



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

Test Number 1151  
Booklet Number \_\_\_\_\_

# Hospitality and Tourism Cluster Exam

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

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

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1. Environmental law attempts to protect
  - A. people from the environment.
  - B. the environment from damaging actions.
  - C. corporations from the environment.
  - D. corporations from the government.
2. Quantex is organized as a partnership with eight equal partners. The partners would like to expand their business but limit the amount of money they could personally lose if the business were to fail. What form of ownership should Quantex consider?
  - A. Partnership
  - B. Sole proprietorship
  - C. Monopoly
  - D. Corporation
3. A hotel follows governmental regulations that are developed to protect the general population's
  - A. trade and licensing agreements.
  - B. health and safety.
  - C. taxation earnings.
  - D. advertising practices.
4. The Parnell Company buys a variety of similar goods and sells them to specialty shops for resale. What type of intermediary is the Parnell Company?
  - A. Agent
  - B. Wholesaler
  - C. Industrial user
  - D. Ultimate consumer
5. A bus-tour company develops a brochure that describes new tours it is offering in the upcoming year and sends it to the travel agencies that sell its tours. The travel agencies will use the brochures to communicate the tour information to their clients. This is an example of coordinating \_\_\_\_\_ with \_\_\_\_\_.
  - A. operations management; selling
  - B. channel management; promotion
  - C. information management; pricing
  - D. product/service management; production
6. Which of the following business resources provides information about the company's dress codes and vacation policies, and general rules for appropriate behavior:
  - A. Employee handbook
  - B. Productivity manual
  - C. Customer newsletter
  - D. Personnel record
7. To defend your ideas in an objective and respectful way, you should
  - A. provide a rebuttal for everything the other person says.
  - B. advise the other person that his/her opinion is illogical.
  - C. use dramatic gestures to reinforce your message.
  - D. present facts that support your point of view.
8. What do business employees often include in oral presentations to make the presentations more interesting to the audience?
  - A. Detailed instructions
  - B. Written notes
  - C. Attractive visuals
  - D. Coffee breaks

9. What do business employees often do during meetings to be able to share important information with other employees?
- A. Give answers
  - B. Ask questions
  - C. Write memos
  - D. Take notes
10. An executive summary should
- A. be at least 20 pages long.
  - B. give an expanded version of a report.
  - C. not be longer than 10% of the full report.
  - D. be read only after reading the full report.
11. Which of the following is a guideline for employees to use in communicating with coworkers:
- A. Use a direct approach in speaking to an angry coworker
  - B. Feel free to express their complaints about their jobs
  - C. Be sure to share rumors and gossip with their coworkers
  - D. Think about what they want to say before they say it
12. What is a factor that affects a business's relations with its customers?
- A. Attitude of employees
  - B. Location of suppliers
  - C. Behavior of competitors
  - D. Condition of associates
13. The ethics of big data are a major issue for companies such as
- A. Ford Motor Company.
  - B. the National Football League.
  - C. Main Street Diner.
  - D. Facebook.
14. Providing online distribution of products is one way that some businesses are able to use the distribution function to
- A. reduce the cost of advertising.
  - B. eliminate warehousing.
  - C. speed up the billing process.
  - D. improve customer service.
15. Which of the following best describes a consumer good or service:
- A. A product purchased by individuals for personal use
  - B. A product that is purchased for convenience
  - C. A product that can be used repeatedly
  - D. A product purchased by businesses for industrial use
16. If the supply of a product decreases while demand remains the same, the price the consumer is charged for the product will probably
- A. decrease.
  - B. remain the same.
  - C. stabilize.
  - D. increase.
17. Which of the following is a basic question that all economic systems must answer:
- A. How long will these goods and services last?
  - B. How much money will these goods and services make?
  - C. How will these goods and services be produced?
  - D. How many of these goods and services will sell?

