



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

Test Number 1298  
Booklet Number \_\_\_\_\_

# Hospitality and Tourism Exam

Hotel and Lodging  
Restaurant and Food Service Management  
Travel and Tourism

**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. James wants to borrow \$2,500 to buy a car. Which of the following financial institutions is most likely to lend James the money:
  - A. Investment bank
  - B. Financial holding company
  - C. Retail bank
  - D. Mortgage company
  
2. One of the reasons why a chain of hotels might analyze and interpret the marketing information contained in databases is to
  - A. survey guests.
  - B. compare variables.
  - C. organize products.
  - D. tabulate findings.
  
3. A business's capabilities and resources are most likely to result in a competitive advantage if those capabilities and resources
  - A. are relatively commonplace.
  - B. have high value in the market.
  - C. are difficult to maintain.
  - D. are environmentally sustainable.
  
4. As Ross develops his departmental budget, he must demonstrate the need for every expense and not rely on historical data. What method of budgeting is Ross using?
  - A. Rolling
  - B. Relational
  - C. Zero-based
  - D. Master
  
5. Establish a selling price from the following information: cost, \$8.45; operating expenses, \$.50; and profit, \$.80.
  - A. \$8.95
  - B. \$7.15
  - C. \$9.25
  - D. \$9.75
  
6. Which of the following is an example of what customers look for in a quality service:
  - A. Serviceability
  - B. Durability
  - C. Reliability
  - D. Destructibility
  
7. People that have authority have \_\_\_\_\_ power.
  - A. coercive
  - B. expert
  - C. legitimate
  - D. referent

8. Which of the following is an example of a reorder:
- A. The Powell Company did not order enough paper towels for the month, so it ordered an additional four cases.
  - B. Sims Steakhouse received six out of eight cases of glassware on Monday because the vendor ran out of stock.
  - C. Henry's Hardware Store ordered 35 model-N1 hammers and 2 cases of ¼" stainless steel bolts from Franklin Tool Manufacturers.
  - D. Mr. and Mrs. Travis ordered a dining-room set in a wood finish that the furniture store doesn't normally carry.
9. Natalie is a research associate for a marketing research firm who spends a lot of her time on the internet obtaining various types of business information. Natalie can save time and easily return to websites that she frequently visits by using the \_\_\_\_\_ tool on her internet browser.
- A. classifying
  - B. highlighting
  - C. sorting
  - D. bookmarking
10. Why has enterprise risk management developed?
- A. Declining quality standards
  - B. Reduced government regulation
  - C. An increasingly diverse array of risks
  - D. The elimination of certain insurance plans
11. Determine whether the following statement is true or false: Employees must be taught how to use equipment properly and the potential dangers of not doing so.
- A. False; employees know which equipment is dangerous and which is not.
  - B. True; the business is responsible for creating a safe work environment.
  - C. False; employees understand the hazards of misusing equipment.
  - D. True; well-trained employees always use safety precautions.
12. What is one thing you can do to protect yourself from becoming a victim of identity theft?
- A. Use unusual passwords rather than your birth date to access your bank accounts.
  - B. Keep your passport with you at all times.
  - C. Place your Social Security number on all documents.
  - D. Always pay with cash rather than credit cards or check.
13. An advertisement for a spa promotes its clean facility, gentle massage therapists, and peaceful atmosphere. The spa is communicating the core customer value of
- A. knowledge.
  - B. relaxation.
  - C. adventure.
  - D. sociability.

14. Managers who give good directions to employees usually are able to
- A. review facts.
  - B. obtain data.
  - C. save time.
  - D. take notes.
15. Which of the following is a good strategy for resolving a customer service issue:
- A. Allow the customer to express their feelings
  - B. Keep the conversation in a public space
  - C. Disagree with each negative statement
  - D. Agree with the customer's complaints
16. One of your hotel guests is visiting your city to set up and run a booth at the downtown food festival. Which of the following factors did the guest most likely consider when choosing your downtown hotel:
- A. The hotel's location
  - B. Restaurant options
  - C. The hotel's décor
  - D. Entertainment options
17. Which of the following is a benefit of the division of labor:
- A. Professional development
  - B. Increased efficiency
  - C. More direct oversight
  - D. Teamwork opportunities
18. To maximize profitability, A.J.'s Bar and Grill is planning to raise the price of its signature bacon cheeseburger combo meal by 15%. The meal currently is priced at \$9.80. What will be the new price of the meal?
- A. \$10.78
  - B. \$11.27
  - C. \$9.48
  - D. \$12.12
19. After ordering a new phone case, Heather was so satisfied with her purchase that she decided to share her opinion by writing a positive review online. She also told several of her family members, friends, and colleagues about the case. This is most likely an example of the \_\_\_\_\_ moment of truth.
- A. second
  - B. ultimate
  - C. first
  - D. zero
20. What do employees often obtain by solving customers' problems quickly and satisfactorily?
- A. Pleasant experience
  - B. Personal service
  - C. Repeat business
  - D. Individual priority

21. Which of the following security precautions can businesses take to protect their digital data from being contaminated:
- A. Eliminating email capability
  - B. Installing antivirus software
  - C. Saving files on a hard drive
  - D. Monitoring internet activity
22. An airline executive wants to know why sales are dropping. They are most likely to need to conduct primary research if
- A. no one on their team has the information they need.
  - B. they have not conducted secondary research yet.
  - C. the airline has little money for research.
  - D. they have already exhausted their secondary research options.
23. Which of the following activities demonstrates human resources management:
- A. The business acts on new information about a competitor.
  - B. The business includes top-level managers in long-term planning.
  - C. The business takes care of the responsibilities associated with having employees.
  - D. The business gives its preferred customers a special discount.
24. Reinhart's Bakery purchases thousands of pounds of flour each year from a local mill. Reinhart's Bakery is considered a(n) \_\_\_\_\_ customer.
- A. group
  - B. individual
  - C. personal
  - D. industrial
25. Employers should care about limiting employee stress because high stress in the workplace can contribute to
- A. lower health care costs.
  - B. more absenteeism.
  - C. increased productivity.
  - D. less employee turnover.
26. When is the best time for a front-desk hotel employee to recommend hospitality services, such as dining and exercise facilities, to a hotel guest?
- A. After posting credits
  - B. During checkout
  - C. During check-in
  - D. After posting charges
27. Quantum Cable customers can get internet, phone, and TV service for a single low price. This is an example of
- A. combined marketing.
  - B. consumer demand.
  - C. product separation.
  - D. product bundling.

28. A hotel owner plans to conduct secondary research to learn more about guest satisfaction. Which of the following options would be the most appropriate method of secondary research for the hotel owner:
- A. Interview the hotel staff members about guests' attitudes
  - B. Create a satisfaction survey to provide to all new guests
  - C. Observe hotel guests to determine their satisfaction
  - D. Review customer comments in the hotel database
29. It is important for the salesperson to establish communication with a customer to
- A. discover the customer's needs.
  - B. choose a method of follow-up.
  - C. test the customer's mood.
  - D. use feature-benefit selling.
30. Which of the following things is likely to occur if both buyers and sellers don't think that they are getting the best possible value:
- A. Customers will continue to buy the product.
  - B. Customers will spend their money elsewhere.
  - C. A business will sell more of the product.
  - D. A business will make more money.
31. When writing a persuasive business message, you should remember to
- A. describe the benefits to the audience.
  - B. open the message with a meaningful quote.
  - C. place the least important information at the beginning.
  - D. communicate your personal goals.
32. Creating a project's communications plan includes determining
- A. what channels will be used.
  - B. how project changes will be handled.
  - C. how much the project will cost.
  - D. when deliverables will be due.
33. Which of the following statements is true of product/service management:
- A. It is only necessary for large businesses.
  - B. It involves continuing to sell unsuccessful products.
  - C. It involves discovering new-product opportunities.
  - D. It is only useful for small businesses.
34. Which of the following is a benefit that comes from tracking analytics:
- A. Discovering new sales tactics
  - B. Saving money on web hosting costs
  - C. Preventing page bounces
  - D. Measuring the success of marketing campaigns

35. Jessica, Adam, and Tanya wrote a research report together at work. To make the assignment easier for everyone, the group decided that each team member would write their own section of the report. As a result, the finished report lacked cohesion and clarity—and each section sounded distinctly different. Jessica, Adam, and Tanya should have
- A. assigned one person to write the entire report.
  - B. written an entire report each and chosen the best one to submit.
  - C. asked their supervisor for individual projects rather than a group report.
  - D. collaborated on the report to establish a common voice.
36. A credit plan that allows customers to make purchases that are within their credit limit and pay all or part of the balance due each month is referred to as a(n) \_\_\_\_\_ credit plan.
- A. coupon
  - B. budget
  - C. open
  - D. revolving
37. Owen and his lawyer have an agreement that protects the sensitive information that Owen shares. According to the agreement, Owen's attorney can't share his personal information with anyone else. This is an example of an agreement regarding
- A. security.
  - B. privacy.
  - C. transparency.
  - D. confidentiality.
38. Rita is upset with her employer because she always has to work during important holidays. This is an issue most likely associated with which type of workplace diversity?
- A. Religion
  - B. Gender
  - C. Age
  - D. Disability
39. Which of the following techniques would help a business identify its training and development needs:
- A. Assessment
  - B. Coaching
  - C. Simulation
  - D. Implementation
40. Appropriate information management can
- A. create more difficult decisions.
  - B. result in audits.
  - C. save time and money.
  - D. create more jobs.

41. Which of the following is true regarding risk-taking:
- A. Smart businesspeople avoid risk.
  - B. Risk related to staffing can be largely controlled.
  - C. All entrepreneurs must take risks.
  - D. Financial risks primarily affect new businesses.
42. The marketing function of selling involves \_\_\_\_\_ communication.
- A. scripted
  - B. impersonal
  - C. planned
  - D. unplanned
43. To make it easier to find specific information in a business report, you should include a(n)
- A. introduction.
  - B. table of contents.
  - C. appendix.
  - D. title page.
44. A company hangs a poster with its brand promise in its customer service department to make sure employees have the brand in mind. This is an example of a
- A. logo.
  - B. brand cue.
  - C. private brand.
  - D. touchpoint.
45. Which user studies a balance sheet to determine a company's creditworthiness?
- A. Bank
  - B. The business's manager
  - C. A business student
  - D. Investor
46. Which of the following is an indicator that human resources needs may change:
- A. Managerial opinion
  - B. Lack of competition
  - C. A stable economy
  - D. Organizational growth
47. The best way to track any regulatory changes that might impact the hospitality and tourism industry is to
- A. consult internet legal forums.
  - B. monitor government agency websites.
  - C. obtain a law degree.
  - D. check out library books.

