to incorporate it into all customer interactions, from customer service to packaging. Lowering prices, raising wages, or conducting internal meetings will do little to change consumers' overall impression of Flowers n' Flours.

SOURCE: PM:206 Explain the nature of corporate branding

SOURCE: LAP-PM-206—Corporate Identity (Nature of Corporate Branding)



49. A

Primary product promotion. Primary product promotion aims to stimulate demands, or desire, for an entire class of goods or services. The emphasis is on the product and its uses, rather than on a particular brand. In this scenario, Michigan tourism is the class of services. Secondary product promotion would focus on a specific brand in Michigan, like the Grand Hotel on Mackinac Island. Institutional promotion focuses on a company's image rather than a product or service. Public relations often involves managing a company's image during a crisis.

SOURCE: PR:002 Explain the types of promotion (i.e., institutional, product)

SOURCE: LAP-PR-902—Know Your Options (Product and Institutional Promotion)

50. C

Consumers view travel as a discretionary expense. Hospitality and tourism spending (e.g., vacations, restaurant dining) is largely discretionary, meaning consumers cut back on it first when their disposable income decreases during an economic recession. Since travel and leisure are non-essential, demand is highly volatile and fluctuates significantly with the overall economic cycle, contradicting the idea of it being non-cyclical. Travel and hospitality are generally considered lagging indicators, reflecting the current economic mood rather than predicting future economic trends. While governments may support infrastructure or destination marketing, the industry relies overwhelmingly on private consumer spending, making it very sensitive to disposable income levels.

SOURCE: EC:136 Explain the relationship between the economy and hospitality and tourism

SOURCE: Swiss Education Group. (2025). *Why is hospitality important? Impact on society and economy*. Retrieved December 9, 2025, from <https://www.shms.com/en/news/why-is-hospitality-important/>

51. B

Approaching. Approaching refers to the initial contact made with a potential customer. By contacting the office manager of the large corporation, Chiara is approaching. Prospecting refers to the discovery of potential customers. Prospecting often involves research to identify and qualify leads. While Chiara is prospecting when she learns of the new location, initiating the first conversation is part of the approaching step. Closing refers to formalizing the transaction and securing commitment from the customer. Following up takes place after the transaction has been performed and involves ensuring customer satisfaction.

SOURCE: SE:048 Explain the selling process

SOURCE: Indeed. (2025, December 11). *A complete guide to the 7-step selling process*. Retrieved December 16, 2025, from <https://www.indeed.com/career-advice/career-development/selling-process>

52. B

Social media and online ads. The internet is prime real estate for marketing and promotion, particularly for younger audiences. Social media and online ads are primary ways that young people are exposed to new products and businesses. Newspapers, door-to-door strategies, and print advertising are less relevant for attracting young audiences.

SOURCE: MP:041 Explain the use of marketing strategies in hospitality and tourism

SOURCE: Swiss Education Group. (2025). *Hospitality marketing strategies to attract more guests*. Retrieved December 9, 2025, from <https://www.shms.com/en/news/hospitality-marketing/>

53. B

Robert wants June to be treated equally, while June wants to be treated justly. The equality approach to fairness dictates that everyone be treated the same, while the justice approach dictates that everyone be treated according to their circumstances. This lines up with Robert and June's views, respectively. Robert and June disagree about the fair outcome. While both Robert and June want a fair outcome, Robert's definition is equal treatment and June's definition is equitable/justice.

SOURCE: EI:127 Demonstrate fairness

SOURCE: LAP-EI-127—Fair or Foul? (Demonstrating Fairness)

54. D

Intangibility. Products (like luggage) are tangible, meaning they can be seen, touched, and tested, while services (like a resort stay) are intangible. Service marketing must therefore focus on making the experience tangible by emphasizing physical evidence (e.g., photos, amenities, reviews) and the quality of the staff to reduce the risk perceived by the customer. Durability refers to the longevity of a physical product. It is not a defining characteristic used to differentiate between services and products, as services are consumed immediately and have no durability. Homogeneity relates to the service characteristics of heterogeneity (variability), meaning a service is rarely the same twice (e.g., service quality changes based on the employee). While service marketing addresses this, the foundational difference that requires the biggest strategic shift from product marketing is the service's inherent lack of tangibility. Portability refers to the ability to move something from one place to another easily. While luggage is portable and a resort is not, portability is not one of the four established distinguishing characteristics of services (intangibility, inseparability, heterogeneity, perishability) that fundamentally define the strategic difference between service and product marketing.