18. Most businesses can increase their profits by
- A. obtaining a subsidy.
  - B. increasing sales quotas.
  - C. improving worker efficiency.
  - D. cutting workers' hours.
19. Melanie's country is experiencing an economic recession. What is the best thing for her to do to help the economy expand?
- A. Collect her money
  - B. Save her money
  - C. Earn her money
  - D. Spend her money
20. Which of the following would **not** contribute to a country's comparative advantage:
- A. Limited technology
  - B. Skilled labor force
  - C. Climatic conditions
  - D. Availability of natural resources
21. What type of currency system is most likely to benefit a small country that relies heavily on exports to support its economy?
- A. Pegged
  - B. Free floating
  - C. Speculative
  - D. Decentralized
22. What is an example of a positive affirmation?
- A. "I never say 'no' to new friends."
  - B. "I do not take the initiative until someone asks."
  - C. "I do not put off for tomorrow what I can do today."
  - D. "I cannot disagree with others without feeling guilty."
23. Whenever Jamie runs out of change, she helps herself to a little money from the business's petty cash fund. What Jamie is doing is
- A. reasonable.
  - B. dishonest.
  - C. justified.
  - D. impartial.
24. One of the drawbacks of communicating without words is that it is
- A. too precise.
  - B. hard to learn.
  - C. sometimes misunderstood.
  - D. not effective.
25. Which of the following negotiating strategies is appropriate to use when you won't see the other person again:
- A. Collaborative
  - B. Accommodating
  - C. Combative
  - D. Compromising
26. Lucy wants to have her painting complete by Wednesday so she can take it to the gallery, but she can't get the shade of blue she needs in time. Which step in developing an achievement orientation does Lucy need to remember?
- A. To be a leader
  - B. To ask for feedback
  - C. To be patient and persistent
  - D. To reward yourself for your accomplishments

27. Before you can lead change in the workplace, you must first
- A. recruit others to help you make the change.
  - B. communicate how the change will be implemented.
  - C. indicate why the change is necessary.
  - D. plan the change with others.
28. The goal-setting process should be
- A. vague.
  - B. collaborative.
  - C. complex.
  - D. solitary.
29. Which of the following is an action you could take to show respect:
- A. Start arguments with people
  - B. Avoid eye contact
  - C. Listen to other people's opinions
  - D. Interrupt others when they speak
30. What is the key reason that credit is used so widely by consumers and businesses?
- A. Credit allows consumers and businesses to purchase goods and services when they are needed.
  - B. Credit allows new employees and new businesses to purchase items before income levels out.
  - C. Credit allows consumers to stretch their spending beyond the actual limits of income.
  - D. Credit allows consumers and businesses to purchase major products without paying for them.
31. Margot wants to be sure that when she dies, her money, house, and cars will go to her sister. Margot should create a
- A. retirement fund.
  - B. will.
  - C. college savings fund.
  - D. bank account.
32. If William wants to determine the dollar amount that he has earned before taxes and other deductions for the pay period, he should look at the \_\_\_\_\_ on his paycheck stub.
- A. gross wages
  - B. net pay
  - C. year-to-date gross earnings
  - D. year-to-date net income
33. A person with a negative attitude toward risk is called
- A. risk-tolerant.
  - B. paranoid.
  - C. dauntless.
  - D. risk-averse.
34. On a balance sheet, a business categorizes its inventory and accounts receivable as
- A. current assets.
  - B. owner's equity.
  - C. long-term assets.
  - D. current liabilities.
35. William is a human resources manager who communicates on a professional website with acquaintances and former business associates for the purpose of finding new employees for his company. William is using
- A. an online networking method for recruitment purposes.
  - B. the company intranet for interviewing candidates.
  - C. a database for employee-performance reviews.
  - D. the company blog for hiring recent college graduates.

