HOSPITALITY AND TOURISM CLUSTER EXAM

1.	The wro	ongful interference with the right of a business	to o	perate is the basis of business
		compliance.	_	fraud.
	В.	liability.	D.	tort law.
2	lake w	anted to run his own business but was unsure	that	he had adequate husiness skills to be
۷.		sful. Which type of business would give Jake th		
		Sole proprietorship		Private corporation
		Business-format franchise		Product trade-name franchise
3.		Adventures Travel Agency is preparing a new b		
		ng information: what is included in the package		
		le, cancellation and refund policy, and the tour		rator's ilmited responsibility and liability. This ng the tour segment of the travel industry and is
	known	· · · · · · · · · · · · · · · · · · ·	CI VI	ing the tour segment of the traver industry and is
		federal regulation.	C.	code of ethics.
	B.	performance bond.	D.	statement of conditions.
4.		of the following would <u>not</u> be considered an into		
		Wholesaler		Agent
	В.	Retailer	D.	Producer
5	Busine	sses that buy products from suppliers that are	not t	he authorized distributors for the products'
٥.		acturers are involved in the	<u></u> .	no data enzoa diota battero for the producte
	A.	discount trade.		export business.
	B.	outlet industry.	D.	gray market.
6	A a tha	roportor from WPT7 intorvious the fire chief of	ho to	okes careful notes of the convergation. When
0.		reporter from WRTZ interviews the fire chief, slains the details of injuries, she says, "that's two		
		on." This is an example of	o po	opie in ontion condition and three in fall
		defensive behavior.	C.	passive listening.
	B.	ongoing feedback.	D.	active listening.
7	Th		4 -1	
1.		nt desk can be a hectic work area at times. Fro conditions if they	mı a	esk cierks can still give good service under
		have good accounting skills.	C.	know how to avoid problems.
		stay calm during interruptions.		are able to organize others.
		,		ŭ
8.		presentations, a closing method used specifica		
		using humor.		making an appeal for action.
	В.	using a quotation.	D.	making a comparison.
9	Which (of the following is a characteristic of a persuasi	ve s	ales message:
٥.		Discredits the competition		Makes the product appealing
		Reminds customer of the product		Contains loaded language
10.		of the following is a type of simple written repor	t tha	at usually is distributed to employees within a
	busines		^	l lande al.
		Proposal Memorandum	_	Handbook Newsletter
	Б.	Memorandum	D.	Newsiettei
11.	What is	s a type of informal communication that cowork	ers o	often use to communicate with each other?
		Grapevine		Network
		Feedback	D.	Structured
40	147	and the second second second second		
12.		a business strives to make every customer exp		
		history. internal customers.		competition. touch points.
	٥.		<u> </u>	ponito.

13.	be able					
		give the customers a booklet to read. explain the business's policies.		call a supervisor for help. refer the customers to management.		
14.		vidual books a hotel reservation on an Internet		• • • • • • • • • • • • • • • • • • •		
		product.		place.		
	D.	promotion.	υ.	possession.		
15.		cial science concerned with the basic problem				
		manufacturing. purchasing.		marketing. economics.		
	Б.	paronasing.	υ.	Coonstitue.		
16.		less that begins selling winter holiday decoration		· · · · · · · · · · · · · · · · · · ·		
		form place		time possession		
	υ.	place	υ.	posession		
17.		arket economy, which of the following factors ha				
		Profit Need		Quotas Opinion		
	D.	Neeu	υ.	Ориноп		
18.		n Enterprises and Garland Manufacturing are id				
		ale. Fracton provides a holiday party for its sup party, Alta Wholesale charges Fracton less for				
		sing the same quantity of merchandise. Which				
	violatin	g?	_			
		Robinson-Patman Act		Sherman Antitrust Act		
	В.	Clayton Act	υ.	Celler-Kefauver Antimerger Act		
19.		oss domestic product (GDP) is calculated each	yea	r in the United States to determine		
	A. the health of the economy.					
		the level of exports. whether income taxes should be lowered or ra	aised	1 .		
		how much money should be printed during the				
20	Countri	es record the flow of imports, exports, foreign a	sid k	pusings investment foreign investments and		
20.		spent by tourists in order to determine their	aiu, i	ousiness investment, loreign investments, and		
				need for trade missions.		
	В.	balance of payments.	D.	volume of production.		
21.	A resta	urant server was working constantly, going fror	n on	e task to the next. This server was		
		strating interest and enthusiasm for the job thro	_			
		body language. personality.		boredom. verbal communication.		
	υ.	personality.	υ.	verbai communication.		
22. An employee accidentally quoted the wrong price to an important customer. How should				portant customer. How should the employee		
	deal with this problem? A. Tell the customer the typist made an error					
		Admit the mistake and quote the correct price				
	C.	Ask a coworker to accept responsibility				
	D.	Say the manager provided inaccurate informa	tion			
23.	Which	of the following is key to developing empathy:				
-	A.	Being on guard against criticism		Avoiding people who are different		
	В.	Being sensitive to others' emotions	D.	Basing your opinions on your emotions		