SOURCE: MK:008 Differentiate between service marketing and product marketing

SOURCE: Steer, O. (2022, August 17). *What is the difference between product and service marketing?* Retrieved December 9, 2025, from <https://blog.fiftyfiveandfive.com/difference-between-product-and-service-marketing/>

55. D

Proactively suggest a comparable or superior alternative. When processing special orders in hospitality, the goal is to provide a seamless guest experience with no surprises. By proactively offering a solution, the manager allows Sebastian to maintain control over his high-stakes event. Waiting until Sebastian arrives places too much stress on the guest during an emotionally charged moment. Substituting a lower-tier product without notifying the guest would be unethical and fraudulent. Canceling the entire request would not be an acceptable solution; the manager should not abandon the entire guest experience at the first problem.

SOURCE: SE:478 Process special orders in hospitality and tourism

SOURCE: Skillmaker. (2025, January 2). *Special requests in hospitality service: Ensuring customer satisfaction.* Retrieved December 17, 2025, from <https://www.skillmaker.education/special-requests-in-hospitality-service-ensuring-customer-satisfaction/>

56. A

The new laptop she purchased over the weekend. It is appropriate for Kennedy to discuss the new laptop she purchased over the weekend. While there's certainly nothing wrong with casual conversation in the workplace, employees must be mindful of what information they're sharing. The goal is to maintain a professional and respectful work environment, so spreading gossip and rumors is a red flag, as is sharing overly personal details such as your relationship issues or health conditions. Discussing sensitive company matters should also be avoided, especially with coworkers who aren't entitled to that information. Employees should generally avoid discussing volatile topics like politics. Sharing your opinions on your own political beliefs could make others uncomfortable, lead to heated debates, and influence others' opinions of you.

SOURCE: EI:038 Explain ethical considerations in providing information

SOURCE: LAP-EI-038—A Fine Line (Ethical Considerations in Providing Information)



57. A

Ask Violet to participate in a series of knowledge-capturing interviews. Knowledge-capturing interviews are the most direct and structured method for knowledge harvesting. Casual conversation is unreliable for transferring useful and tacit expertise from employees. Observing an employee will only reveal the actions they took, not the expertise, knowledge, or intention behind those actions. Asking about Violet through her coworkers is unreliable and unlikely to transfer as much knowledge as a direct interview.

SOURCE: KM:005 Identify techniques that can be used to capture and transfer knowledge in an organization

SOURCE: Sachs, M. (2025, July 7). *A practical guide to knowledge transfer interviews*. Retrieved December 8, 2025, from <https://enterprise-knowledge.com/a-practical-guide-to-knowledge-transfer-interviews/>

58. D

Profit and loss statement. The profit and loss statement is a financial report summarizing a company's revenues, costs, and expenses over a specific period. The balance sheet is a financial statement showing a company's assets, liabilities, and shareholder equity at a specific point in time. The statement of cash flows is a financial statement showing where a company's cash comes from and where it goes over a period. The statement of shareholders' equity shows how a company's equity changes over a reporting period.

SOURCE: NF:292 Prepare written reports for hospitality and tourism decision-making

SOURCE: Fernando, J. (2025, June 6). *Profit and loss statement: Meaning, importance, types, and examples*. Retrieved December 9, 2025, from <https://www.investopedia.com/terms/p/plstatement.asp>

59. A

Clarity. The primary goal of workplace written communication, especially for policies and procedures, is clarity and conciseness, ensuring the reader immediately understands the necessary action or information without ambiguity. Effective workplace communication aims for understanding; using overly complex language or jargon unnecessarily introduces barriers and may confuse readers, making the memo ineffective. While completeness is important, excessive length and detail can lead to readers skimming or missing key points; effective written communication is concise and focuses on essential information first. Business communication should generally be professional and objective, especially when dealing with policies; focusing on emotional expressiveness distracts from the core message and is inappropriate for an internal policy memo.

SOURCE: CO:016 Explain the nature of effective written communications

SOURCE: Indeed. (2025, June 6). *A complete guide to effective written communication*. Retrieved December 10, 2025, from <https://www.indeed.com/career-advice/career-development/written-communication>

60. C

Internal: Security cameras; External: Property insurance. Internal risk controls are used inside the business to prevent fraud or errors, while external controls are used to protect the business from outside forces. The Arctic Tern Resort should implement security cameras to address the internal risk of employee theft of guest property, and purchase property insurance for the external risk of building damage from weather and natural disasters. Liability insurance is an external risk transfer, while background checks are an internal risk control. Market research is not a risk control, and cash counts are an internal control. Weather forecasting is used for monitoring, not risk control, and quality control inspections is internal.