48. Why should service employees always collect a coupon from customers rather than just keying the discount into the register?
- A. The coupon provides evidence that the service was provided.
  - B. Customers will likely become upset if the coupon is not taken from them.
  - C. It speeds up the amount of time that it takes to complete the transaction.
  - D. The employer can be reimbursed double the amount on the coupon instead of at face value.
49. Which of the following is a security consideration for people employed in the hospitality and tourism industry:
- A. Spilled water on a marble floor
  - B. Patron calling back to determine whether an item is in lost and found
  - C. Unauthorized individuals found on the scene
  - D. Patron choking on food
50. What software do hotels, resorts, and various transportation entities use to expedite the reservation process for customers?
- A. Customer reservation systems
  - B. Websites
  - C. Online booking
  - D. Customer relationship management
51. It is important for hotel employees to wear disposable gloves when emptying trash containers to
- A. prevent damage to the floors and furniture.
  - B. reduce the risk of inhaling dangerous fumes.
  - C. avoid direct contact with sharp objects and bacteria.
  - D. decrease the risk of security breaches.
52. How are many businesses in the hospitality and tourism industry predominantly using social media?
- A. To book travelers' upcoming trips
  - B. To notify travelers of flight cancellations
  - C. To provide a way for travelers to share their experiences
  - D. To match travelers with others who have similar interests
53. The first step in protecting a business's digital assets is taking an inventory. This includes what information is on what media, where the information is located, and
- A. order of information importance.
  - B. costs associated with the information.
  - C. how the information is accessed.
  - D. how the information will be used.
54. In which of the following situations will a business plan that includes monthly sales goals help a company track its progress and make adjustments:
- A. Sales figures decrease 10% in the summer.
  - B. Each salesperson has a monthly sales quota.
  - C. Actual sales are 75% of estimate.
  - D. Monthly sales are the same as last month.

55. A hospitality business adding a line of suite hotels to increase its product depth is an example of a product
- A. feature.
  - B. outsource.
  - C. enhancement.
  - D. extension.
56. Countries record the flow of imports, exports, foreign aid, business investment, foreign investments, and money spent by tourists in order to determine their
- A. number of multinationals.
  - B. balance of payments.
  - C. volume of production.
  - D. need for trade missions.
57. A company received a negative review on social media. How should the company respond to improve the customer's post-sales experience?
- A. Ignore the negative comment so others aren't encouraged to follow suit
  - B. Reply with a witty comment to improve brand image
  - C. Apologize and attempt to rectify the problem
  - D. Ask the customer to comment again explaining the problem in more detail
58. A coffee shop wants to appeal to young, tech-savvy consumers. To appeal to this demographic, the business should consider
- A. gathering analytics from credit card payments.
  - B. instituting a minimum amount for credit card payments.
  - C. purchasing a receipt printer.
  - D. accepting mobile credit card payments.
59. Hannah works for a travel agency. To help her managers better understand how many customers booked vacations to different countries last year, she created a pie chart to display the data. Hannah created the pie chart to
- A. help the audience absorb all the details and intricacies of the data.
  - B. make complicated issues in the data set seem less important than they are.
  - C. convey the most important information in an easy-to-grasp way.
  - D. provide the audience with less than the "full picture" of the data.
60. Jeremy's Nutrition Company brands its new J-Bar protein bar with a logo, tagline, and color scheme. What is the final stage of brand loyalty that new products like the J-Bar strive to reach?
- A. Brand insistence
  - B. Brand preference
  - C. Brand recognition
  - D. Brand awareness
61. A hotel that buys advertising space on a travel agency's website is using this form of promotion to
- A. attract potential guests.
  - B. recruit new employees.
  - C. obtain an agency rating.
  - D. obtain publicity.

62. Alicia is trying to persuade members of her work team to implement a new process. Because Alicia used this process with her former employer, she is very knowledgeable and knows what needs to be done to make a smooth transition. The work team is likely to go along with the change because Alicia has
- A. exhibited cultural sensitivity.
  - B. established personal credibility.
  - C. demonstrated empathy.
  - D. coached others effectively.
63. Merchandise has been purchased with terms 2/10, n/30, and the invoice is dated April 13. By what date must the business pay the invoice in order to take advantage of the discount offered?
- A. May 13
  - B. May 10
  - C. April 30
  - D. April 23
64. Taking a customer's order over the phone and accepting payment with a credit card is an example of
- A. reducing the possibility of counterfeiting.
  - B. implementing a mailing system.
  - C. guaranteeing product satisfaction.
  - D. processing a financial transaction.
65. The most common reason why a company may go global is to
- A. develop special services.
  - B. reach new markets.
  - C. achieve departmental goals.
  - D. hire diverse employees.
66. Which of the following is an example of a business obtaining raw-materials inventory:
- A. A petroleum processing plant orders a replacement part for a large piece of equipment.
  - B. A snack-food manufacturer orders potatoes, oil, and salt to make its potato chips.
  - C. An accounting firm orders pencils, copy paper, and post-it notes for its staff.
  - D. A department-store chain orders shirts, ties, and socks from different vendors for resale.
67. You've just come up with a great tagline for your company and want to use it on all marketing materials. Before publishing the new tagline, you should get it
- A. audited.
  - B. trademarked.
  - C. patented.
  - D. notarized.
68. What type of hotel security standard involves employing armed security guards in high-crime areas?
- A. Personnel-related
  - B. Property-related
  - C. Procedure-related
  - D. Physical-related

69. What is a realistic example of a benefit that employees could expect for reinforcing their company's environmentally friendly image?
- A. Extra day of vacation for riding a bike to work instead of driving
  - B. Luncheon for employees who turn in reports on time
  - C. Airline ticket to the employee who recycles the most over one year
  - D. Bonus of \$500 for finishing a project early
70. A firm's environmental scan reveals that a country is on the brink of civil war, which would affect the firm's ability to do business in the country. This is an example of a(n) \_\_\_\_\_ consideration.
- A. economic
  - B. regulatory
  - C. political
  - D. cultural
71. What do business owners consider when they select a business ownership structure?
- A. Product versatility, advertising strategies, and personal circumstances
  - B. Product versatility, financial needs, and advertising strategies
  - C. Personal circumstances, financial needs, and type of business
  - D. Personal circumstances, type of business, and product mix
72. Monika doesn't usually like to spend a lot of money when dining at restaurants, but tonight she added her sister's meal to her bill because they were celebrating her sister's birthday. In this situation, a \_\_\_\_\_ influence is guiding Monika's buying behavior.
- A. situational
  - B. psychological
  - C. social
  - D. cultural
73. Which of the following is an example of a database system:
- A. A library catalog
  - B. A chart reflecting sales revenue
  - C. Scheduling software
  - D. A marketing report
74. The question "Are you traveling for business or pleasure?" is an example of a \_\_\_\_\_ segmentation inquiry.
- A. psychographic
  - B. choreographic
  - C. geographic
  - D. demographic
75. When preparing to deliver an oral presentation, the most important step is
- A. conducting research.
  - B. practicing the delivery.
  - C. writing useful note cards.
  - D. choosing the best visual aid.

76. According to Maslow's hierarchy of needs, which of the following is a high-level need:
- A. Belonging
  - B. Esteem
  - C. Shelter
  - D. Water
77. Which of the following is a sign of legitimate investment opportunities:
- A. Requesting payment by wiring money to a personal account
  - B. Realistic assessment of potential returns
  - C. Promises of risk-free investment opportunities
  - D. Pressure to invest as soon as possible
78. A quick-serve restaurant chain might use an odd-pricing strategy for some of the items on its menu to
- A. suggest value.
  - B. increase overhead.
  - C. emphasize quality.
  - D. reduce risk.
79. Which of the following is an important benefit businesses offer to their local communities:
- A. Decreasing competition
  - B. Running community affairs
  - C. Creating jobs
  - D. Increasing tax rates
80. A restaurant patron wants to know what spices are in the soup. If the server doesn't know, they should
- A. offer to check with the cook.
  - B. tell the customer they don't know.
  - C. tell the customer there are no spices in the soup.
  - D. name a few spices that probably are in the soup.
81. The first step in developing a valid contract involves
- A. making an offer.
  - B. selling a product.
  - C. negotiating a price.
  - D. setting a deadline.
82. When upselling to customers, it is important to
- A. mention that you work on commission.
  - B. recommend at least three additional items.
  - C. suggest the better quality, higher priced item.
  - D. help customers make good buying decisions.

83. Human error is one of the leading causes of cybersecurity breaches. To protect customer data from being stolen or leaked by accident, hospitality and tourism companies should
- A. assume that employees are incapable of protecting customer data.
  - B. avoid hiring anyone who can't pass a lie detector test.
  - C. trust their employees to adequately protect customer data.
  - D. implement cybersecurity training for employees.
84. Why is it important for a business to continuously monitor the return on sales of its product lines?
- A. So it can justify each product line's market-share standings
  - B. To determine each product line's profitability
  - C. To verify that the business meets the government's financial standards
  - D. So the business can claim tax deductions
85. Which of the following is a way that employees can help control expenses by managing their work:
- A. Meeting deadlines
  - B. Taking long breaks
  - C. Leaving early
  - D. Reading personal email
86. Rather than relying solely on a reception desk in the lobby, a hotel checks in its guests by using tablets that can access the hotel management system anywhere in the building to increase efficiency and convenience. This is an example of \_\_\_\_\_ impacting the hospitality and tourism industry.
- A. social media
  - B. globalization
  - C. mobile devices
  - D. personalization
87. Which of the following techniques involves capturing knowledge in a table by grouping similar variables, concepts, or properties:
- A. Constrained task
  - B. Concept map
  - C. Repertory grid
  - D. Process model
88. The SleepRight Motel has three floors of guest rooms, each with their own direct exit outside. The evacuation protocol for the motel is to direct guests out of their rooms and down the nearest flight of stairs. The Crowne Plaza Hotel is a fifteen-floor luxury hotel with fourteen floors of guest suites and one floor of ballrooms and administrative offices. The evacuation plan for the Crowne Plaza Hotel is to direct guests into the hallways to the nearest elevator or flight of stairs, depending on the circumstance. These examples demonstrate how \_\_\_\_\_ affects evacuation procedures in the hospitality industry.
- A. guest count
  - B. severe weather
  - C. government regulation
  - D. building layout