36. Which of the following is an example of ethical behavior in marketing-information management:
- A. Using complex processes for customers to opt out of email correspondence
  - B. Changing survey feedback to reflect a positive research outcome
  - C. Distributing the telephone numbers of customers without their permission
  - D. Implementing procedures to protect the privacy of survey respondents
37. Majestic Hotels is a chain of lodging facilities that focuses its efforts on serving business and convention travelers. Currently, the chain is collecting demographic and tourism information from the various locales with multiple musical and theatrical venues. The most likely reason why Majestic is collecting this information is to
- A. review its strengths and weaknesses in relation to its competitors.
  - B. evaluate guest-satisfaction levels with its existing services.
  - C. analyze problems associated with a decrease in overall sales.
  - D. determine if it should enter another market.
38. A decision problem may be translated into several
- A. research problems.
  - B. sets of secondary data.
  - C. other decision problems.
  - D. situation analyses.
39. Which of the following marketing research designs is often referred to as statistical research:
- A. Descriptive research
  - B. Causal research
  - C. Numerical research
  - D. Exploratory research
40. Which of the following is a true statement regarding personal interviews:
- A. They are an inexpensive data-collection method.
  - B. They are superficial (surface level).
  - C. They tend to be accurate and reliable.
  - D. It is easy to find respondents for personal interviews.
41. Which of the following is a website that is likely to provide statistical tourism information for a specific destination:
- A. The local chapter of the American Marketing Association
  - B. The Farmer's Almanac
  - C. Transportation Security Administration
  - D. The local chamber of commerce
42. Last year's quarterly sales for Mountain High Ski Resort were as follows:  
1<sup>st</sup> Quarter: \$652,276; 2<sup>nd</sup> Quarter: \$947,550; 3<sup>rd</sup> Quarter: \$423,835; 4<sup>th</sup> Quarter: \$345,766
- What does the data reveal about the resort's sales?
- A. The combined first and third quarter revenues are over half of the resort's annual sales.
  - B. The fourth quarter's sales indicate that the resort is experiencing financial problems.
  - C. The resort failed to meet its annual sales objectives.
  - D. The resort's peak season occurred during the second quarter.
43. An airline surveyed business travelers to evaluate their flying habits. Out of 325 persons surveyed, 56 of the respondents fly once a year; 93 of the respondents fly three times a year; 67 of the respondents fly four times a year; 81 of the respondents fly five times a year; and 28 of the respondents fly seven times a year. Determine the mode of the number of times per year that respondents fly.
- A. 67
  - B. 93
  - C. 3
  - D. 3.7

44. The research data indicate a correlation of  $-1 > r > 0$ . What does that tell you?
- A. The two variables tend to increase or decrease together.
  - B. One variable increases as the other variable decreases.
  - C. There is perfect correlation between the two variables.
  - D. The two variables do not vary together at all.
45. Which of the following statements is true about B2B (business-to-business) marketing:
- A. Professional buyers tend to seek product information from their peers.
  - B. Businesses tend to focus on personal selling rather than promotion.
  - C. One employee tends to make all of the business's buying decisions.
  - D. After-the-sale service is not a primary factor when making a buying decision.
46. A major pharmaceutical company is considering replacing meetings with teleconferences and substituting regional meetings for national meetings. This consideration is in response to which factor affecting marketing in the travel environment?
- A. Technology
  - B. Competition
  - C. Economic
  - D. Legislation and regulation
47. Which of the following is a true statement about marketing-plan formats:
- A. They must be double-spaced.
  - B. They vary from business to business.
  - C. They must include charts and graphs.
  - D. They must put situation analysis before desired target market.
48. A tour operator put together a tour package for baby boomers who are interested in southwestern art. The tour group will visit a variety of locations in the southwest but will operate individually rather than as a guided tour. What factors did the tour operator use to segment the market?
- A. Age and life cycle
  - B. Gender and culture
  - C. Geography and gender
  - D. Personality and life cycle
49. To complete a report about commercial loans, Lola needs to review a specific online article called, "The Truth About Commercial Interest Rate Increases." Which of the following search entries will provide Lola with the most accurate results:
- A. "-the\_truth\_about\_commercial\_interest\_rate\_increases-"
  - B. {truth\_ commercial interest rate\_ increases}
  - C. [-the -truth -about -commercial- interest -rate -increases]
  - D. "the truth about commercial interest rate increases"
50. An MIS (management information system) involves people, processes, and
- A. practices.
  - B. payroll.
  - C. financial statements.
  - D. decisions.
51. Employees should use the find-and-replace function in a word-processing program to
- A. track the changes made to the document.
  - B. change a phrase that appears several times in a long document to another phrase.
  - C. verify that the document is free of spelling and punctuation errors.
  - D. change the default language in the document to another language.