SOURCE: RM:058 Discuss the nature of risk control (i.e., internal and external)

SOURCE: Kenton, W. (2025, July 2). *Risk control: What it is, how it works, and examples*. Retrieved December 18, 2025, from <https://www.investopedia.com/terms/r/risk-control.asp>

61. D

Direct observation. Direct observation is the most straightforward method where a human researcher personally watches, records, and interprets the actions and behaviors of people or situations in their natural setting, without direct interaction. Phone surveying involves a direct interview process where the researcher asks a series of questions over the phone; it does not involve passively watching or recording behavior. Participant observation requires the researcher to be a part of the group being studied (e.g., posing as a visitor and riding the shuttle), which is not what the researcher is doing in the described scenario. Mechanical observation involves using non-human devices (e.g., video cameras, traffic counters, website cookies) to record behavior; the use of a human researcher doing the counting makes this incorrect.

SOURCE: NF:283 Describe methods used to collect hospitality and tourism business information (e.g., observations, mail, telephone, Internet, discussion groups, interviews)

SOURCE: Patnaik, D. (2022, June 24). *Direct observation... Some practical advice*. Retrieved December 10, 2025, from <https://www.jumpassociates.com/direct-observation-practical-advice/>

62. C

Listen, apologize, solve, thank (LAST). This sequence prioritizes making the guest feel heard and valued, de-escalates the situation, and efficiently moves to an acceptable solution. Blaming, insulting, retaliating, and dismissing the guest risks escalating the situation. Discussing, defending, determining, and deterring the guest risks making them feel unheard and undervalued. Apologizing, leaving, returning, and avoiding shows an unwillingness to engage with the guest and moves the situation no closer to a resolution.

SOURCE: CR:046 Determine strategies for resolving customer-service situations

SOURCE: Vianna, C. (2024, February 9). *How to use the LAST method to provide great customer service for tour guests*. Retrieved December 8, 2025, from <https://www.xola.com/articles/how-to-use-the-last-method-for-customer-service/>

63. B

Product quality consistency. For a restaurant like Greenhouse Bistro, the quality and consistency of the vendor's products is the most critical factor. If the product quality is poor or varies over time, the restaurant can't maintain a consistent experience for customers and could lose business. Maximum warehouse capacity is vital for scalability, but a vendor with high capacity and low quality is not a good long-term partner. Variety of payment options is a convenience factor, but rarely the most important for a long-term strategic partnership. The most recent annual revenue shows stability, but a company's revenue doesn't guarantee they are the right fit for a specific buyer.

SOURCE: PM:239 Evaluate vendors' goods and services

SOURCE: Rasheed, N. (2025, November 28). *Vendor performance management: Frameworks, tools & best practices*. Retrieved December 15, 2025, from <https://www.atlassystems.com/blog/vendor-performance-management>

64. A

Exchange. When a good or service is sold, the buyers and sellers have agreed on a value for the product. This amount of money is known as the exchange price. The demand price is the maximum price buyers are willing and able to pay for a product. The market price is the actual price that prevails in a market at any moment. The list price is a price established by a seller of goods, services, or resources.

SOURCE: PI:001 Explain the nature and scope of the pricing function

SOURCE: LAP-PI-001—The Price Is Right (Nature of Pricing)

65. D

Heterogeneity. Heterogeneity is a challenge where quality is inconsistent because services are delivered by human employees and are customized through customer interaction, making standardization extremely difficult. Inseparability is a challenge because it means the customer is involved in the service delivery, but it is not the primary factor causing inconsistent quality from one interaction to the next. Perishability creates challenges related to revenue management (pricing and inventory control), but it is not the key factor that makes the quality of the customer experience highly variable. Intangibility makes it difficult for customers to evaluate the service pre-purchase, but it is not the core reason why the quality of the service itself changes over time and across employees.

SOURCE: CR:043 Describe customer-service challenges in the hospitality and tourism industry

SOURCE: Hulk Apps. (2025, December 8). *Technology and innovation: Analyzing the heterogeneity of hotel guests' behavior*. Retrieved December 8, 2025, from <https://www.hulkapps.com/blogs/ecommerce-hub/technology-and-innovation-analyzing-the-heterogeneity-of-hotel-guests-behavior>

66. C

By decreasing its operating costs. A business with a low gross profit margin should aim to better control its expenses. This involves decreasing its operating costs. Increasing spending would only continue to lower the business's gross profit margin. Seeking loans or filing for bankruptcy should be last resorts.

SOURCE: FI:094 Describe the nature of income statements

SOURCE: LAP-FI-094—Watch Your Bottom Line (Income Statements)

67. D

Protect the public and manage property locations. Regulations like health codes and zoning laws are designed to safeguard the welfare of the public, guests, and employees by mandating minimum standards for safety, sanitation, and responsible land use. Regulations typically increase compliance costs for businesses, which often lowers profit margins. Governments generally avoid direct price controls in a free market economy, and regulations primarily focus on standards and safety, not on price standardization. While some regulations may indirectly create barriers to entry, the primary goal is not to limit competition but to ensure that all businesses, regardless of size, meet minimum operating standards.