89. As a salesperson for a business specializing in high-priced electronic computers, which promotional tool are you most likely to use to communicate with buyers?
- A. Publicity
  - B. Sales promotion
  - C. Personal selling
  - D. Advertising
90. A frequent customer is early for their Tuesday appointment with your coworker Antonio. What should you do or say to the customer?
- A. Tell them that Antonio always runs late on Tuesdays.
  - B. Invite them to be seated in a waiting area.
  - C. Ask them what they think of Antonio's ability.
  - D. Ignore them since they are familiar with the company.
91. Which of the following is an example of a service provided by the hospitality industry:
- A. Valet parking
  - B. Restaurant meals
  - C. Electronic room keys
  - D. Airline tickets
92. The manager of the Majesty Resort just quit in the middle of summer vacation season. They told the owner they felt too overwhelmed by all of the work they had to do. The owner of the Majesty Resort should have
- A. closed down the resort during peaks in demand.
  - B. hired a more responsible manager.
  - C. convinced the manager to stay.
  - D. increased staffing for peaks in demand.
93. Which of the following is an example of motivation as a means of directing:
- A. Emmie praises her employees for quality work.
  - B. Andy's boss asks him to stay an hour late to finish his project.
  - C. Employees engage in team-building exercises.
  - D. A manager pays attention to what time employees clock in.
94. Which of the following is part of a firm's promotional mix:
- A. Advertising
  - B. Product planning
  - C. Distributing
  - D. Pricing
95. Which of the following data collection methods would best measure actual repeat business:
- A. Collecting personal information from online registrations
  - B. Collecting data on product purchases from loyalty programs
  - C. Tracking cookies from customers' web browsing activity
  - D. Surveying customers about their recent store experiences

96. Separating responsibilities for cash transactions is one way businesses try to prevent
- A. debt collection.
  - B. competition.
  - C. fraud.
  - D. refunds.
97. Employees can help prevent losses from price-ticket switching by
- A. putting individual price tickets on goods.
  - B. using cost codes on all price tickets.
  - C. using more than one price ticket on goods.
  - D. being familiar with regular product prices.
98. Which of the following is most likely to have a negative impact on a beach destination's economy:
- A. Occasional airline delays
  - B. Floods and severe storm damage
  - C. Hotel and restaurant construction
  - D. Fluctuations in gasoline prices
99. Which of the following types of hospitality and tourism information is most likely to be found in an online database:
- A. Industry market trends
  - B. A restaurant's customer demographics
  - C. Competitors' sales data
  - D. Customer reviews for a specific hotel
100. The primary purpose of environmental law is to
- A. safeguard business structures.
  - B. encourage business development.
  - C. maintain competition in the marketplace.
  - D. protect natural resources.



**KEY**

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1. C

Retail bank. Retail banks offer a variety of services for consumers including checking and savings accounts, credit cards, and automobile loans. An investment bank is a financial intermediary that underwrites securities and facilitates mergers. Mortgage companies process loans specifically designed for the purchase of real estate—land, residences, and other types of buildings. Financial holding companies own one or more commercial banks and/or investment banks.

SOURCE: FI:075 Describe types of financial-services providers

SOURCE: Majaski, C. (2023, May 18). *Retail banking vs. corporate banking: What's the difference?* Retrieved September 26, 2023, from <https://www.investopedia.com/articles/general/071213/retail-banking-vs-commercial-banking.asp>

2. B

Compare variables. A chain of hotels might analyze and interpret the marketing information contained in databases in order to compare several variables that change from property to property. For example, one hotel might be located in an affluent suburb while another one is located in an urban area. The chain might analyze the information in its database concerning both communities in order to make appropriate marketing decisions such as the types of services to offer in each location. Although the chain provides the same types of goods and services to both communities, it needs to analyze data in order to know if the consumers in each community have different wants and needs. Before analyzing databases to compare variables, a chain of hotels might survey guests and tabulate the findings. A chain would not analyze databases in order to organize products.

SOURCE: NF:185 Use database for information analysis

SOURCE: Bock, T. (n.d.). *How to identify relevant variables for market segmentation*. Retrieved September 27, 2023, from <https://www.qresearchsoftware.com/how-to-identify-relevant-variables-for-market-segmentation>

3. B

Have high value in the market. To identify its competitive advantage, a business must consider what makes its service, product, capability, or other resource superior to all of a customer's other choices—in other words, what gives that service, product, capability, or resource greater value in the market. Commonplace capabilities and resources are not likely to result in a competitive advantage. While a business can benefit from environmentally sustainable capabilities and resources, sustainability is not likely to result in a competitive advantage if those capabilities and resources lack value. When a capability or resource is difficult to maintain, the cost for its upkeep is likely to outweigh any benefit it provides.

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

SOURCE: Twin, A. (2023, August 3). *Competitive advantage definition with types and examples*. Retrieved September 27, 2023, from [https://www.investopedia.com/terms/c/competitive\\_advantage.asp](https://www.investopedia.com/terms/c/competitive_advantage.asp)

4. C

Zero-based. Budgets are estimations of income and expenses. In zero-based budgeting, managers are required to show the need for every expense that they expect their departments or companies to incur within a set time period. A rolling or continuous budget replaces each passing month with a new month added to the end of the budget, so that there is always a year-long budget in place. A master budget is a comprehensive budget for the entire company and includes all company functions and departments. Relational is not a type of budget.

SOURCE: FI:106 Describe the nature of budgets

SOURCE: LAP-FI-106—Money Tracks (Nature of Budgets)

5. D

\$9.75. The operating expenses and the profit should be added to the cost to determine the selling price ( $\$8.45 + \$0.50 + \$0.80 = \$9.75$ ).

SOURCE: PI:007 Set prices

SOURCE: Indeed. (2023, February 3). *How to calculate a product's average selling price*. Retrieved October 9, 2023, from <https://www.indeed.com/career-advice/career-development/calculate-selling-price>

6. C

Reliability. A reliable service is one that is consistently performed well. Customers look for reliability in the services they use so that they can rest assured that the job will be done and done well. Serviceability, durability, and destructibility are all words used to describe tangible products, not services. A serviceable product is one that can be maintained or repaired. A durable product is one that performs its purpose for a long period of time. A destructible product is one that can be destroyed.

SOURCE: QM:001 Explain the nature of quality management

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

7. C

Legitimate. People that have authority have legitimate power—the formal or legal right to give directions and commands to others. People with authority may also utilize other forms of power, such as coercive, referent, or expert power, but not necessarily.

SOURCE: EI:135 Use power appropriately

SOURCE: LAP-EI-135—Power Play (Using Power Appropriately)

8. A

The Powell Company did not order enough paper towels for the month, so it ordered an additional four cases. A reorder involves ordering items that the company has previously ordered. The Powell Company placed a reorder because it submitted a second order for the same product (paper towels) to its vendor. A backorder occurs when a vendor ships part of an order on time and the rest of the order later when the stock is available. Mr. and Mrs. Travis placed a special order, which is a request for a custom item that a vendor does not normally carry in stock. Henry's Hardware Store placed a regular order, which involves providing the vendor with the specifications of items that the business wants to order.

SOURCE: OP:250 Describe types of purchase orders

SOURCE: Indeed. (2022, September 30). *How to calculate reorder level (with steps and example)*. Retrieved September 27, 2023, from <https://www.indeed.com/career-advice/career-development/reorder-level>

9. D

Bookmarking. The bookmarking computer tool allows users to save URL addresses on their computers. The bookmarking tool allows users to quickly return to favorite or frequently visited websites without reentering a specific URL address every time they want to access the websites. This is a beneficial tool for businesspeople who need to do ongoing research, or for employees who need to access vendor and customer websites several times a day. The highlighting function allows computer users to highlight or mark text in a document or spreadsheet. Sorting allows users the ability to organize, classify, or categorize data in a specific format, such as an alphabetical or numerical sequence.

SOURCE: NF:081 Store information for future use

SOURCE: Kats, S. (2023, May 26). *How to bookmark a website*. Retrieved September 26, 2023, from <https://www.wikihow.com/Bookmark-a-Website>

10. C

An increasingly diverse array of risks. In the past, risks were managed through the purchase of insurance. However, companies have begun to manage many different types of risks that need to be managed on a broader level. Enterprise risk management is now a plan-based strategy that is incorporated throughout an organization. Enterprise risk management has not developed due to the elimination of certain insurance plans, reduced government regulation, or declining quality standards.

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

SOURCE: Hayes, A. (2022, September 7). *Enterprise risk management (ERM): What is it and how it works*. Retrieved September 27, 2023, from <https://www.investopedia.com/terms/e/enterprise-risk-management.asp>

11. B

True; the business is responsible for creating a safe work environment. When there is potentially dangerous equipment in the workplace, employees should be instructed in the safe use of the equipment and the potential danger to themselves and others of not doing so. Even when such training is given, employees may become careless or forget to use safety precautions. It is not always obvious that equipment can be hazardous.

SOURCE: OP:007 Follow safety precautions

SOURCE: Simplified Safety. (2023). *How to create a safe working environment*. Retrieved September 26, 2023, from <https://simplifiedsafety.com/blog/how-to-create-a-safe-working-environment/>

12. A

Use unusual passwords rather than your birth date to access your bank accounts. Identity theft occurs when somebody uses another individual's name and personal information (e.g., credit cards) for fraudulent purposes. Identity theft can occur even when you take precautions. To reduce the risk of identity theft, use unusual passwords to access your personal bank accounts rather than common information such as your birth date. To further prevent identity theft, do not place your Social Security number on unnecessary documents. Many people do not have passports. Paying with cash is not always a good idea, because cancelled bank checks serve as a receipt for payments. If you pay your bills by sending cash, the envelope may get lost, and you will have no record of making the payment. In addition, using credit cards wisely can help you build a good credit report, which will help you obtain loans for expensive items (e.g., a car) in the future.

SOURCE: FI:073 Protect against identity theft

SOURCE: Capital One. (2022, September 20). *7 tips to protect yourself from identity theft*. Retrieved September 26, 2023, from <https://www.capitalone.com/learn-grow/privacy-security/identity-theft-prevention/>

13. B

Relaxation. A core customer value is the basic need addressed by a product. For example, spa visitors often seek (or need) relaxation. The spa is responding to this need by promoting its clean facility, gentle staff, and peaceful atmosphere, which are not elements typically needed by those seeking adventure, sociability, or knowledge.