52. A hotel wants to purchase computer software that would store, manage, and retrieve customer information in order to better serve customer needs and increase sales. What type of software should the hotel buy?
- A. Database
  - B. Spreadsheet
  - C. Word processing
  - D. Computer-aided design
53. What type of business record can a gift shop review to determine how many customers purchased items on Tuesday?
- A. Inventory status records
  - B. Quarterly credit statements
  - C. Cash balances
  - D. Daily sales receipts
54. A primary reason for a business to interpret statistical findings is to
- A. increase production.
  - B. promote creativity.
  - C. aid decision making.
  - D. influence buyers.
55. Hospitality businesses are developing strategies to accommodate niche markets. Skydivers are an example of a group in a growing segment called the \_\_\_\_\_ market.
- A. agritourism
  - B. environmental
  - C. adventure
  - D. geotourism
56. Minimizing expenses to boost profitability may result in
- A. higher product quality.
  - B. higher taxes.
  - C. government fines.
  - D. reduced wages or benefits.
57. Requiring employees to wear appropriate clothing on the job is one way that businesses can maintain a(n)
- A. safe work environment.
  - B. comfortable atmosphere.
  - C. industrial image.
  - D. sanitary facility.
58. Which of the following is an internal human resource that a business can use to perform the work to complete a project:
- A. Intermediaries
  - B. Vendors
  - C. Customers
  - D. Employees
59. In which of the following situations might a project planner estimate that it will take three 40-hour weeks to complete a task that can be performed in 50 hours:
- A. The assigned employee schedules a one-week vacation.
  - B. Management organizes a two-day weekend meeting.
  - C. Many employees work flexible 40-hour schedules.
  - D. The business plans to observe a one-day national holiday.



60. How does marketing-research data help a business's production planning?
- A. By determining how products will be produced
  - B. By identifying consumers' needs and wants
  - C. By identifying resources needed in production
  - D. By setting the timetable to use in production
61. A business determines how much it costs to make a product and then adds a predetermined markup to set its selling price. This is an example of
- A. gross profit.
  - B. price-based costing.
  - C. economies of scale.
  - D. cost-based pricing.
62. How do some hotels use automated systems in emergency fire situations?
- A. To identify hazardous materials
  - B. To open the fire doors
  - C. To contact all guest rooms
  - D. To prevent bomb threats
63. A cruise ship security specialist may advise a tourist who is going ashore at a port of call to
- A. use any of the transportation services available.
  - B. travel alone instead of in an organized group.
  - C. limit shore tours to ones approved by the cruise line.
  - D. wear valuable jewelry while on shore.
64. Results-oriented goals focus on
- A. money.
  - B. outcomes.
  - C. people.
  - D. time.
65. Which problem-solving method requires you to think of things that could make the problem worse?
- A. Reverse brainstorming
  - B. Brainstorming
  - C. Seven-step
  - D. Finding the root of the problem
66. Many teenagers begin searching for their first jobs by contacting
- A. national corporations.
  - B. employment agencies.
  - C. neighborhood businesses.
  - D. community training programs.
67. Licenses, certificates, awards, and honors should be included in the \_\_\_\_\_ section of a résumé.
- A. personal data
  - B. career goals
  - C. experience
  - D. education
68. Which of the following job titles is considered a travel and tourism career:
- A. Director of convention and visitors bureau
  - B. Director of recreation and parks
  - C. Concession manager
  - D. Museum conservator