SOURCE: BL:065 Explain the nature of regulations affecting the hospitality and tourism industry

SOURCE: Plantrip. (n.d.). *Understanding zoning restrictions in the travel industry*. Retrieved December 8, 2025, from <https://plantrip.io/glossary/zoning-restrictions>

68. D

Reduces the pain of buying. Bundling products together reduces the cognitive load on the consumer and gives the impression that they are getting a good deal, resulting in reduced pain of buying. Product bundling doesn't necessarily guarantee a fair price. Product bundling gives the producer more control, rather than the consumer. Spending more money is not necessarily a benefit to the consumer.

SOURCE: PM:041 Describe the nature of product bundling

SOURCE: Gleason, D. (2023, April 30). *Guide to product bundling: 4 Strategies to get it right*. Retrieved December 10, 2025, from <https://cxl.com/blog/product-bundling/>

69. A

Provide a personalized digital follow-up package, including a discount for their next booking. The personalized digital follow-up package and discount enhance the customer's post-sale experience by making the customer feel valued and appreciated. The package feels personal, and the discount makes the customer feel like the resort wants them to be there. Unsubscribing a customer prevents the resort from building an ongoing relationship or marketing future promotions, which inhibits the customer's post-sale experience. Delayed, non-personalized content fails to capitalize on the positive emotional memory of the stay and does not create an incentive for the guest to re-engage with the brand. Requiring the guest to download generic content creates a barrier and frustration, negatively impacting the post-sales experience rather than enhancing it.

SOURCE: CR:028 Use digital media to enhance customer post-sales experience

SOURCE: Kelwig, D. (2025, September 2). *After-sales service: 10 strategies to keep customers engaged*. Retrieved December 5, 2025, from <https://www.zendesk.com.br/blog/after-sales-service/#>

70. A

Service. Service inventory refers to the materials and resources required to ensure efficient service delivery, encompassing the guest experience. Manufacturing inventory refers to the various materials involved in the production process. Work-in-process inventory refers to the unfinished goods in the manufacturing process. Raw materials inventory refers to the materials that are used to create a business's finished goods.

SOURCE: OP:336 Discuss types of inventory

SOURCE: Anderson, R. (2025, October 19). *What is service inventory management and why is it important?* Retrieved December 16, 2025, from <https://smallbiztrends.com/service-inventory-management/>

71. B

Employee resistance to change. Enterprise risk management (ERM) is a holistic, strategic approach to identifying and managing risks across the company. When an organization implements ERM, it typically involves procedural and cultural changes for employees at the company, such as breaking down silos of information. As individuals are generally resistant to change, this can be a major, ongoing challenge, especially at a large organization. Password updates involve change as well, but these changes tend to be much smaller and less significant to employees' days. Securing the initial budget for software is not a challenge to implement the ERM as it is a one-time expense and therefore not an ongoing difficulty. While scheduling risk training sessions may be tricky, it is primarily a logistical task, not a major barrier to ERM success.

SOURCE: RM:062 Discuss the nature of enterprise risk management (ERM)

SOURCE: Merchant, S. (2023, May 5). *How to overcome potential challenges in ERM implementation*. Retrieved January 5, 2026, from <https://www.anaptyss.com/blog/overcome-potential-challenges-in-erm-implementation/>

72. B

Opening/closing. Many stores, restaurants, and other service-oriented businesses require daily procedures for opening and closing. For example, a restaurant closing procedure might describe how to clean up dirty tables, store leftover ingredients, and put away dishes. Emergency procedures are meant to keep customers, employees, and resources safe during crisis situations, evacuations, and disasters. Human resource procedures involve a variety of issues. Most human resource issues are regarding person to person conduct issues or that of an individual with performance issues. Finally, customer inquiry procedures are present in all businesses and involve handling customer questions or issues quickly and effectively to improve their experience.

SOURCE: PD:250 Adhere to company protocols and policies

SOURCE: LAP-PD-250—Do You Follow (Adhering to Company Protocols and Policies)

73. C

Loyalty. You might use the terms customer satisfaction and customer loyalty interchangeably, but they're actually very different! Customer satisfaction is a measure of how well your business or product meets or exceeds customer expectations; in other words, how happy is the customer? Customer loyalty refers to a customer's preference for a business; in other words, how often does the customer purchase the business's goods or services? Because Samantha frequently purchases a product from a certain business, this is an example of customer loyalty—not customer satisfaction, feedback, or service.

SOURCE: MK:019 Describe connections between company actions and results (e.g., influencing consumer buying behavior, gaining market share, etc.)