24.	A. B. C.	of the following is an example of a manager bei Deliberately limiting the distribution of classifie Explaining that some information is confidentia Sending information in simple chart form Deliberately providing insufficient information	d inf	unethical when communicating with employees: formation
25.	A.	estion, "Who is experiencing the conflict?" can properties importance of the relationship. core issue surrounding the disagreement.	C.	ide insight about the other person's personality. type of disagreement that is occurring.
26.	A.	ees who set realistic goals and standards for the ability to advance. Ievel of stress.	C.	selves often are able to control their work schedule. group participation.
27.	becaus A.	ason why consensus building encourages commote the process promotes thinking. the process encourages creativity.	C.	everyone has equal power. everyone agrees with the decision.
28.	A. B. C.	antage to businesses of offering credit is that cr are not as price-conscious as cash customers buy less readily than cash customers. can often save money on purchases. buy few impulse items.	edit	
29.	A.	a business's insurance premiums are high, it is security is optimal. liability is low.	C.	t often because the threats are minimal. risk is high.
30.	source:	of the following financial tools shows an estimat s of those funds: Balance sheet Break-even analysis	C.	the start-up costs for a new business and the Statement of financial requirements Cash-flow analysis
31.	When o	customers buy on credit, the money owed the b cash receipts. current liabilities.	usin C.	•
32.	A.	ee sections of a balance sheet represent the ba accounting equation. bookkeeping system.	C.	financial quota. monetary policy.
33.	A.	of the following are usually responsible for analy Managers Customers	C.	g a business's income statement: Cashiers Bookkeepers
34.	A.	a business owner or manager uses a budget, s/ demonstrates leadership. makes more informed decisions.	C.	has to try to make it interesting. can more accurately evaluate employees.
35.	A.	ent employee who is asked to help orient a new apprentice. sponsor.	C.	ployee will be serving as the new employee's manager. trainee.

36.	market	of the following is the primary reason that hosp ing information: To offer products that customers want	italit	y and tourism businesses obtain relevant
	В. С.	To maximize the use of the latest technology To improve their relationships with creditors To drive indirect competitors out of business		
37.		ajestic Resort and Conference Center sent an on the satisfaction levels with the facility and its so		
		Primary Supportive		Preparatory Secondary
38.	determ years. V A. B. C.	act new customers, a Philadelphia-based travel ine the types of domestic tour packages that le Which of the following organizations is most like The United States Tour Operators Association Cruise Lines International Association The American Hotel and Lodging Association Recreational Gaming Association of Washing	isure ely to	e travelers have been booking in the past two
39.	860,80	ss travelers make up 40% of a hotel chain's ma 0 guests stayed at the various properties in the were business travelers?		
	Α.	364,400 360,400		348,640 344,320
40.	A.	s a primary advantage of using Internet surveys Less confusing for respondents Easy to conduct follow up	C.	collect marketing information? Immediate data capture High degree of interviewer influence
41.	If 60 pe	eople respond to a questionnaire and 20 answedian?		
		60 "A"		"C" "B"
42.	of mark	an business professionals do during oral prese seting-research findings?		
		Speak very slowly Repeat minor points		Include humor whenever possible Use clear, concise language
43.	boating A.	ake Yacht Club wishes to increase membership magazines and brochures. This advertising in promotion. pricing.	crea C.	
44.	A.	of the following is a characteristic of travel and Controlled by society Unaffected by technology	C.	ism marketing: Locally organized Highly competitive
45.	A.	an properties use the information found in gues To schedule payment plans To target specific markets	C.	tory records? To recruit new employees To process room accounts
46.	A.	es networks are now more common due to government regulations requiring them. information overload.		increased distribution of the workforce. increased competition.

47.	A.	of the following is an umbrella term referring to URL E-commerce	C.	type of Internet transaction: E-business Web site
48.	in a we A. B. C.	of the following demonstrates the correct method b search: "Confidence in itself is the secret of success" [There is no tree that the wind has not shaken 'To be or not to be' (Discipline is the most important part of success]	ensure that all words in a phrase are included
49.	located A.	of the following forms of communication is the r I in different cities together to simultaneously dis Voice mail Audio conferencing	scus C.	
50.	informa A.	Roger retrieved a client's information and dialed ation was incorrect. This is an example of the imarchived quality	npor C.	
51.	enviror A.	of the following is an economic factor that busin mental scan: Population shift Increased regulation	C.	es might identify as a result of conducting an Unemployment rate Lifestyle adjustment
52.	examp A.	ality businesses are developing strategies to accle of a group in a growing segment called the _ environmental adventure	C.	
53.	a(n) A.	ing employees to wear appropriate clothing on t industrial image. comfortable atmosphere.	C.	ob is one way that businesses can maintain safe work environment. sanitary facility.
54.	match i preven A.	cashier handled customer's purchases without the imprint from the charge card. Which of the f ted this loss to the business: Pilferage prevention Fraud prevention	ollov C.	
55.	A.	selecting the right people to work on a project, tangible resources. needed skills.	C.	important to identify the required supplies. physical facilities.
56.	A.	ness converts inputs into outputs through its production management		activities. marketing accounting
57.	A.	of the following is a way that employees can he Reading magazines Taking long breaks	C.	control expenses by managing their work: Leaving early Meeting deadlines