SOURCE: PM:214 Communicate core values of product/service

SOURCE: Marketing-Insider. (2015, April 27). *Three levels of product—Core value, actual product, and augmented product*. Retrieved September 27, 2023, from <https://marketing-insider.eu/three-levels-of-product/>

14. C

Save time. Managers who give good directions to employees usually are able to save time because they do not need to keep repeating the instructions. The employees understand their assignments and are able to complete them without asking questions or needing assistance from the managers. When managers give good directions, the business benefits because everyone spends less time doing their jobs. When managers give directions, they do not obtain data or take notes. Employees may ask managers to review facts when they are giving directions.

SOURCE: CO:139 Provide directions for completing job tasks

SOURCE: Fuhrman, R. (2020, December 1). *4 criteria for effective directions*. Retrieved October 8, 2023, from <https://www.edutopia.org/article/4-criteria-effective-directions/>

15. A

Allow the customer to express their feelings. Sometimes, frustrated customers want to complain and release anger. Allowing them to express their feelings might help them calm down and make a resolution more likely. Agreeing with a customer's complaints is not a good idea, because it undermines the authority of the company. Keeping the conversation in a public space is not a good idea, because other employees or customers might hear the conversation, which could damage morale and reputation. Finally, disagreeing with each negative statement is likely to upset the customer rather than help resolve the conflict.

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

SOURCE: Cerdeira, C. (2022, December 22). *12 tips for conflict resolution to create excellent customer service*. Retrieved September 26, 2023, from <https://www.talkdesk.com/blog/12-conflict-resolution-tips-for-excellent-customer-service/>

16. A

The hotel's location. A customer running a booth at a downtown event probably picked your hotel based on its location. Entertainment options, restaurant options, and the hotel's décor were probably of less concern because the customer will be at the food festival and not have time to enjoy such amenities.

SOURCE: SE:220 Explain factors that motivate people to choose a hospitality and tourism site

SOURCE: Morantis, N.S. (2016). *How does a hotel's location affect room reservations?* Retrieved October 9, 2023, from <https://www.hotelieracademy.org/hotel-location-affects-room-reservations/>

17. B

Increased efficiency. Division of labor is the process of dividing a large job into units, or job tasks, and assigning an individual to do each of the tasks. Division of labor allows for specialization, which makes organizations more efficient because the work is divided and shared to take advantage of employees' skills. Division of labor does not necessarily lead to more direct oversight, teamwork opportunities, or professional development.

SOURCE: SM:064 Explain managerial considerations in organizing

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

18. B

\$11.27. Because expenses and food costs change, restaurant managers need to be able to adjust prices to maximize profitability. A.J.'s plans to mark up its bacon cheeseburger combo meal by 15%. To determine the new price of the meal, first multiply the meal's current price by the percentage increase to determine the dollar amount of the price increase ( $\$9.80 \times 15\% = \$1.47$ ). Then, add together the price increase (in dollars) and the current price of the meal to determine its new price ( $\$1.47 + \$9.80 = \$11.27$ ).

SOURCE: PI:008 Adjust prices to maximize profitability

SOURCE: Kenton, W. (2023, July 4). *Percentage changes and how to calculate them*. Retrieved October 9, 2023, from <https://www.investopedia.com/terms/p/percentage-change.asp>

19. B

Ultimate. Heather writing a positive review of the phone case and sharing the information with her family members, friends, and colleagues is an example of the ultimate moment of truth. The ultimate moment of truth is the final stage in shaping a meaningful experience for the customer. It is when the customer begins to share their experiences with others and thus creates more zero moments of truth (the first possible moment of contact between a brand or product and the customer). When a problem arises, the customer will go searching for a solution. The first moment of truth occurs when the potential customer first comes into contact with a specific product. It focuses on the impression they form when they see the product for the first time and learn more about it. The second moment of truth takes place when the customer truly experiences what the company is offering. It is the ongoing relationship with a product and the things customers can think, see, hear, touch, or smell about the product or brand over the lifetime of the relationship.

SOURCE: CR:055 Deliver positive moments of truth

SOURCE: Interaction Design Foundation. (n.d.). *The moment of truth: Build desirable relationships with users and customers*. Retrieved September 26, 2023, from <https://www.interaction-design.org/literature/article/the-moment-of-truth-build-desirable-relationships-with-users-and-customers>

20. C

Repeat business. Employees who solve customers' problems quickly and satisfactorily often are able to obtain repeat business from those customers. Customers who are treated well will likely return to the business in spite of the complaint because they know the employees will resolve whatever problems may arise. Customers, not employees, obtain individual priority, personal service, and a pleasant experience when employees quickly handle problems and complaints.

SOURCE: CR:004 Demonstrate a customer service mindset

SOURCE: LAP-CR-004—Set Your Mind to It (Customer Service Mindset)

21. B

Installing antivirus software. Antivirus software is designed to check files for viruses and to scan other files for viruses while they are being copied or information is being downloaded from the internet. The purpose of antivirus software is to protect existing files and digital data from being destroyed or contaminated. Businesses should update their antivirus software on a regular basis because new viruses are being created daily. Most businesses make backup copies of digital data, but that will not prevent the system from being infected with a virus. Eliminating email capability will not prevent contamination because some viruses are transferred in other ways. Monitoring internet activity will not prevent digital data from being infected with a virus.

SOURCE: OP:105 Develop strategies to protect digital data

SOURCE: Techwalla. (n.d.). *What is the purpose of antivirus software?* Retrieved October 9, 2023, from <https://www.techwalla.com/articles/what-is-the-purpose-of-antivirus-software>

22. D

They have already exhausted their secondary research options. Primary research is that which a person or company generates on their own for their exact needs and purposes. Primary research is generally done when the needed information does not exist yet. Therefore, the airline executive should first do an exhaustive search of secondary sources before deciding to conduct primary research. Even if no one on the executive's team has the information they need, the executive still might not need to conduct primary research because they might be able to use secondary research. If the airline has little money for research, the executive might be better off focusing on secondary research because it is cheaper than primary research.

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

SOURCE: Alchemer. (2018, April 26). *Research methods: How and when to use primary and secondary research*. Retrieved September 27, 2023, from <https://www.alchemer.com/resources/blog/research-methods-how-and-when-to-use-primary-and-secondary-research/>

23. C

The business takes care of the responsibilities associated with having employees. Human resources management involves taking care of the responsibilities associated with having employees. Giving preferred customers a special discount is part of marketing. Including top-level managers in long-term planning is part of strategic management. And, acting on new information about a competitor can be marketing and/or operations.

SOURCE: EC:071 Describe types of business activities

SOURCE: LAP-EC-071—Strictly Business (Business Activities)

24. D

Industrial. Businesses that buy from other businesses are called industrial customers. They often buy thousands of dollars' worth of equipment or materials. Individual customers, on the other hand, buy goods such as clothing and food, and services like insurance or car washes. Individual customers are individual people, whereas industrial customers are companies and organizations. “Group” and “personal” are not terms used to describe types of business customers.

SOURCE: SE:828 Explain key factors in building a clientele

SOURCE: LAP-SE-828—Keep Them Loyal (Key Factors in Building Clientele)

25. B

More absenteeism. Stress can lead to absenteeism and tardiness at work. When absent workers are the norm, employers have a hard time relying on employees, adhering to deadlines, and getting work done. Employers, therefore, should take steps to limit employee stress as much as they can. High stress in the workplace also leads to decreased productivity, increased health care costs, and higher employee turnover.

SOURCE: EI:028 Explain the nature of stress management

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

26. C

During check-in. Hotel employees should inform guests of the hotel's services and amenities during the check-in process. Guests who are not aware that the hotel offers certain services will not use them, which can affect the guests' experience during their stay and can affect the hotel's sales. For example, a guest who does not realize that the hotel has an on-site restaurant will not dine there. As a result, the hotel's food and beverage division loses potential revenue. Advising guests about services during checkout is not beneficial to the guest or to the hotel. Posting is a term that describes adding or subtracting charges to a guest's bill.

SOURCE: SE:221 Recommend hospitality and tourism services

SOURCE: Openkey. (2018, March 15). *6 ways to improve your hotel front desk team performance*. Retrieved September 27, 2023, from <https://www.openkey.co/2018/03/15/6-ways-to-improve-your-hotel-front-desk-team-performance/>

27. D

Product bundling. Product bundling occurs when a company sells a group of products for a lower price than if the consumer purchased each product separately. One common “bundle” includes internet, phone, and TV service. Consumer demand, product separation, and combined marketing are not terms used to describe product bundling.

SOURCE: PM:041 Describe the nature of product bundling

SOURCE: Merritt, C. (2019, March 4). *Bundle pricing strategy*. Retrieved September 27, 2023, from <https://smallbusiness.chron.com/bundle-pricing-strategy-67049.html>

28. D

Review customer comments in the hotel database. Secondary research examines information that was previously collected for other purposes. Reviewing customer comments stored in a database is an example of secondary research since the data were previously collected. Creating a survey, interviewing staff members, and observing guests are primary research activities since they are designed to collect information specific to the research goal.

SOURCE: NF:281 Explain sources of secondary hospitality and tourism information

SOURCE: Destination BC. (n.d.). *Research guide for tourism operators*. Retrieved September 27, 2023, from <https://www.destinationbc.ca/content/uploads/2018/07/TBE-Guide-Research-Guide-For-Tourism-Operators-Mar-2015.pdf>

29. A

Discover the customer's needs. Only by discovering the needs of the customer through questioning and listening will the salesperson be in a position to recommend a good or service that will meet those needs. This process may indicate the customer's mood, but that is not its purpose. The method of follow-up depends upon the selling situation. Feature-benefit selling is convincing customers that a good or service has the features that will provide the benefits they are looking for.

SOURCE: SE:048 Explain the selling process

SOURCE: LAP-SE-048—Set Your Sales (The Selling Process)

30. B

Customers will spend their money elsewhere. Pricing is like a tug-of-war between buyers and sellers. Both are trying to get the most value from the good or service. The trick to pricing comes in balancing and satisfying both groups. Both buyers and sellers need to perceive that they are getting the best possible value they can. If this doesn't happen, customers may spend their money elsewhere, either on a similar product (if one is available) or on an entirely different product. A business may make less money if both buyers and sellers don't think that they are getting the best possible value. Customers are not likely to continue to buy the product, and the business is not likely to sell more of the product.