SOURCE: LAP-MK-019—Just Do It... Right (Company Actions and Results)

74. C

By getting support. Getting support involves sharing your feelings with others to manage your stress. Brian manages his stress by getting support from his friend. Knowing your limits involves preventing yourself from taking on too much work. Staying healthy involves making time in the day to exercise. Practicing meditation involves spending some time in quiet, calm thought. Brian is not managing his stress by knowing his limits, staying healthy, or practicing meditation.

SOURCE: EI:028 Explain the nature of stress management

SOURCE: LAP-EI-028—Keep Your Cool (Stress Management)

75. C

"Yes, the dressing contains additives and preservatives." A salesperson should always be honest with their customers, even if it may cost them a sale. Even though Oliver knows it may cost him the sale, Oliver should still be honest with the customer that the salad dressing does, in fact, contain additives and preservatives. But not all hope is lost if Oliver is a good salesperson. A good salesperson might view this customer's concern as an opportunity to find them a product that may be a better fit (a salad dressing that contains no additives or preservatives). Oliver would be lying to the customer if he told them that the dressing does not contain any additives or preservatives. Salespeople should never lie to customers. Additionally, if Oliver tells the customer that the dressing does contain additives but does not contain preservatives, Oliver would be telling a half-truth. Half-truths are just another form of lying. Finally, dodging the question and telling the customer that he's unsure if the dressing contains any additives or preservatives is being intentionally vague and deceptive. Salespeople should not be deceptive.

SOURCE: SE:062 Acquire product information for use in selling

SOURCE: LAP-SE-062—Get Informed (Acquiring Product Information for Use in Selling)

76. A

Guerrilla marketing. Guerrilla marketing involves promotional techniques that are unconventional, low-cost, and aim to attract consumers' attention. Personal selling determines client needs and wants and responds through planned, personalized communication that influences purchase decisions and enhances future business opportunities. Publicity is a nonpersonal presentation of ideas, goods, or services that is not paid for by the company or individual that benefits from or is harmed by it. Influencer marketing is a type of promotion run by prominent people on social media who impact the purchase decisions of a community or audience.

SOURCE: PR:003 Identify the elements of the promotional mix

SOURCE: LAP-PR-903—Spread the Word (Nature of Promotional Mix)

77. A

To turn a bad experience into a positive one and regain the guest's trust. Guest recovery is a strategic process focused on correcting a service mistake to mend the relationship, exceed the guest's expectations, and ultimately retain their future business. While internal investigation is important, the immediate goal of guest recovery is outward-facing—to satisfy the customer, not to assign internal blame or discipline. Recovery often requires flexibility and deviation from rules to quickly meet the specific needs of the distressed guest. While compensation may be part of the solution, the initial focus should be on understanding and solving the guest's problem; offering the highest refund possible without context can be unnecessary and expensive.

SOURCE: CR:045 Explain the nature of guest recovery

SOURCE: Freedman, J. (2025, August 28). *Hotel service recovery: How to resolve guest issues quickly*. Retrieved December 9, 2025, from <https://www.mews.com/en/blog/hotel-service-recovery>

78. C

Coordinating with emergency medical services for on-site presence. Ideally, strategies are in place to mitigate risks during an event, however, emergency situations can still occur, such as a medical emergency. When there is a risk of medical injuries occurring at an event, it is best to have an emergency medical team onsite for effective treatment. Increasing security, installing additional lighting, and conducting safety inspections are actions taken to prevent emergency situations from occurring, but are less relevant to the emergency described.

SOURCE: OP:119 Handle emergency situations in hospitality and tourism

SOURCE: Parikka, K. (2023, October 17). *15 types of safety incidents in the hospitality and tourism industry*. Retrieved December 9, 2025, from <https://blog.falcony.io/en/15-types-of-safety-incidents-in-the-hospitality-and-tourism-industry>

79. C

Conflicting communication styles and feedback preferences. Different generations often have vastly different preferences regarding communication and work, making these communication and style differences the most common challenge in a generationally diverse workplace. Increased diversity, including generational diversity, typically increases the variety of experiences and perspectives, which often leads to greater creativity and innovation in problem-solving. While accommodating various religious practices and holidays is a critical aspect of religious and ethnic diversity, it is not the most likely challenge stemming specifically from differences in generational groups. While technology adoption may be uneven in a generationally diverse workforce, a diverse team is typically better equipped to understand and serve guests.

SOURCE: HR:515 Discuss issues associated with workplace diversity (e.g., ethnic, generational, religious, gender)

SOURCE: Les Roches. (2025, October 30). *Diversity in hospitality*. Retrieved December 9, 2025, from <https://lesroches.edu/blog/diversity-hospitality-industry/>

80. D

Determining which projects a company should invest in. Capital budgeting is the process of determining which projects a company should invest in. Taking out a loan from a bank or other lending institution is the process of debt funding. Raising money by selling shares in the company is the process of equity funding. Funding a business venture is the process of financing.