58. Jordan is in charge of a project that involves several vendors, so he must keep track of the invoice make sure that the project is within budget. From which department would Jordan obtain copies of invoices relating to the project:			
	A. Inventory control B. Sales		Accounts payable Service
59.	What do businesses often develop in order to proper A. Regular housekeeping plan B. Routine landscaping service	C.	nintain their equipment and physical facilities? Ongoing security measures Continual inspection program
60.	Why is it important for business employees to remain A. Because the silent alarm automatically active B. So they do not put themselves or others in a C. Because the management requires the staff D. So they can use company procedures to disconnected the staff of the	ates a dditio to ref	and notifies authorities nal danger ruse to cooperate with thieves
61.	Which of the following security measures is often four A. Metal detectors B. Radio frequency tags	C.	lodging establishments: Electronic key cards Property management system
62.	Individuals can improve their chances of making a go A. doing all the talking. B. sitting up straight.	C.	rst impression on others by using street slang in conversation. wearing dressy clothes at all times.
63.	Which of the following actions is least likely to help y A. Keeping a written record of your progress B. Setting a time limit for achieving the goal	C.	
64.	Rob decides that he really can't know if Patrick will h Which step of the seven-step problem-solving metho A. Select and implement a solution B. Evaluate the solution	d doe C.	
65.	What should people ignore when they are polishing a A. Logical questions B. Personal suggestions	C.	efining their ideas in order to make them work? Negative comments Industry feedback
66.	Should a job applicant let the interviewer know at the have the job? A. No, the applicant should wait for the interview B. Yes, the applicant can expect to be hired dur. C. Yes, the applicant should say that s/he would D. No, the applicant will seem to be too anxious	wer to ring tl d real	o offer the job. ne interview. Iy like to be hired.
67.	Which of the following is a service that is provided by tourism industry: A. Training B. Counseling	C.	e professional organizations in the travel and Marketing Interviewing
68.	The hospitality industry consists of busing A. destination planning, financial, and fine dining B. lodging, transportation, and fine dining C. prepared food, entertainment, and lodging D. entertainment, destination planning, and pre-	g	

69.	A.	mple of price in the hospitality industry is the ar one night at an all-inclusive resort. dinner in a hotel's main dining room.	C.	transportation to a full-service hotel.
70.	A.	unicating the core values of products is an effect analyze the sales operation. explain the price structure.		way to reinforce a business's image. create a distribution channel.
71.	in orde	e-pound box of spaghetti yields eight side dishe r to prepare 100 sides? 13		ow many boxes should a restaurant purchase 12
		10	D.	
72.	A. B. C.	of the following examples illustrates the concept A conference center making reservations at of A bed and breakfast advertising private baths A resort promoting that it treats guests like far A cruise ship providing a list of rental car ager	ther and nily	properties a fireplace in each room
73.	Some p	oroperties make it easier for guests to get to an	d fro	om their destinations by providing
		bell staff valet	C. D.	concierge shuttle
74.	A hosp	itality business adding a line of suite hotels to in	ncre	ase its product depth is an example of a
		enhancement. outsource.		feature. extension.
75.	A.	ness with a limited promotional budget could be pretickets goods. provides sales training.	C.	from choosing a vendor that offers exchange privileges. provides advertising aids.
76.	A.	of the following is a characteristic of most online Productive Restrictive	C.	nner advertisements: Selective Interactive
77.	A.	nail that allows the reader to click on certain text address books. hyperlinks.	C.	d be transported to a specific web site is using gateways. mailing lists.
78.	A.	using color for billboard advertising, it is best to a variety of primary and secondary hues. primary colors.	C.	a pastel color scheme. excessive variations of tones and tints.
79.	have a	ype style looks like cursive handwriting and is o formal feel?		
		Novelty Script		Sans serif Roman
80.	A.	color harmonies tend to stimulate intense emotion Blue, green, and purple Red, yellow, and orange	C.	nd energy? Black, blue, and yellow Orange, green, and white