69. Billy Bob's, a local restaurant, wants to be involved in a citywide summer festival. Which of the following associations should Billy Bob's contact and why:
- A. The Hospitality and Tourism Association because Billy Bob's restaurant is a hospitality business
  - B. The National Restaurant Association because Billy Bob's is a restaurant
  - C. The chamber of commerce because local chapters are often involved in special sales-promotion events
  - D. The local shopping mall's association because the mall is likely to plan shopping events
70. To stay current on industry trends, promotional methods, and educational opportunities, a hotel manager might
- A. hire an assessment consultant for staff evaluation.
  - B. develop a staff training manual.
  - C. attend a session with a motivational speaker.
  - D. join a professional trade association.
71. What is a negative consequence to a business that engages in the unethical practice of price gouging?
- A. Excessive profits
  - B. High sales
  - C. Poor image
  - D. Weak competition
72. A travel agency offers a travel package that consists of airfare, hotel accommodations, and car rental for a single price that is lower than the price of all of the package elements if they were purchased separately. The travel agency is using a(n) \_\_\_\_\_ pricing strategy.
- A. captive
  - B. odd
  - C. prestige
  - D. bundle
73. What can help product/service managers predict whether a new product will be successful before a business makes a major investment?
- A. Company goals
  - B. Market research
  - C. Product life cycles
  - D. Product monitoring
74. While dining at Lombardi's Italian Restaurant, Mrs. Barnhart asked the restaurant manager about catering services. The manager told her that the restaurant does not offer catering services. When the manager mentioned Mrs. Barnhart's question to the restaurant owner, the owner thought that catering services would be a great way to grow the business. In this situation, a product opportunity resulted from a(n)
- A. employee's suggestion.
  - B. manager's complaint.
  - C. customer's inquiry.
  - D. dissatisfied patron.
75. After a tour operator brainstorms ideas for new tours, the next step is to \_\_\_\_\_ the ideas.
- A. develop
  - B. test
  - C. implement
  - D. screen
76. Which of the following systems eliminates the need for customers to inspect each product before making a purchase:
- A. Warranties and guarantees
  - B. Grades and standards
  - C. Brands and packaging
  - D. Health and sanitation

77. Can any brand name be selected and used by a business?
- A. Yes, a business can use any name it wants to use.
  - B. No, the name must be legally available for use.
  - C. No, the name must be registered before it can be used.
  - D. Yes, brand names cannot be owned by a business.
78. Which of the following is the core product in the hospitality industry:
- A. Food service
  - B. Entertainment
  - C. Retailing
  - D. Lodging
79. A tour operator who owns two tour boats that offer dinner cruises purchases a custom-made boat to offer deep-sea fishing trips. This is an example of
- A. brand positioning.
  - B. product bundling.
  - C. a product extension.
  - D. a corporate brand.
80. How do competing businesses within the same industry usually react to each other's promotional mixes?
- A. By trying not to outdo each other
  - B. By reducing their promotional budgets
  - C. By playing follow the leader
  - D. By changing distribution channels
81. Which of the following is an advantage of using the Internet for direct marketing:
- A. It eliminates the need for other types of marketing.
  - B. It is a relatively affordable form of marketing.
  - C. It is less flexible than other forms of marketing.
  - D. It involves face-to-face contact with customers.
82. Effective corporate blogs are typically
- A. search-engine friendly.
  - B. updated once per month.
  - C. highly technical in nature.
  - D. written by one author.
83. The Fun-O-Rama Amusement Park is located in Albany, New York. Which of the following websites is the park's target market most likely to visit:
- A. AlbanyCatering.net
  - B. AlbanyLibrary.gov
  - C. albanylegalservices.com
  - D. albanytourismbureau.org
84. The Treetop Resort and Spa wants to increase its website's visibility on major search engines such as AOL and Google. Which of the following strategies is most likely to optimize the resort's ranking on the search engines:
- A. Extensive use of JavaScript
  - B. Detailed, accurate site map
  - C. Widespread HTML code
  - D. Website age and longevity
85. Which of the following colors would create cheerfulness in an advertisement:
- A. Green
  - B. Blue
  - C. Yellow
  - D. Red