SOURCE: FI:354 Explain the role of finance in business

SOURCE: LAP-FI-354—Money Matters (Role of Finance)



81. C

Lodging. All areas of hospitality and tourism require some customer service skills. However, specific organizational skills such as keeping track of reservations and maintaining the cleanliness of a building suggest Vanessa works in hotels, motels, or other lodging. The other areas of hospitality and tourism do not require the same combination of skills.

SOURCE: PD:272 Explain career opportunities in hospitality and tourism

SOURCE: LAP-PD-272—Career Opportunities in Hospitality and Tourism

82. A

Yalulu manufactures products more efficiently than Fromage. Competitive advantage can come from a comparative advantage, which means a company can produce something more efficiently than its rival. Allocating different budgets to marketing, and hiring more or fewer workers, constitute strategic differences rather than competitive advantages.

SOURCE: PM:246 Identify product's/service's competitive advantage

SOURCE: Twin, A. (2025, May 21). *Competitive advantage definition with types and examples*. Retrieved December 11, 2025, from [https://www.investopedia.com/terms/c/competitive\\_advantage.asp](https://www.investopedia.com/terms/c/competitive_advantage.asp)

83. C

Blanket. A blanket purchase order is designed for recurring needs where the item and price are known, but the quantity and dates are flexible. For a restaurant with fluctuating produce needs, a blanket purchase order allows management to have flexibility without sacrificing reliability. A standard purchase order is used for a one-time purchase of specific goods delivered on a specific date. A planned purchase order typically requires a defined total quantity of goods, which can be too rigid for a restaurant. A contract purchase order is the document that sets the legal terms between the buyer and vendor, but does not actually order any goods.

SOURCE: OP:250 Describe types of purchase orders

SOURCE: Sleimen, M. (2025, November 12). *Types of purchase orders & purchase order examples*. Retrieved December 15, 2025, from <https://www.tradogram.com/blog/the-different-types-of-purchase-orders-and-their-functions-explained>

84. C

Compost the organic scraps onsite. Composting is an eco-friendly approach to reducing the amount of food waste produced by restaurants. For an environmentally conscious hotel, reducing food waste in an eco-friendly manner is both an ethical responsibility and an optimal brand strategy. Depositing food scraps in landfills is the standard, non-sustainable method. It does not reduce the hotel's food waste or environmental impact. Incinerating food waste is not considered a sustainable or environmentally friendly waste removal practice. Freezing the scraps for later use would violate health and safety regulations and would therefore be an illegal and unsafe practice.

SOURCE: OP:134 Practice safe and sanitary handling/disposal of wastes/recyclables

SOURCE: Inside Hospitality Solutions. (2023, June 20). *Effective methods of waste management in the hotel and resort industry*. Retrieved December 15, 2025, from <https://www.insidehs.com/effective-methods-of-waste-management-in-the-hotel-and-resort-industry/>

85. B

Keep your promises. A customer will always remember a company's broken promise. Allison does not want to break a promise, so she promises that she can locate five (knowing she will likely overdeliver) rather than promising 10, which she is less certain about. Remembering your touchpoints refers to paying attention to each interaction and making sure it is a positive experience every time. Paying attention to internal customers means maintaining good relations with employees. Allison does not have to resolve a complaint.

SOURCE: CR:003 Explain the nature of positive customer relations

SOURCE: LAP-CR-003—Accentuate the Positive (Nature of Customer Relations)

86. A

Prioritizing. Time management refers to how people use the 24 hours in their day to effectively accomplish goals. Out of all the objectives that have made their way to a daily to-do list, which are most important? Ranking these and deciding which need to be completed first, second, third, etc. is the essence of prioritizing tasks in a day. Goal setting involves establishing clear, measurable, and time-bound objectives that an individual or a team intends to achieve within a set period; Javier may have set goals beforehand, but choosing to complete the project first is an example of prioritizing. Delegation involves assigning specific tasks or areas of responsibility to other team members to manage a workload more effectively; Javier has not delegated any tasks. Finally, using free time involves all tasks being completed and having extra time in a day to do something else; Javier is not using this strategy.

SOURCE: PD:019 Use time-management skills

SOURCE: LAP-PD-019—About Time (Time Management)

87. D

Reconcile monthly credit card statements with the original receipts. Fraud prevention consists of reviewing transactions to identify suspicious activity and setting up appropriate controls to mitigate security risks. When an employee has access to a company credit card, the owner should reconcile monthly credit card statements with the original receipts to ensure that fraudulent activity is not being committed. Allowing multiple employees to share the card would increase the risk of fraudulent activity. Relying on the bank to flag suspicious activity would not necessarily catch fraudulent spending by the manager. Requiring the manager to sign a code of ethics does not guarantee the manager will not commit fraudulent spending.