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

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

31. A

Describe the benefits to the audience. The primary goal of a persuasive message is to influence behavior. Influencing others involves communicating benefits of taking action. The readers are more likely to respond favorably to the message if they know how the action will impact or help them. Communicating benefits is a central element to all types of persuasive messages. The beginning of the message should catch the readers' attention and encourage them to read more. Depending on the type of message, this might involve a quote. The message should be concise, so it should not contain unimportant information. The message should be written to communicate the business's goals rather than personal ones.

SOURCE: CO:031 Write persuasive messages

SOURCE: Williams, E. (2018, October 19). *Effective persuasive communication*. Retrieved September 26, 2023, from <https://smallbusiness.chron.com/effective-persuasive-communication-56248.html>

32. A

What channels will be used. Creating a communications plan includes determining what channels will be used for sending information throughout the work team. Determining how project changes will be handled is part of the change-management plan. Determining how much the project will cost happens a bit later in the project-planning process. Determining when deliverables will be due is part of the project-scheduling process.

SOURCE: OP:001 Develop project plan

SOURCE: LAP-OP-001—Chart Your Course (Developing a Project Plan)

33. C

It involves discovering new-product opportunities. Product/Service management involves discovering new-product opportunities. Product/Service management is important for all businesses, not just small or large ones. Product/Service management involves eliminating unsuccessful products, not continuing to sell them.

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

SOURCE: LAP-PM-017—Serving Up Products (Nature of Product/Service Management)

34. D

Measuring the success of marketing campaigns. Web analytics allow you to collect data about visitors to your website. One of the benefits of doing so is being able to measure the success of digital marketing campaigns. You can track which campaigns lead to more page views and clicks, which allows you to make smarter marketing decisions in the future. While tracking analytics can help you reduce page bounces, it does not prevent them altogether. Tracking analytics is not necessarily related to discovering new sales tactics. Finally, tracking analytics does not necessarily save money on web hosting costs.

SOURCE: NF:205 Use analytical tracking tools

SOURCE: FasterCapital. (2023, June 14). *The benefits of measuring your marketing campaigns*. Retrieved September 27, 2023, from <https://fastercapital.com/content/The-benefits-of-measuring-your-marketing-campaigns.html>

35. D

Collaborated on the report to establish a common voice. When working with others on communications projects such as reports, it's important for teams to find a common voice so that they communicate their messages most effectively. In this example, the team members did not combine their writing styles into a common style—causing their report to lack cohesion and clarity. Jessica, Adam, and Tanya should not have chosen a single team member to write the entire report; that would be unfair. They should not have written an entire report each and chosen the best report to submit; that would be a waste of time and resources. It would be inappropriate to ask their supervisor for different projects rather than following directions.

SOURCE: NF:215 Collaborate on and aggregate complex internal documents to create a common voice

SOURCE: The University of North Carolina at Chapel Hill. (2023). *Group writing*. Retrieved September 26, 2023, from <https://writingcenter.unc.edu/tips-and-tools/group-writing/>

36. D

Revolving. A revolving credit account limits the total amount of money that may be owed. Revolving account customers who do not pay the full amount each month are charged interest on the unpaid balance. A budget credit plan is a short-term credit plan, typically for two to three months. An open (account) credit plan is a regular credit plan requiring payment in full at the end of each credit period. A coupon credit plan issues coupons to be paid for over a period of time and to be used by customers in making purchases.

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

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

37. D

Confidentiality. Confidentiality refers to the agreement of an individual or party not to share the sensitive information of another individual or party. Most lawyers have confidentiality agreements with their clients that protect the sensitive details of the clients' cases from being shared with others. While similar to confidentiality, privacy and security differ in important ways. Privacy is the right of an individual to keep their information to themselves, while security is the protection of sensitive data or items that are housed in a database or other storage facility. Transparency refers to openness or honesty. This example best describes a confidentiality agreement.

SOURCE: OP:441 Explain information privacy, security, and confidentiality considerations in business

SOURCE: Milano, S. (2018, June 29). *What is the meaning of confidentiality in the workplace?* Retrieved September 26, 2023, from <https://work.chron.com/meaning-confidentiality-workplace-21886.html>

38. A

Religion. One issue associated with religious diversity is that different religions celebrate different holidays. If Rita has to work during her most important holidays, it is likely that her employer does not have a policy that accommodates religious diversity. Working during important holidays is not necessarily associated with gender, disability, or age.

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

SOURCE: McFarlin, K. (n.d.). *How to manage religious diversity in the workplace.* Retrieved September 26, 2023, from <https://smallbusiness.chron.com/manage-religious-diversity-workplace-10718.html>

39. A

Assessment. A needs assessment is the process of identifying and prioritizing training and development needs. There are several needs-assessment methods from which a business can choose. Implementation is the process of doing or taking action (e.g., establishing a training program). Coaching is an on-the-job instructional method in which a manager or supervisor is assigned a "coach" to set goals, give assistance in reaching goals, and provide ongoing feedback. Simulation is a representation of a real-life situation.

SOURCE: HR:363 Explain the nature of management/supervisory training

SOURCE: Indeed. (2023, March 10). *What is a training needs assessment?* Retrieved October 8, 2023, from <https://www.indeed.com/career-advice/career-development/training-needs-assessment>

40. C

Save time and money. Appropriate information management has many benefits for a business, including saving time and money by making operations run more smoothly. Appropriate information management should make decisions easier and should reduce a business's risk of undergoing an unnecessary audit. Appropriate information management may or may not create more jobs.

SOURCE: NF:110 Discuss the nature of information management

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

41. C

All entrepreneurs must take risks. Risk-taking is an essential aspect of entrepreneurship. If you want to become a successful entrepreneur, you must learn to take risks and seek out risk-taking opportunities. Smart businesspeople do not necessarily avoid risks. Financial risks affect all businesses, not just new ones. Finally, risks related to staffing cannot necessarily be largely controlled.

SOURCE: EN:024 Evaluate risk-taking opportunities

SOURCE: Braccialini, C. (2023, October 5). *Risk in entrepreneurship: Everything you need to know.* Retrieved October 8, 2023, from <https://blog.hubspot.com/the-hustle/risk-in-entrepreneurship>

42. C

Planned. Selling is planned communication. That doesn't mean that salespeople read off scripts—instead, it means that salespeople have spent time learning about their products and figuring out what clients want and need. Selling is also personal communication, meaning that it should be tailored to each unique customer.

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

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

43. B

Table of contents. When preparing a business report, it is often a good idea to include a table of contents, the portion of a document in which the sections are listed with their page numbers for easy navigation. This allows a reader to sift through a lengthy document to find the needed information. While title pages, introductions, and appendices are also helpful in a written business report, their main purposes are not to make it easier to find specific information.

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

SOURCE: University of Nevada Writing & Speaking Center. (n.d.). *How to write a business report*. Retrieved September 27, 2023, from <https://www.unr.edu/writing-speaking-center/student-resources/writing-speaking-resources/how-to-write-a-business-report>

44. B

Brand cue. Brand cues are simple reminders of the brand's identity and values. Brand cues are a great way to remind employees about the brand values and brand promise. Touchpoints are all the opportunities that businesses have to connect with customers and reinforce their brand. Logos are distinctive symbols, designs, or groups of letters. A private brand is owned by the intermediary (retailer, wholesaler, or other distributor) that sells the brand rather than the manufacturer.

SOURCE: PM:206 Explain the nature of corporate branding

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

45. A

Bank. Banks lend money to businesses; they often study balance sheets to determine how much credit they should extend. The business's manager studies the balance sheet to determine the company's current strengths and weaknesses. A business student may study a balance sheet for any number of reasons, but most likely, they aren't extending credit to a business. Investors study balance sheets to determine whether or not the company is a good investment.

SOURCE: FI:093 Explain the nature of balance sheets

SOURCE: LAP-FI-093—The Right Balance (The Nature of Balance Sheets)

46. D

Organizational growth. When an organization grows or expands, it usually indicates that human resources need to grow as well. A stable economy or a lack of competition would indicate that HR should stay the same. Managerial opinion may be insightful, but it's not necessarily a solid indicator of the need for human resources changes.

SOURCE: SM:065 Describe managerial considerations in staffing

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

47. B

Monitor government agency websites. Tracking and staying on top of regulatory changes within the hospitality and tourism industry is important, and there are several ways to do so: monitoring regulatory agency websites (like OSHA's), following regulatory agencies on social media, joining industry associations, etc. Consulting internet forums for regulatory changes might not result in accurate information. Checking out a library book might not result in updated information. A law degree would not provide updates on relevant regulatory changes.

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

SOURCE: Sharp, K. (2022, January 13). *8 easy ways to keep up with regulatory changes*. Retrieved September 27, 2023, from <https://www.perillon.com/blog/6-easy-ways-to-keep-up-with-regulatory-changes>

48. A

The coupon provides evidence that the service was provided. A coupon serves as a physical record that a discount was provided when the customer paid for the service. This is especially important when a service marketer needs to be reimbursed by the appropriate party for the amount on the coupon. Service marketers that choose to double the value of coupons must make up the difference between the face value printed on the coupon and the doubled amount. Customers do not get mad when their coupons are not taken from them because it offers them another opportunity to enjoy a discounted price. If anything, accepting a coupon would slightly slow down the transaction time because the discount must be entered into the register; however, the amount of time is negligible.

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

SOURCE: How Stuff Works. (n.d.). *How do store coupons work?* Retrieved September 27, 2023, from <https://money.howstuffworks.com/personal-finance/budgeting/question426.htm>

49. C

Unauthorized individuals found on the scene. The presence of unauthorized people is a threat to the security of patrons, employees, and to the hospitality and tourism business. Individuals responsible for security will need to quickly determine the reason that the unauthorized people are present. Spilled water and a choking patron are safety threats. A phone call about an item in lost and found is not a safety or security issue.

SOURCE: OP:115 Explain security considerations in the hospitality and tourism industry

SOURCE: Arora, A. (2019, March 27). *Safety and security in the hospitality industry - Challenges and possible counters*. Retrieved September 27, 2023, from <https://www.linkedin.com/pulse/safety-security-hospitality-industry-challenges-possible-aman-arora/>

50. C

Online booking. Many hospitality and tourism businesses offer websites that enable customers to conveniently book their reservations online. This gives customers 24-hour access to reservation systems when it's convenient for them to quickly make a reservation. Customer reservation systems are used by travel agents. Customer relationship management software is databases of customer information. Websites by themselves would not expedite the reservation process for customers.