81.	An effective advertisement headline should A. criticize the competition. B. indicate a benefit. C. eliminate the need for additional copy. D. offer a guarantee.	
82.	What is a good tip to follow when developing effective copy for mobile advertisements? A. Include coupons B. Make it vague C. Use symbols D. Keep it short	
83.	An important purpose of checking a business's advertising proofs is to A. determine how long the ad should be run. B. make sure the firm's name is correct. C. compare the ad with competitors' ads. D. select the media that will present the ad.	
84.	As an element of its public-relations program, a travel agency decides to support the local community literacy initiatives. Which of the following would be the most appropriate activity for the travel agency to implement: A. Sponsoring a blood drive at a local high school B. Providing a college scholarship C. Organizing a 5-K to raise funds for cancer research D. Donating books to local elementary schools	
85.	Tony owns a charter fishing boat business on the Outer Banks of North Carolina. Which of the following web sites would you recommend for Tony to place a pay-per-click advertisement: A. www.surfboardsusa.net C. www.redlobster.com B. www.obxbaitandtackle.com D. www.whitewaterrafting.net	ng
86.	Which of the following are the basic factors that should be included in the first paragraph of a good ne release: A. Sales promotion, publicity, personal selling, advertising B. Product, price, place, promotion C. Attention, interest, desire, action D. Who, what, where, when, why	ws
87.	When planning special events, which of the following must be considered: A. Customers' likes and dislikes B. Scheduling strategy to use with the media C. Markups planned for products D. Brands to be offered	
88.	Pedro's Grill is ready to roll out its Caribbean summer menu. One way to prepare the restaurant for th rollout is by A. placing tropical-themed tent cards on each table. B. sending a newsletter to trade publications. C. requiring all employees to wear red sweaters to work. D. hiring a jazz musician to entertain guests.	е
89.	The best type of display for a hotel coffee shop to use to protect freshly baked desserts while still promoting their sales is a(n) display. A. open C. closed B. island D. end cap	
90.	Which of the following should be done to maintain a display: A. Display props and fixtures should be dusted. B. Display background paper should be changed. C. Signs in the displays should be replaced. D. Old staples from the display should be removed.	

91.	An online travel business sends its clients an e-mail message about a special that it is offering for a five-day Caribbean cruise. This is an example of			
		distribution.	C.	operations management.
		product/service management.		promotion.
92.	special A.	and motels often attract guests by advertising activity such as a concert, play, or sports ever incentive rate. package plan.	t. Th C.	
93.	destina			
	В. С.	Sombrero, poster of Cancun, beach towel, an Sunglasses, maracas, poster of Athens, and Sunscreen, brochures of the Bahamas, sungl Sailboat model, sunscreen, Eiffel Tower poster	oeac asse	ch towel es, and maracas
94.	their or	der, which characteristic of a good sales appro	ach	
		Sincere and friendly		Enthusiastic
	В.	Respectful and courteous	D.	Properly timed
95.	A. B. C.	of the following is good advice for a salespersor Discourage the customer from asking question Ask personal questions When stock is limited, ask more questions Use pauses between questions		follow when questioning customers:
96.		hould salespeople do if they discover that a dife one originally requested?	ferei	nt product will better meet a customer's needs
		Respond to an objection	C.	Prepare a demonstration
	B.	Question for information	D.	Recommend a substitute
97.	A hotel	restaurant waiter/waitress should present the	chec	ck to the customer when s/he
		has served all the desserts.		has served the entrees.
	B.	feels the time is right.	D.	is sure the customer wants nothing more.
98.		it important for salespeople to find out somethior service?	ng a	about their customers before trying to sell them
		To develop personal relationships		To ask for information
	B.	To make conversation	D.	To address their needs
99.		of the following is a factor that often motivates	peop	ole to choose a certain travel destination:
		Methods of promotion		Level of maintenance
	B.	Actions of competitors	D.	Recommendations of friends
100.		evel of management is responsible for establishing goals, and providing leadership for the comp		
	A.	First-level management	Ċ.	Middle management
	В.	Executive management	D.	Supervisory management

Tort law. The concept of wrongful action is the basis of all torts. Tort law that applies to business involves the wrongful interference with the right of a business to operate. Therefore, business torts are wrongful actions against a business that cause it harm in some way. An example might be unfair competition. The wrongful interference with the right of a business to operate is not the basis of business liability, fraud, or compliance.

SOURCE: BL:069

SOURCE: Miller, R.L., & Jentz, G.A. (2005). Fundamentals of business law (6th ed.) [pp. 82-83].

Mason, OH: Thomson/South-Western.

2. B

Business-format franchise. A business-format franchise is a franchise agreement in which the franchisee must operate under the trade name of the parent company that provides continuous assistance in setting up and operating the business. This kind of business arrangement would give Jake more assistance than any of the other alternatives. A sole proprietorship is a form of business ownership in which the business is owned by one person who takes all of the risk and responsibility. A private corporation is a type of corporation owned by a few people that does not offer its shares for sale to the public. A product tradename franchise is based on an independent sales relationship between a franchisor and a franchisee to stock and sell a specific line of goods.