SOURCE: OP:653 Identify credit card fraud prevention methods

SOURCE: Bank of America. (2025, July 25). *How to protect your card program from fraud*. Retrieved December 15, 2025, from <https://business.bofa.com/en-us/content/latest-credit-card-frauds-prevention.html>

88. A

Environmental scanning. Environmental scanning is the process by which business leaders monitor both internal and external environments, including regulatory changes. Collective bargaining is a negotiation between unionized workers and the business. Quality assurance is a monitoring process focused on product/service standards. Market segmentation is the process of dividing a target market into smaller sections.

SOURCE: NF:287 Track environmental changes that impact hospitality and tourism (e.g., technological changes, guest trends, economic changes, regulatory changes)

SOURCE: Gosnell, K. (2025, September 12). *What is an environmental scan?* Retrieved December 9, 2025, from <https://www.business.com/articles/what-is-environmental-scanning/>

89. D

Inquire about the next steps in the hiring process and training opportunities. Asking about the hiring process shows professionalism and initiative. Asking about training or team culture shows a forward-looking interest in personal growth and long-term commitment, which are highly valued in the hospitality industry. Asking questions demonstrates genuine interest, preparation, and engagement. Failing to ask questions can make the candidate appear disinterested or unenthusiastic. While salary is an important topic, discussing it first is often considered premature and can make the candidate seem primarily focused on money rather than the job duties or company culture. This is generally best left for the second interview or when an offer is extended. Bringing up a minor scheduling concern you anticipate having in the near future prematurely introduces a potential problem or commitment difficulty, which could negatively affect the hiring manager's perception of the candidate's reliability and flexibility. Scheduling concerns are better addressed after an offer is extended.

SOURCE: PD:028 Interview for a job

SOURCE: Herry, J. (2025, November 19). *How to make a great impression in a job interview*. Retrieved December 10, 2025, from <https://www.indeed.com/career-advice/interviewing/job-interview-tips-how-to-make-a-great-impression>



90. B

Misuse of company equipment. Businesses own a lot of equipment, and employees must consider the boundary between professional and personal use. Some company equipment such as a forklift or other heavy machinery is completely off-limits for personal use. Time theft happens when employees waste time on personal tasks, such as texting or playing games, when they should be working. Inventory shrinkage is the loss of inventory due to such causes as shoplifting, employee theft, breakage, misplaced goods, or poor recordkeeping; a forklift is not typically part of a company's inventory. A conflict of interest occurs when an employee finds themselves in a situation in which they can't truly be impartial (fair).

SOURCE: OP:190 Discuss the role of ethics in operations

SOURCE: LAP-OP-190—Above Board (Ethics in Operations)

91. B

Emotional resilience. Emotional resilience is the ability to remain calm under pressure, bounce back from setbacks (like a guest complaint or service error), and maintain a positive, professional demeanor when dealing with diverse, sometimes difficult, situations or unexpected problems. This is a foundational trait for success in the high-stress, people-focused hospitality industry. While financial expertise is important for understanding budgets and costs, it is not the most essential personal trait for daily front-line success in handling diverse guests and resolving unexpected service issues. Mechanical aptitude is useful for maintenance and engineering roles (e.g., fixing equipment), but it is largely irrelevant to the core service objective of interacting with and managing the emotions and needs of guests. Data analysis skills are crucial for strategic planning, marketing, and performance evaluation, but they are not a fundamental personal trait required for effective, moment-to-moment interaction and problem-solving with guests.

SOURCE: EI:090 Describe personal traits important to success in hospitality and tourism

SOURCE: Clean Tech Outsourcing. (2025). *Enhancing resilience in hospitality: A guide for hotel managers and staff*. Retrieved December 9, 2025, from <https://cleantecoutsourcing.com/enhancing-resilience-in-hospitality-a-guide-for-hotel-managers-and-staff/>

92. B

Internal. Internal factors, or the forces present within the company itself, affect its selling policies. The nature of the business is an internal factor that limits the selling policies that can be created. Other internal factors include corporate goals and objectives, human and financial resources, production capacity, and research and development efforts. Federal and state governments, along with the regulatory agencies they have created, pass legislation that affects businesses and their selling policies. Regulatory factors include consumer protection regulations and federal antitrust laws intended to ensure fair competition among businesses. These antitrust regulations include the Sherman Act, the Fair Packaging and Labeling Act, and the Robinson-Patman Act. Competitor factors refers to actions of other businesses, not the internal forces that impact selling policies. These are not examples of technological factors that impact selling policies.