SOURCE: NF:106 Use software to automate services

SOURCE: FinancesOnline. (2023). *What is online booking software? A comprehensive guide to benefits, features, pricing and more*. Retrieved September 27, 2023, from <https://financesonline.com/online-booking-software-comprehensive-guide-benefits-features-pricing/>

51. C

Avoid direct contact with sharp objects and bacteria. Wearing disposable gloves when emptying trash containers prevents direct skin contact with bacteria, sharp objects (e.g., broken glass), and dangerous chemicals that can harm the employee's hands and spread blood-borne pathogens. Wearing disposable gloves does not prevent damage to floors and furniture, decrease the risk of security breaches, or reduce the risk of inhaling dangerous fumes. To reduce exposure to fumes, employees should wear ventilation masks.

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

SOURCE: Farina, D.A. (2017, April 6). *How to safely dispose of office trash*. Retrieved September 27, 2023, from <https://www.safeopedia.com/how-to-safely-dispose-of-office-trash/2/5545>

52. C

To provide a way for travelers to share their experiences. The internet has provided a mechanism through social media for satisfied and unsatisfied customers to tell others about their experiences with a business. The comments of other customers are viewed as more credible statements than advertisements from the business. Therefore, travel and tourism businesses are providing this forum so that satisfied customers can spread the good word, while any problems identified can be addressed and corrections made, if needed. Hospitality and tourism businesses are not predominantly using social media to connect travelers with similar interests, to book travelers' upcoming trips, or to notify travelers of flight cancellations.

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

SOURCE: Greenlaw, M. (2022, December 13). *The power of social media in the hotel & hospitality industry*. Retrieved September 27, 2023, from <https://uphotel.agency/the-power-of-social-media-in-the-hotel-and-hospitality-industry/>

53. C

How the information is accessed. An effective digital inventory records what information is on what media, where the information is located, and how it is accessed. The order of importance, costs associated with the information, and how the information will be used are not as important while inventorying digital assets.

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

SOURCE: Fastmetrics. (n.d.). *How to properly manage digital assets*. Retrieved September 27, 2023, from <https://www.fastmetrics.com/blog/security/how-to-manage-digital-assets/>

54. C

Actual sales are 75% of estimate. One of the purposes of developing a business plan that includes monthly sales goals is to provide the company with a tool for tracking its progress. An effective business plan includes a way to measure performance on a regular basis rather than waiting until the end of the year to find out if the goals have been met. Many plans contain monthly sales goals that can be compared to actual sales to determine if the business is on track or needs to make adjustments. If actual sales are only 75% of the monthly goal, the business will want to make changes to improve its performance. A business plan might set the same sales goals for several consecutive months. Business plans usually take into consideration seasonal fluctuations in sales. Each salesperson might have a monthly sales quota, which usually is set by the sales manager based on the goals outlined in the business plan.

SOURCE: SM:007 Explain the nature of business plans

SOURCE: Berry, T. (2023, June 12). *15 ways to use and get incredible value from a business plan*. Retrieved October 8, 2023, from <https://www.bplans.com/business-planning/tips/how-to-use/>

55. D

Extension. A hospitality business might add an item (e.g., suite hotels) to its existing product line to appeal to a broader audience. A traditional hotel business might add suite hotels to its product line to attract guests who have large families and need more room, or to appeal to travelers who are staying longer than the typical transient guests. Acquiring assistance from outside organizations or consultants to obtain goods or services to accomplish business objectives is known as outsourcing. A product feature is a fact or characteristic of a specific product. Enhancement can be described as a product improvement. Outsource, feature, and enhancement are not terms commonly used to describe the addition of a product to an existing product line in the hospitality industry.

SOURCE: PM:099 Explain the nature of product extensions in the hospitality and tourism industry

SOURCE: Hirsh, L. (n.d.). *What is product extension in marketing?* Retrieved October 9, 2023, from <https://smallbusiness.chron.com/product-extension-marketing-65988.html>

56. B

Balance of payments. Balance of payments is the difference between all monies coming into a country and going out of a country. Nations need to have more money coming in than going out. The volume of production is recorded to calculate productivity levels. The number of multinationals would show how many businesses have facilities located abroad. A trade mission is a group of volunteer businesspeople sponsored by the government to inform exporters about foreign markets.

SOURCE: EC:016 Explain the nature of global trade

SOURCE: LAP-EC-916—Beyond US (Global Trade)

57. C

Apologize and attempt to rectify the problem. When a company receives a negative review on social media, it should use the platform to publicly acknowledge the customer. This gives the customer the attention and respect they are seeking, as well as demonstrating that the company cares about its customers. The company should not ignore the negative comment because this makes it appear that the customer's opinion does not matter. Replying with a witty comment will not necessarily improve brand image because the customer might feel insulted or belittled. While it is a good idea to gather more information about the problem, it might be wise for the company to do so privately rather than publicly in a comment.

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

SOURCE: Schiff, J.L. (2015, September 15). *7 ways social media can improve customer satisfaction*. Retrieved September 26, 2023, from <https://www.cio.com/article/245133/7-ways-social-media-can-improve-customer-satisfaction.html>

58. D

Accepting mobile credit card payments. Businesses have a lot to consider when deciding whether or not to accept credit card payments—and how to accept credit card payments. Mobile credit cards are increasingly popular with the younger, tech-savvy demographic, so the coffee shop should consider accepting mobile credit card payments. Instituting a minimum amount for credit card payments, gathering analytics from credit card payments, and purchasing a receipt printer are not necessarily related to appealing to a young, tech-savvy demographic.

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

SOURCE: Stripe. (2023, January 30). *How to accept mobile credit card payments*. Retrieved September 26, 2023, from <https://stripe.com/resources/more/how-to-accept-mobile-credit-card-payments>

59. C

Convey the most important information in an easy-to-grasp way. Data that are displayed in charts, graphs, or tables are often easier to understand than data that are presented in their raw form. By presenting her data in a pie chart, Hannah helped her managers understand the most important takeaways from the data set. There are disadvantages to using charts, graphs, and tables, too. For example, these visuals can often make complicated issues seem less important than they truly are, leading the audience to miss out on the complexity of the problem or issue at hand. Similarly, charts, tables, and graphs do not allow the audience to absorb all of the details and intricacies of the data set being presented. In other words, they do not provide the audience with the “full picture.”

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

SOURCE: Campbell, P. (2018, June 27). *What are the advantages and disadvantages of creating a chart?* Retrieved September 27, 2023, from <https://classroom.synonym.com/advantages-disadvantage-creating-chart-8470193.html>

60. A

Brand insistence. Brand insistence is the final stage of brand loyalty in which consumers insist upon buying a specific brand. Brand awareness is one of the first stages of branding and is the extent to which customers or potential customers are familiar with a brand. Brand preference comes before insistence and is the stage of brand loyalty in which consumers prefer to purchase a certain brand but will accept substitutes if the brand is not available. Brand recognition is the stage of brand loyalty in which consumers are made aware of a brand's existence.

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

SOURCE: The Raymond Aaron Group. (n.d.). *Building your brand—Brand insistence*. Retrieved September 27, 2023, from <http://aaron.com/2012/02/06/building-your-brand-%E2%80%93-number-4-%E2%80%93-brand-insistence/>

61. A

Attract potential guests. Hotel advertising on websites is intended to catch the attention of people making travel plans and prompt them to make reservations at the hotel. Buying advertising is not a method of obtaining publicity or a rating from a travel agency. A website ad is not an appropriate channel for recruiting new employees.

SOURCE: PR:082 Explain promotional methods used by the hospitality and tourism industry

SOURCE: Altexsoft. (2019, December 23). *Marketing for travel agencies: Understanding and surviving the online travel industry*. Retrieved September 27, 2023, from <https://www.altexsoft.com/blog/travel-agency-marketing/>

62. B

Established personal credibility. Credibility is believability. To be able to persuade others, individuals need to be credible so others believe what they say. Individuals who are credible have a reputation of providing accurate information in a fair manner. They are well-informed and use reliable sources to support their opinions and ideas. As a result, others believe them and often are persuaded to do what they want. Because Alicia is an honest person who has prior experience with the process, she has credibility. There is not enough information provided to determine if Alicia has exhibited cultural sensitivity, demonstrated empathy, or coached others effectively.

SOURCE: EI:012 Persuade others

SOURCE: LAP-EI-912—Win Them Over (Persuading Others)

63. D

April 23. The discount terms are 2/10, n/30 which means if the invoice is paid within 10 days of the invoice date, a 2% discount can be taken, or the net amount is due in 30 days. Ten days after April 13 would be April 23.

SOURCE: PI:022 Determine discounts and allowances that can be used to adjust base prices

SOURCE: Kagan, J. (2022, July 17). *Trade credit*. Retrieved October 9, 2023, from <https://www.investopedia.com/terms/t/trade-credit.asp>

64. D

Processing a financial transaction. When selling goods or services over the telephone, it is necessary to process the financial transaction. Many customers order products over the phone and pay with a credit card. When the business takes the credit card information from the customer, it then processes the information to complete the transaction of transferring funds to the business's account. Once the transaction is completed, the business has received payment for the tickets. Taking a customer's order over the phone and accepting payment with a credit card does not guarantee product satisfaction or reduce the possibility of counterfeiting. In many cases, products purchased over the phone are mailed to customers. However, taking the order and accepting payment is not an example of implementing a mailing system.

SOURCE: SE:329 Process sales transactions (e.g., cash, credit, check)

SOURCE: Payment Depot. (n.d.). *How to accept credit card payments over the phone*. Retrieved September 27, 2023, from <https://paymentdepot.com/blog/how-to-accept-credit-card-payments-over-the-phone/>

65. B

Reach new markets. Many companies experience domestic competition. Because globalization is making international trade a viable option, many of these companies are going to other countries to find new markets that are willing to buy their products. In many situations, entering new markets can help the companies achieve their overall business objectives. A company may develop new goods and services for a new market, but this is not always a feasible option. Companies engage in international business for many reasons, but would not do so just to hire diverse employees.