SOURCE: BL:003

SOURCE: BL LAP 1—Own It Your Way (Business Ownership)

3. D

Statement of conditions. Tour operators are required to include a statement of terms and conditions in their brochures. It usually appears at the back of the brochure in fine print and should be explained to the client. A performance bond is a type of insurance policy that guarantees payment of any money owed in the event the operator experiences financial problems. A code of ethics is a written statement of responsibility for proper conduct. Federal regulation refers to the role the government plays in overseeing the conduct of an industry. While the federal regulation has diminished, self-regulation has increased.

SOURCE: BL:065

SOURCE: Buzzle.com. (2000-2009, 2010). Terms and conditions sample. Retrieved September 15,

2010, from http://www.buzzle.com/articles/terms-and-conditions-sample.html

4. D

Producer. The channel of distribution begins with the producer. The producer's goal is to reach the consumer as quickly and efficiently as possible. A retailer buys consumer goods or services and sells them to the ultimate consumer. A wholesaler buys goods from producers or agents and sells them to retailers. An agent assists in the sale and/or promotion of goods and services, but does not take title to them. The retailer, wholesaler, and agent are intermediaries because they operate between the producer and consumer to help the movement of goods and services.

SOURCE: CM:003

SOURCE: CM LAP 1—Channel It (Channels of Distribution)

5. D

Gray market. The gray market involves buying goods from suppliers that are not the authorized distributors for the manufacturers. This practice is considered unethical and even illegal because the suppliers do not have the right to sell the goods. Businesses often are able to buy goods for lower prices on the gray market, which enables them to sell the goods for less. Exporting is the process of selling goods and services to businesses in other countries. Outlet stores usually sell overruns and irregular products. Discovers sell regular merchandise at lower prices than those found in department stores.

SOURCE: CM:006

SOURCE: Grewal, D., & Levy, M. (2008). Marketing (pp. 374-375). Boston: McGraw-Hill/Irwin.

Active listening. By repeating important information, the listener is checking to be sure that she understood the message correctly. Feedback occurs when a communicator responds back with new information or an opinion. Passive listening often results in misunderstood messages, and does not include verification of what was said. Defensive behavior occurs when the receiver of a message becomes offended by the message and attempts to justify his/her position.

SOURCE: CO:017

SOURCE: QS LAP 1—Listen Up (Active Listening)

7. B

Stay calm during interruptions. Hotel guests often need your attention as they check in or out, ask questions, and request services. The key to giving good service while handling all this activity is to remain calm during interruptions. It is not possible, or always desirable, to avoid problems. Front desk clerks are not required to have accounting skills or to organize other employees.

SOURCE: CO:114

SOURCE: Rokes, B. (2002). Customer service: Business 2000 (pp. 107-110). Mason, OH: South-

Western.

8. C

Making an appeal for action. If a speaker is trying to get an audience to do something, challenging them with an appeal for action is a good closing. Using a quotation, using humor, or making a comparison are also closing methods, but they do not ask the audience to do anything.

SOURCE: CO:025

SOURCE: QS LAP 9—Well Said! (Oral Presentation)

9. C

Makes the product appealing. Persuasive messages usually are intended to encourage someone to do something. In the case of a sales message, the goal usually is to persuade a customer to buy a product. In order to do this, the message should make the product appealing to the customer so the customer will understand the benefit of buying and want to buy. The sales message should persuade the customer to spend money. Persuasive sales messages are not intended to simply remind the customer of the product or discredit the competition. Persuasive messages should not use loaded language, which is often biased and stereotypical.

SOURCE: CO:031

SOURCE: Lehman, C. & DuFrene, D. (2005). Business communication (14th ed.) [pp. 290-291].

Mason, OH: South-Western.

10. B

Memorandum. Memorandums are a frequently used form of brief, written communication exchanged by people within a business. Memorandums often are distributed to employees within a business to update them on the progress of various projects, or inform them of changes in policies and procedures. They are informal and simple because they are intended only for the use of the business's employees. A proposal usually is a complex written report that is formal and may be distributed to those outside the business. Handbooks and newsletters are internal company publications but they are not memorandums.

SOURCE: CO:094

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). Marketing essentials (p. 190). New

York: Glencoe/McGraw-Hill.

11. A

Grapevine. Grapevine is an oral communication method in which information is passed around the company but not formally announced or verified. Coworkers frequently discuss company issues and pass on information from one department to another through the grapevine. Employees often obtain information and communicate it to others by the grapevine before management makes an official announcement. Feedback is evaluative information given by supervisors to employees. Network is a system of contacts within and outside the organization. Structured is formal communication.

SOURCE: CO:014

SOURCE: DuBrin, A.J. (2003). Essentials of management (6th ed.) [pp. 357-359]. Mason, OH: South-

Western.