SOURCE: SE:932 Explain company selling policies

SOURCE: LAP-SE-932—Sell Right (Selling Policies)

93. D

Gathered too much information. Environmental scans should be performed to gather useful information, not all possible information. In this case, the producers of Shark People should have determined what kind of environmental information would be most useful before conducting the scan. The producers did not gather too little information. There is no indication they performed the scan too early or late.

SOURCE: NF:015 Conduct an environmental scan to obtain business information

SOURCE: LAP-NF-015—Get the 4-1-1 (Conducting an Environmental Scan)

94. C

Listserv. A listserv is an automated program used to manage electronic mailing lists, allowing a single email sent to one address to be automatically distributed to all subscribed members. A hyperlink is a clickable element that connects to another location, such as a webpage, file, or section. An attachment is a file sent along with an email message, such as a document, image, or spreadsheet. An autoresponder is a program that automatically sends prewritten emails in response to specific triggers or user actions.

SOURCE: NF:286 Obtain hospitality and tourism information from online sources (e.g., search engines, online databases, blogs, forums, listservs, web analytics, social media, geolocation services)

SOURCE: McCreary, M. (2025, December 9). *What is a listserv?* Retrieved December 9, 2025, from <https://blog.mail-list.com/what-is-a-listserv/>

95. A

Monopolies do not have competition. Two defining characteristics of a monopoly are that one business controls the market and competition does not exist. Monopolistic competition, not a monopoly, occurs when most products on the market are similar. Similarly, a monopoly, rather than monopolistic competition, consists of one large business. Monopolistic competition is a common market structure and is not illegal.

SOURCE: EC:012 Explain the concept of competition

SOURCE: LAP-EC-012—Ready, Set, Compete! (Competition)

96. D

Listing the Wi-Fi password in a clear, centralized location. A company's Wi-Fi is a convenient gateway into its digital assets, so protecting its password is an important consideration. Listing it in an accessible location is a major security risk. Two-factor authentication, employee education, and managing access to digital assets are all recommended practices for protecting digital assets.

SOURCE: OP:517 Comply with strategies for protecting business' digital assets (e.g., website, social media, email, etc.)

SOURCE: Griffin, T. (2021, January 11). *How to protect your company's digital assets*. Retrieved December 8, 2025, from <https://www.forbes.com/councils/forbestechcouncil/2019/12/23/how-to-protect-your-companys-digital-assets/>

97. C

Showing empathy. Empathy is the ability to put yourself in another person's place. In this scenario, Clyde understands that the guest is embarrassed and apologetic. So, instead of scolding them for breaking the bottle of wine like his natural impulse may suggest, he reassures them that it's no big deal. This shows how empathy can help demonstrate self-control. Clyde does not yell angrily at the guest, nor does he laugh at them. Clyde laughs about the accident to try to make light of it, but he does not laugh at the guest. In this example, Clyde shows great patience with the guest.

SOURCE: EI:025 Demonstrate self-control

SOURCE: LAP-EI-025—Control Yourself! (Demonstrating Self-Control)

98. B

Pareto chart. A Pareto chart is a type of bar graph that aids in quality management by helping determine which problems need the most attention by determining categories, units of measurement, and time periods, then collecting and recording the data in bar graph form and arranging the bars from highest to lowest. Histograms are tools that look like bar graphs but instead of comparing variables, they show the distribution of a variable and how the singular variable changes. A scatter diagram is a graphical representation of two variables that is used to determine cause and effect, instead of identifying a problem. Finally, a flow chart is used to analyze a sequence of events and uncover the relationships within it. It can assist in helping to root out problems, but the main purpose is finding a solution, not identifying an issue.

SOURCE: OP:163 Identify quality-control measures

SOURCE: LAP-OP-163—Take Control (Quality-Control Measures)

99. D

Ask the teacher questions and take notes. Although Lillia appears attentive, she seems to focus more on looking like she's listening than actually listening. Engaging with the content of the teacher's lecture by asking questions and taking notes would help Lillia actively listen and understand what is being said. Closing one's eyes might help some people listen if the environment is distracting, but this can also be rude and does not fix Lillia's main problem—active listening. Recording the lecture might help Lillia later but does not fix her listening problem during class. Frequently asking the teacher to repeat themselves may be rude and does little to improve Lillia's listening.

SOURCE: CO:017 Demonstrate active listening skills

SOURCE: LAP-CO-017—Listen Up! (Demonstrating Active Listening Skills)

100. D

Fewer customers, less customer loyalty, and exposure to lawsuits. A business going viral for unethical reasons is likely to bring negative consequences, including less business and more legal trouble. It is unlikely to bring more customers, less financial risk, more productivity, greater customer loyalty, or positive public image.

SOURCE: EC:106 Explain the nature of business ethics

SOURCE: LAP-EC-106—On the Up and Up (Business Ethics)