SOURCE: EC:104 Discuss the global environment in which businesses operate

SOURCE: LAP-EC-104—Stretch Your Boundaries (The Global Business Environment)

66. B

A snack-food manufacturer orders potatoes, oil, and salt to make its potato chips. Raw-materials inventory are goods (inputs) that a business uses to make a finished good (output). Finished products are completed goods that are ready to be marketed to consumers. MRO goods are maintenance, repair, and operating supplies such as office supplies and replacement parts for equipment.

SOURCE: OP:336 Discuss types of inventory

SOURCE: Hand, R. (2022, August 1). *Raw materials inventory: An essential guide for manufacturers*. Retrieved September 27, 2023, from <https://www.shipbob.com/blog/raw-materials-inventory/>

67. B

Trademarked. A trademark is a symbol, design, or word used to identify a good or service and registered with the government to prevent use by others. A patent is the legal protection of an invention or a process granted by government to its owners for a certain number of years. Notarizing authenticates a document legally (normally used for titles, affidavits, depositions, etc.). Audits are used to verify a company's accounts, records, and financial data.

SOURCE: OP:153 Protect company information and intangibles

SOURCE: USPTO. (2023, February 6). *Trademark, patent, or copyright*. Retrieved September 26, 2023, from <http://www.uspto.gov/trademarks-getting-started/trademark-basics/trademark-patent-or-copyright>

68. A

Personnel-related. These standards involve hiring security personnel and/or training hotel staff members to report and deal with criminal activity. Physical-related and property-related security standards involve locking, lighting, and monitoring systems. Procedure-related standards involve monitoring criminal activity and establishing a system for making guests aware of dangerous areas around the hotel.

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

SOURCE: OPS Security Group. (n.d.) *6 benefits of hiring armed security guards for your business*. Retrieved September 26, 2023, from <https://opssecuritygroup.com/6-benefits-of-hiring-armed-security-guards-for-your-business/>

69. A

Extra day of vacation for riding a bike to work instead of driving. Biking reduces car pollution. When others see the company's employees riding their bikes, it reinforces the company's image as environmentally friendly. The company is encouraging this behavior by offering a reward. A bonus of \$500 for finishing a project early may be important to employees and effective in motivating them to work efficiently, but it is not seen by others outside the organization so it doesn't reinforce the company's image. In addition, finishing early is not an activity that is perceived as environmentally friendly. Although recycling does reinforce the "green" image, there are two problems with this response. First, those outside the company aren't likely to see employees recycling, so it won't boost the company's image. Second, airplanes pollute the environment, so the award is not aligned with the company's green image. The luncheon may motivate employees to turn in reports in a timely manner, but nothing about this incentive or reward reinforces the company's environmentally friendly image.

SOURCE: CR:002 Determine ways of reinforcing the company's image through employee performance

SOURCE: Inc.com. (n.d.). *Employee reward and recognition systems*. Retrieved September 26, 2023, from <https://www.inc.com/encyclopedia/employee-reward-and-recognition-systems.html>

70. C

Political. The purpose of an environmental scan is to determine what conditions are affecting the business environment. The environmental scan helps the business determine what, if any, changes it needs to make, so it remains competitive in the marketplace. Political considerations are important because government changes, such as a civil war or the presidential elections, could indicate the possibility of other changes that might affect a specific country's business environment, including economic, cultural, and regulatory changes.

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

SOURCE: Chen, J. (2020, March 24). *Political risk*. Retrieved October 8, 2023, from <https://www.investopedia.com/terms/p/politicalrisk.asp>

71. C

Personal circumstances, financial needs, and type of business. Because each business owner's situation is unique, the owner must consider the type of business being operated, the amount of capital needed to start the business, and the owner's personal circumstances. For example, an independently wealthy, single person who starts a consulting business has different needs than a chef who has little capital and wants to open a full-service restaurant. Product versatility, advertising strategies, and product mix are not generally considered when determining the appropriate business ownership structure.

SOURCE: BL:003 Explain types of business ownership

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

72. A

Situational. There are times when specific situations can override the more dominant influences on buying behavior, such as culture or personality. While Monika might not normally spend money when dining out, she made an exception in this case because it was a special occasion: her sister's birthday. Psychological influence involves a consumer's perceptions, beliefs, and attitudes within their own reality. Social interactions have a strong effect on your buying behavior, as much of what you know about making purchases you've learned by watching family and friends. The most significant influence on buying behavior is culture, which is the system of values, traditions, and preferences that is handed down from one generation to the next.

SOURCE: MK:014 Explain factors that influence customer/client/business buying behavior

SOURCE: LAP-MK-014—Cause and Effect (Buying Behavior)

73. A

A library catalog. Database systems organize data for easy retrieval. A library catalog helps libraries organize data and retrieve information about books easily. A chart reflecting sales revenue, a marketing report, and scheduling software are all useful business tools but are not examples of database systems.

SOURCE: NF:141 Access information in the database system

SOURCE: Oracle. (2023). *What is a database?* Retrieved September 26, 2023, from <https://www.oracle.com/database/what-is-database/>

74. A

Psychographic. Psychographic segmentation is the division of a market on the basis of customers' personalities and lifestyles, including income, interests, and activities. People traveling for business can have vastly different price points and planned activities than those traveling for pleasure, so asking whether they are traveling for business or pleasure gives employees a better sense of their psychographic needs. Geographic segmentation is the division of a market on the basis of where customers are located. Demographic segmentation is the division of a market on the basis of its physical and social characteristics. Choreographic refers to dancing and is not a type of segmentation.

SOURCE: MP:035 Identify ways to segment hospitality and tourism markets

SOURCE: SurveyMonkey. (1999-2023). *What is psychographic segmentation?* Retrieved September 26, 2023, from <https://www.surveymonkey.com/market-research/resources/what-is-psychographic-segmentation/>

75. B

Practicing the delivery. When preparing to deliver an oral presentation, practicing the delivery is most important because it uncovers any problems with timing, transitions, note cards, visual aids, and even language. Conducting research, writing useful note cards, and choosing the best visual aid are all important steps, but they do not affect other areas as much as practice does.

SOURCE: CO:025 Make oral presentations

SOURCE: LAP-CO-025—Well Said! (Making Oral Presentations)

76. B

Esteem. Maslow's hierarchy of needs is a motivational theory that categorizes human needs into levels. Based on the theory, the high-level needs are esteem and self-actualization, whereas the low-level needs are physiological, safety, and social needs. Shelter and water are considered physiological needs, and belonging is considered a social need. Therefore, all three are examples of low-level needs.

SOURCE: EI:059 Motivate team members

SOURCE: LAP-EI-059—Raise Them Up (Motivating Others)

77. B

Realistic assessment of potential returns. A financial professional who is presenting a legitimate investment opportunity will provide a realistic assessment of potential returns. Promises of risk-free investment opportunities, pressure to invest as soon as possible, and requesting payment by wiring money to a personal account are warning signs of investment fraud.

SOURCE: FI:077 Explain types of investments

SOURCE: LAP-FI-077—Invest for Success (Types of Investments)

78. A

Suggest value. The odd-pricing strategy is a technique in which the selling prices are set below even-dollar amounts to suggest a bargain. For example, a quick-serve restaurant might develop a 99-cent menu that consists of smaller hamburgers, cartons of French fries, salads, and soft drinks. Because the items are priced below one dollar, customers think they are getting a deal. A quick-serve restaurant chain would use a prestige pricing strategy to emphasize product quality. Risk is the possibility of loss or failure. Overhead is a category of business expenses (e.g., rent). Using the odd-pricing strategy does not reduce the quick-serve restaurant's level of risk, nor does it increase the restaurant's overhead.

SOURCE: PI:046 Select pricing strategies

SOURCE: Sniffie. (n.d.). *Odd pricing*. Retrieved October 9, 2023, from <https://www.sniffie.io/pricing-vocabulary/odd-pricing/>

79. C

Creating jobs. Increased employment in a community results in an increased local tax base. A larger tax base increases a community's service offerings to residents. Also, merchants will benefit from the increased spending power of citizens who work and, thereby, encourage competition for their consumer dollars. Tax rates will not usually be increased because of businesses. Businesses may participate in, but do not usually run, community affairs.

SOURCE: EC:070 Explain the role of business in society

SOURCE: LAP-EC-070—Business Connections (Business and Society)

80. A

Offer to check with the cook. Servers should obtain information about menu items from the kitchen staff on an ongoing basis. When patrons have food questions servers cannot answer, the servers should obtain the answers from the kitchen staff. Because customers may have dietary problems, servers should not guess at the contents of food dishes. Truthfulness is essential in dealing with customers, and a little extra consideration can prompt return business.

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

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

81. A

Making an offer. The first step in developing a valid contract involves one party making an offer to do something for a second party in exchange for something provided by the second party. The first party must make known its offer before the second party can review it and decide whether to accept. A valid contract cannot be formed unless an offer is made and accepted. The subject of a valid contract might be selling a product. Two parties might negotiate a price before one party makes an offer to a second party. The party making the offer may set a deadline for the second party to accept or reject the offer.

SOURCE: BL:002 Describe the nature of legally binding contracts

SOURCE: Bishop, R. (2022, December 21). *6 stages of the contract management lifecycle*. Retrieved October 8, 2023, from <https://www.contractsafe.com/blog/stages-contract-management>

82. D

Help customers make good buying decisions. Customer satisfaction should be the final goal and outcome of the entire selling process. While suggestion selling/upselling can benefit the company, salespeople, and customers, it is important to only suggest additional items that would be valuable for the customer. When upselling, it is smart to limit your suggestion to just one or two additional products. Mentioning that you work on commission will not help with upselling and instead might make customers lose trust in you as a salesperson. The better quality, higher priced item is not always the best fit for a customer. Salespeople should take customer budgets into account when selling items.

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

SOURCE: Patel, N. (2015, December 21). *How to upsell any customer*. Retrieved September 27, 2023, from <https://www.forbes.com/sites/neilpatel/2015/12/21/how-to-upsell-any-customer/?sh=4e2ba771c406#33381c94c406>.

83. D

Implement cybersecurity training for employees. Many cybersecurity breaches occur because of human error from within an organization. Employees may unwittingly leak sensitive customer data or fall prey to internal phishing scams. For this reason, it is essential that hospitality and tourism companies implement cybersecurity training for employees. Employees should be educated on the proper handling of private information as well as how to recognize signs of suspicious activity. Companies should not simply trust that employees will adequately protect customer data; they should educate their employees so that they are properly prepared. At the same time, they should not assume that employees are completely incapable of protecting customer data. Most employees are willing and able to learn how to better protect customer data. Lie detector tests are not typically used when hiring employees.