Touch points. When a business strives to make every customer experience a positive one, it is remembering its touch points. When a business remembers its touch points, it shows that it recognizes the importance of each interaction in building positive customer relations. Touch points don't necessarily relate to internal customers, competition, or the business's history.

SOURCE: CR:003

SOURCE: CR LAP 1—Accentuate the Positive (Nature of Customer Relations)

13. B

Explain the business's policies. When customers ask questions about business policies, or when they complain about certain policies, employees must be able to interpret the policies properly so that customers understand them. Employees usually are the ones responsible for explaining policies and would not refer customers to management or supervisors unless the question or complaint was more complicated than they could handle. Employees would not give customers a booklet to read because most businesses do not have all of their policies in written form.

SOURCE: CR:007

SOURCE: Rue, L.W., & Byars, L.L. (2006). Business management: Real-world applications and

connections (pp. 241-242). Woodland Hills, CA: Glencoe/McGraw Hill.

14. C

Place. Place refers to the ability to make sure that products are available where they are needed or wanted by customers. In the hospitality industry, place can be a physical location (e.g., restaurant, hotel) or a site where a want or need (e.g., reservation) is fulfilled. An Internet web site fulfills a customer's desire to make a hotel reservation. Promotion is the marketing element referring to the various types of communications that marketers use to inform, persuade, or remind customers of their products. Product is defined as goods and services that businesses offer their customers. Possession refers to the goods that people own.

SOURCE: DS:075

SOURCE: Silva, K.E. & Howard, D.M. (2006). Hospitality & tourism (p. 170). Woodland Hills, CA:

Glencoe/McGraw-Hill.

15. D

Economics. Economics is the study of how limited resources are used to satisfy unlimited, competing wants for goods and services. The gap between unlimited wants and limited resources creates a condition known as scarcity. Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives. Purchasing involves the planning and procedures necessary to obtain goods and services for use in the operation of a business or for resale. Manufacturing is the process of changing raw materials into finished products.

SOURCE: EC:001

SOURCE: EC LAP 6—Are You Satisfied? (Economics and Economic Activities)

16. C

Time. Time utility is usefulness created when products are made available at the time they are needed or wanted by consumers. Many customers want to buy winter holiday decorations in late autumn. Place utility is usefulness created by making goods and services available at the place (location) they are wanted or needed. Form utility is usefulness created by altering or changing the form or shape of a good to make it more useful to consumers. Possession utility is usefulness created when the ownership of a product is transferred from the seller to the user.

SOURCE: EC:004

SOURCE: EC LAP 13—Use It (Economic Utility)

Profit. Profit is the monetary reward a business owner receives for taking the risk to invest in a business. In a market economy, businesses make and sell goods and services that earn a profit for them. Some products that consumers want and need may not be produced because producers are not ensured a profit. Need is a factor in traditional economies. Quotas are specific goals to be met. Opinion, or what the government decides, is a factor in command economies.

SOURCE: EC:007

SOURCE: EC LAP 17—Who's the Boss? (Economic Systems)

18. A

Robinson-Patman Act. The Robinson-Patman Act prohibits price discrimination and states that all businesses purchasing similar amounts and types of products should be charged the same price. Because the two businesses purchase the same amount of merchandise, Alta is discriminating against Garland. The Clayton Act prevents specific business actions that might restrict competition such as exclusive agreements. There are no exclusive or tying agreements in this case. The Sherman Antitrust Act prevents monopolies from forming and hinders price fixing (all businesses charging the same price). There are no monopolies or price fixing involving this case. The Celler-Kefauver Antimerger Act protects competitors from takeovers if the acquisition would hinder competition. There is no takeover situation in this case.

SOURCE: EC:012

SOURCE: EC LAP 8—Ready, Set, Compete!

19. A

The health of the economy. Gross domestic product is the final market value of all goods and services produced within a country's geographic boundaries during a year's time. GDP is used as an economic yardstick to measure economic growth. Net exports is one of the statistics used in calculating GDP. GDP does not determine taxes or the amount of money printed by the Government Printing Office.

SOURCE: EC:017

SOURCE: EC LAP 1—Measure Up? (Gross Domestic Product)

20. 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

SOURCE: EC LAP 4—Beyond US (International Trade)

21. A

Body language. One of the ways that interest and enthusiasm can be demonstrated is through body language which includes body movement. Verbal communication involves the use of words. Boredom is the opposite of interest and enthusiasm. Only a part of the server's personality is indicated in this situation.

SOURCE: EI:020

SOURCE: Wallace, H.R., & Masters, L.A. (2006). Personal development for life & work (9th ed.)

[p. 352]. Mason, OH: South-Western Cengage Learning.