86. A print advertisement contains a drawing of a turtle dressed up to look like a tourist taking pictures with a camera. This type of illustration involves the use of
- remediation.
  - animation.
  - personification.
  - simulation.
87. Which public-relations activity is most likely to help a local tour business create a favorable image within its community:
- Launching an advertising campaign that introduces its new logo
  - Sponsoring a charitable event to raise funds for the area's hospital
  - Supporting a controversial issue that potentially endangers wildlife
  - Developing a feature story for the business's employee newsletter
88. As an element of its public-relations program, a travel agency decides to support the local community's literacy initiatives. Which of the following would be the most appropriate activity for the travel agency to implement:
- Donating books to local elementary schools
  - Providing a college scholarship
  - Organizing a 5K to raise funds for cancer research
  - Sponsoring a blood drive at a local high school
89. Which of the following activities occurs during the **planning** phase of the website development process:
- Designing the page layout
  - Writing easy-to-understand copy
  - Determining how to take orders
  - Ensuring compatibility of website with browsers
90. To reinforce a positive image with the local community, a business's public-relations department may coordinate activities that involve
- services marketing.
  - product branding.
  - charitable causes.
  - organizational issues.
91. Which of the following items are the most appropriate to include in the Whispering Pines Bed and Breakfast Inn's press kit:
- Photos of the inn, breakfast menu, informational brochure, and press releases
  - Business card, press releases, a current guest list, and copies of published feature articles
  - Press releases, photos, recipe ideas, and a copy of the community newspaper
  - List of awards, photos of the rooms, a current guest list, and press releases
92. What component of the promotional plan describes the specific tools that the business will use to promote its goods and services?
- Budget
  - Objectives
  - Tactics
  - Evaluation
93. A riverboat tour company placed an ad containing a 20% discount coupon for its May weekend tours in a printed destination guidebook. What marketing metric will help the tour company determine the effectiveness of the promotion?
- Coupon-redemption rate
  - Mail-in rebate rate
  - Market-share percentage rate
  - Click-through rate

94. Because Jasmine is an outside sales representative, she spends a lot of her time driving her car to call on her clients at their offices. What form of technology may help Jasmine avoid traffic jams and prevent her from getting lost?
- A. Automated personal planner
  - B. Global positioning system
  - C. Electronic data interchange
  - D. Business analysis software
95. Acquiring product information makes sales presentations more
- A. simple.
  - B. exciting.
  - C. accurate.
  - D. incredible.
96. Patrick has taken his car to Parnell's auto repair shop for several years. He feels comfortable taking his car to Parnell's because the employees perform their work competently, and the business charges a reasonable fee for the work. In this situation, Patrick's buying motive is based on
- A. status.
  - B. testimonials.
  - C. culture.
  - D. patronage.
97. Which of the following is a benefit to the salesperson of questioning customers:
- A. Enables salesperson to avoid offending customers
  - B. Enables salesperson to obtain information from customers
  - C. Helps salesperson to understand the business's needs
  - D. Helps salesperson to make the buying decision
98. Which of the following best describes trading-up:
- A. Suggesting that the customer buy an assortment of goods
  - B. Attempting to build up the total amount of the sale
  - C. Persuading a customer to buy better quality, higher priced goods
  - D. Using high-pressure methods to sell more
99. Which of the following techniques might a salesperson use to try to sell goods to customers who say that they are just looking:
- A. Follow them around
  - B. Ask personal questions
  - C. Point out specials
  - D. Leave them entirely alone
100. The management function of business is usually responsible for
- A. preparing ads.
  - B. serving customers.
  - C. setting policy.
  - D. stocking shelves.