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

SOURCE: Social Tables. (2023). *Cybersecurity for hotels: 6 threats just around the corner from your property*. Retrieved September 27, 2023, from <https://www.socialtables.com/blog/hospitality/cyber-security-hotels/>

84. B

To determine each product line's profitability. Return on sales refers to the amount of profit (income) the business earns from selling its goods or services. If a business's product line (group of related goods or services) is not making the desired amount of profit, the business will need to make decisions about the product line. This might include changing or deleting certain products, or looking for new market segments that might use the products in the product line. A business does not monitor the return on sales of its product lines to verify the government's financial standards, to justify each product line's market-share standings, or to claim tax deductions.

SOURCE: FI:322 Determine product-line profitability

SOURCE: Faster Capital. (2023, May 7). *Monitor the success of your expanded product line*. Retrieved October 9, 2023, from <https://fastercapital.com/content/Monitor-the-Success-of-Your-Expanded-Product-Line.html>

85. A

Meeting deadlines. Employees need to accomplish as much as possible while on the job rather than just putting in their hours. One way they can do this is by meeting deadlines so they don't hold up coworkers' projects or disappoint customers. Meeting deadlines helps control expenses by eliminating the need for overtime or additional work to complete projects. Employees who read personal email, take long breaks, and leave early cost a business additional money in lost time.

SOURCE: OP:025 Explain employee's role in expense control

SOURCE: LAP-OP-025—Buck Busters (Employee Role in Expense Control)

86. C

Mobile devices. A mobile device is a computer that is small enough to be handheld, such as a smartphone or tablet. The small size of the device allows for greater mobility than a larger, stagnant computer and provides increased efficiency and convenience for consumers. Social media include forms of electronic communications through which users build communities, network, share information, etc. Globalization is the rapid and unimpeded flow of capital, labor, and ideas across national borders. Personalization involves tailoring a product or service to fit individual needs or wants. Social media, globalization, and personalization are not demonstrated in this example.

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

SOURCE: BU School of Hospitality Administration. (n.d.). *Technology shaping the future of the hospitality industry*. Retrieved September 27, 2023, from <https://www.bu.edu/hospitality/2023/01/26/technology-trends-in-hospitality/>

87. C

Repertory grid. A repertory grid captures and rates knowledge in a table. Knowledge managers use the table to categorize similar or related variables, concepts, or properties. A concept map organizes concepts and their relationships in a graphic format. A process model is used to capture all of the inputs and outputs of an action, procedure, or process in sequential stages. The constrained task approach involves the use of questionnaires and structured interviews to capture the most important or “key” knowledge from experts.

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

SOURCE: Neimeyer, R.A. (2016). *Repertory grid methods*. Retrieved September 26, 2023, from <https://kellysociety.org/repgrids.html>

88. D

Building layout. Building size and layout greatly influence the specific evacuation procedures and protocols for a hotel or motel. Smaller buildings, such as motels, may have simpler evacuation plans, while larger hotels and resorts may have more complicated procedures to ensure visitor safety. Guest count, government regulation, and severe weather may also affect evacuation procedures; however, they are not demonstrated in this example.

SOURCE: OP:527 Identify factors affecting evacuation procedures/protocols

SOURCE: Smartdraw. (1994-2023). *Evacuation plan*. Retrieved September 27, 2023, from <https://www.smartdraw.com/evacuation-plan/>

89. C

Personal selling. Personal selling is planned, personalized communication intended to influence purchase decisions. It is often used with high-priced or complex items. Advertising can be used to attract people to the business but is not generally used by salespeople. Publicity is any nonpersonal presentation of ideas, goods, or services that is not paid for by the individual or business that receives it. Sales promotion is activities such as couponing, displays, contests, free samples, or rebates used to stimulate purchases. These are initiated by the business, not the salesperson.

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

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

90. B

Invite them to be seated in a waiting area. It is important to be friendly and make all visitors feel welcome. Ignoring a visitor can make them feel unwelcome. Telling a customer that an associate always runs late or asking for opinions of their performance is unprofessional and may make the visitor feel uncomfortable.

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

SOURCE: Martin, M.J. (2017, September 26). *How to greet clients at the office*. Retrieved September 26, 2023, from <https://bizfluent.com/how-8684581-greet-clients-office.html>

91. A

Valet parking. A service is an intangible product; one that can be felt, seen, heard, or experienced rather than touched. Many hospitality businesses offer valet parking as a service for their guests. Valet parking service occurs when a hotel or restaurant employee parks and retrieves the guests' vehicles upon the guests' arrival or departure from the business (e.g., hotel, restaurant). Meals, airline tickets, and electronic room keys are tangible items.

SOURCE: PM:095 Describe services offered by the hospitality and tourism industry

SOURCE: CFI. (2023, May 11). *Products and services*. Retrieved September 27, 2023, from <https://corporatefinanceinstitute.com/resources/management/products-and-services/>

92. D

Increased staffing for peaks in demand. Employee turnover can become a problem during peaks in demand, when employees (such as the manager in this example) become overworked and stressed. This issue could have been avoided by increasing staffing to meet demand. Hiring a more responsible manager might not necessarily help, because there still might not be enough staff to handle the demands of the busiest seasons. Convincing the manager to stay would also not help with the excessive demand unless other staff members were hired to help as well. Closing down the resort during peaks in demand is not a good idea; the resort would lose revenue and would likely struggle to stay in business.

SOURCE: CR:038 Identify strategies to manage customer experience during peaks in demand

SOURCE: RoomkeyPMS. (2016, October 4). *Staffing strategies for peak and off-seasons*. Retrieved September 26, 2023, from <https://roomkeypms.com/blog/staffing-strategies-peak-off-seasons/>

93. A

Emmie praises her employees for quality work. Motivation is the process of getting employees to strive to achieve management's objectives because they want to achieve them. Emmie is motivating her employees by offering them praise when they achieve high-quality work. Paying attention to what time employees clock in, team-building activities, and asking an employee to stay late to finish a project are not necessarily examples of motivation.

SOURCE: SM:066 Discuss managerial considerations in directing

SOURCE: LAP-SM-066—Take Action (Managerial Considerations in Directing)

94. A

Advertising. Advertising is any paid form of nonpersonal presentation of ideas, images, goods, or services. The promotional mix is the combination of advertising, publicity, personal selling, and sales promotion that a business uses. Product planning, pricing, distribution, and promotion are all part of the marketing process.

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

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

95. B

Collecting data on product purchases from loyalty programs. Loyalty programs are designed to track the shopping behavior of consumers and can measure the transactions of actual repeat business. Tracking cookies from web browsing activity provides helpful information about a customers' web activity, but it does not offer the same detailed information provided by a loyalty program. Collecting personal information from online registrations provides information about customers, but it does not offer a way to measure repeat business. Surveying customers about recent store experiences could provide information about recent purchases, but it is not the best way to measure actual repeat business.

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

SOURCE: Kowalewicz, R. (2023, June 13). *The role of loyalty programs in harnessing first-party data*. Retrieved October 9, 2023, from <https://www.forbes.com/sites/forbesagencycouncil/2023/06/13/the-role-of-loyalty-programs-in-harnessing-first-party-data/?sh=6855b71868b6>

96. C

Fraud. Separating responsibilities so that no one person oversees the life span of a single financial transaction is one way that businesses try to prevent fraud, which is criminal deception committed for financial gain. If more than one person is involved in the transaction, successfully committing fraud becomes much more difficult. Separating business responsibilities does not prevent competition, refunds, or debt collection.

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

SOURCE: AccountingTools. (2023, February 26). *Separation of duties*. Retrieved September 26, 2023, from <https://www.accountingtools.com/articles/what-is-separation-of-duties.html>

97. D

Being familiar with regular product prices. Employees who are familiar with regular prices will notice an item that seems to be priced too low. They can take a moment to verify the price without offending an honest customer. A dishonest customer will realize the business is watching for attempts at fraud. The use of cost codes on price tickets and the use of more than one price ticket are not effective prevention practices because price-ticket switching can still go unnoticed if employees are not familiar with the prices. Not using price tickets on items creates unfavorable shopping conditions for customers and requires additional time for salespeople to check prices.

SOURCE: OP:013 Explain routine security precautions

SOURCE: Elements Magazine. (2022, May 24). *5 common retail fraud tactics (and how to prevent them)*. Retrieved September 26, 2023, from <https://www.pbahealth.com/elements/5-common-retail-fraud-tactics-and-how-to-prevent-them/>

98. B

Floods and severe storm damage. Floods and storms can cause damage that shuts down lodging facilities, restaurants, tourist attractions, airports, and roads. When businesses are not operating and generating income, the local economy is negatively impacted. Occasional airline delays and minor fluctuations in gasoline prices are normal, so these factors do not typically negatively affect a community's economic health. Hotel and restaurant construction indicates that the local economy is growing.

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

SOURCE: Hendry, T. (2018, November 7). *Natural disaster readiness and recovery - How hotels weather the storm*. Retrieved September 26, 2023, from <https://www.strategicsolutionpartners.com/natural-disaster-readiness-recovery-hotels-weather-storm/>

99. A

Industry market trends. Online databases are sources of scholarly research such as journal and news articles related to a particular topic—in this case, hospitality and tourism. In an online database, you might find information such as industry market trends. Customer reviews for a specific hotel, competitors' sales data, and a restaurant's customer demographics might be found online but would not necessarily be found in an online database.

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: EBSCO. (2023). *Hospitality & tourism index*. Retrieved September 27, 2023, from <https://www.ebsco.com/products/research-databases/hospitality-tourism-index>

100. D

Protect natural resources. The primary purpose of environmental regulations is to protect natural resources, including the air, soil, and water. Environmental laws require businesses to control the amount and type of pollution they release into the environment and to use appropriate measures for the disposal of hazardous waste. By following environmental regulations, businesses are complying with the government's efforts to protect natural resources by keeping air, soil, and water safe for consumption. Antitrust laws prevent monopolies, which are conditions that reduce competition in the marketplace. Encouraging business development and safeguarding business structures are not the primary purpose of environmental laws.

SOURCE: BL:073 Discuss the nature of environmental law

SOURCE: Laws.com. (2019, December 23). *Know the purpose of environmental law*. Retrieved September 26, 2023, from <https://environmental.laws.com/environmental-law/purpose-of-environmental-law>