22. B

Admit the mistake and quote the correct price. When ethical people make mistakes, they don't try to cover them up or put the blame on someone else. Instead, they admit their mistakes and try to correct them if possible. Everyone makes a mistake at some point in time, and the ethical response is to admit it. Telling the customer the typist made an error or saying the manager provided inaccurate information are examples of blaming the mistake on others. Employees should not ask coworkers to accept responsibility for their mistakes.

SOURCE: EI:004

SOURCE: EI LAP 4—Work Right (Ethical Work Habits)

23. B

Being sensitive to others' emotions. You must pay close attention to the people around you to become aware of how they are feeling. Being on guard against criticism is a negative attitude that leads to defensiveness. Avoiding people who are different will keep you from understanding others and developing empathy. Basing your opinions on your emotions rather than on facts can lead to bias or prejudice.

SOURCE: EI:030

SOURCE: EI LAP 12—Have a Heart (Showing Empathy for Others)

24. D

Deliberately providing insufficient information. In some situations, a manager might deliberately provide insufficient information for the purpose of setting up an employee to fail. This is considered an unethical way to communicate because the employee does not have a fair chance to complete an assignment successfully. Managers have an obligation to treat all employees ethically and give them the information and tools needed to do the job. It is ethical for managers to explain that some information is confidential and to limit the distribution of classified information. Sending information in simple chart form often makes it easier for employees to understand complex data.

SOURCE: EI:038

SOURCE: DuBrin, A.J. (2003). Essentials of management. (6th ed.) [pp. 371-372]. Thomson/South-

Western.

25. A

Importance of the relationship. Identifying who is involved in a conflict, such as a salesperson and a customer, provides insight about the nature of the relationship and its importance. Identifying who is involved in the conflict does not necessarily provide insight about personality, disagreement type, or the disagreement's core issue.

SOURCE: EI:015

SOURCE: EI LAP 7—Stop the Madness (Conflict Resolution in Business)

26. B

Level of stress. Employees who set realistic goals and standards for themselves rather than expecting perfection all the time are usually able to control and manage their level of stress. It is important for employees to understand that they cannot perform perfectly in all situations and that they will make some mistakes. Being aware of this helps employees to manage stress because they will not set their goals so high that they will often be unable to achieve them. Striving to obtain perfection all the time increases stress and may cause employees to think that they are failures if they don't live up to those expectations. Employees usually advance based on their ability to perform satisfactorily on the job. Managers usually establish work schedules and expect employees to work in groups when necessary.

SOURCE: EI:028

SOURCE: DuBrin, A.J. (2003). Essentials of management (6th ed.) [pp. 482-484]. Mason, OH: South-

Western.

27. D

Everyone agrees with the decision. Consensus building is the group's process of coming to an agreement. The result is that everyone in the group agrees with the decision. When each member agrees, s/he is committed to the decision and supports putting the decision into action. This means that the group can, and wants to, bring about change. Consensus building encourages creativity and promotes thinking, but these are not reasons why consensus building encourages commitment and support from all members. Consensus building does not encourage commitment and support because everyone has equal power.

SOURCE: EI:011

SOURCE: QS LAP 17—All Aboard! (Consensus)

Are not as price-conscious as cash customers. Credit encourages customers to buy regardless of price because they know they don't need to worry about whether they have cash on hand to pay for their purchases. Credit customers are likely to buy impulse items that catch their attention, larger quantities, or more expensive models. Credit customers often have more chances to save money through advance notices of special sales, but that is an advantage to the customers, not to the businesses.

SOURCE: FI:002

SOURCE: FI LAP 2—Give Credit Where Credit is Due (Credit and Its Importance)

29. D

Risk is high. Insurance is a contractual agreement in which one company (insurer) will pay for specified losses incurred by the other company (insured) in return for installment payments (premium). The premium amount is dependent on many factors, including the risk, or chance of loss. For example, a business located near a river that frequently floods is more likely to pay higher property insurance premiums than a business that is not located near a body of water. The insurance company is more likely to pay a claim to the business for flood damages because the chance for flooding is higher. To cover the claim, the insurance company will charge the business high premiums for the policy. Low liability, minimal threats, and good security tend to lower premiums.

SOURCE: FI:081

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2006). Marketing dynamics (pp. 402-405). Tinley Park,

IL: Goodheart-Willcox.

30. C

Statement of financial requirements. The start-up costs include fixed assets, prepaid items and deposits, pre-opening expenses, inventory and supplies purchases, and working capital (cash) requirements. The monthly cash-flow analysis predicts whether the cash generated by the business can cover the operating expenses and loan repayments. The break-even analysis shows the level of sales needed to pay the operating expenses and to make the debt payments. The balance sheet shows the financial status of the business.

SOURCE: FI:084

SOURCE: Dorfman, M.S. (2008). Introduction to risk management and insurance (9th ed.) [pp. 2-4].

Upper Saddle River, NJ: Prentice Hall.

31. D

Accounts receivable. Accounts receivable are monies owed to a business by its customers. Whenever a customer makes a credit purchase, s/he owes the business or the credit-card company a debt. Cash receipts are income in the form of currency or coins. Current liabilities are debts that must be paid within a year. Accounts payable are debts owed by the business.

SOURCE: FI:085

SOURCE: FI LAP 5—Show Me the Money (Nature of Accounting)

32. A

Accounting equation. The basic accounting equation is assets = liabilities + owner's equity. These are the three sections in a balance sheet. For the balance sheet to balance, the amount in the asset section must equal the amount in the liabilities section plus the amount of owner's equity. The three sections of a balance sheet do not represent the basic bookkeeping system, the basic financial quota, or the basic monetary policy.

SOURCE: FI:093

SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). Business and personal

finance (pp. 592-594). New York: Glencoe/McGraw-Hill.

Managers. The income statement is usually analyzed by people who are responsible for the financial status of the business. This includes managers who look at ratios to monitor operations and determine whether a company is running efficiently. They also use the income statement to monitor yearly profit activity. Customers usually do not review a business's income statements unless they are also stockholders in the business. Bookkeepers usually are responsible for compiling income statement information but not analyzing it. Cashiers accept payments from customers, but they are not responsible for analyzing a business's income statements.

SOURCE: FI:094

SOURCE: FI LAP 4—Watch Your Bottom Line (Income Statements)

34. B

Makes more informed decisions. When a business owner or manager uses a budget, s/he makes more informed decisions. A manager who uses a budget can make better decisions about the company's day-to-day activities by keeping the overall budget in mind. S/He may or may not demonstrate leadership by doing so. Being interesting is not necessarily a feature of budgets, but a budget might be interesting to a manager. Using a budget as a way to evaluate employees may not work because budgets are estimates, and there are often valid reasons to change them.

SOURCE: FI:106

SOURCE: FI LAP 3—Money Tracks (Nature of Budgets)

35. B

Sponsor. The sponsor method of orientation and training involves current employees who volunteer or are asked to be of assistance to the new employee. Sponsors provide job information, advice, and other kinds of job-related help. An apprentice or a trainee is a worker who is learning a job. A manager performs management functions and probably would be the one to ask an employee to help orient a new employee.

SOURCE: HR:360

SOURCE: Mathis, R.L., & Jackson, J.H. (2003). Human resource management (10th ed.) [pp. 286-287].

Cincinnati: Thomson/South-Western.

36. A

To offer products that customers want. Businesses are likely to fail if they do not offer products that customers want. Because customers' needs and wants change over time, hospitality and tourism businesses must collect and monitor marketing information. Knowing what customers want helps businesses develop or adapt products that suit their customers' changing wants and needs. Although hospitality and tourism businesses use technology to acquire marketing information, using technology is not the primary reason for obtaining the marketing information. Businesses can improve their relationships with their creditors by paying their bills. Marketing information can help hospitality and tourism businesses make sound business decisions to increase market share; however, their primary reason for doing so should not be to drive indirect competitors out of business, which may be illegal.

SOURCE: IM:420

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [p. 114]. Upper Saddle River, NJ: Prentice Hall.

37. A

Primary. Primary information is information collected for the purpose at hand. Because the resort collected feedback for a specific purpose—to obtain its former guests' opinions about its facility and services—it is primary information. Secondary information is information that has already been collected for other purposes. There is not enough information provided to determine if the feedback was collected to support a theory or hypothesis or if the feedback was collected as a preliminary or preparatory step for a larger project.

SOURCE: IM:422

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). Marketing for hospitality and tourism (5th ed.)

[pp. 126-130]. Upper Saddle River, NJ: Prentice Hall.

The United States Tour Operators Association. Professional organizations often provide their members with industry information and trends. A tour operator would most likely visit a U.S. tour operators professional association web site to learn about domestic tour-package trends. Professional organizations for the cruise, hotel and lodging, and gaming industries are less likely to have the specific information that the travel agency is looking for.

SOURCE: IM:423

SOURCE: The United States Tour Operators Association. (n.d.). USTOA press room: Trends and

statistics. Retrieved September 21, 2010, from

http://www.ustoa.com/2009/Pressroom/TrendsAndStatistics/Index.cfm

39. D

344,320. Hotel chains measure and analyze the composition of various markets to determine how to best market their services to different market segments. The hotel chain's objectives, the market segment's demographics, and the size of the market segment affect how much money the hotel chain will allocate to various marketing activities for a particular market segment. To determine the number of hotel guests that were business travelers in the Southwest region of the country last year, multiply the total number of hotel guests by the percentage rate of business travelers (860,800 x .40 or 40% = 344,320).

SOURCE: IM:427

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). Marketing for hospitality and tourism (5th ed.)

[pp. 210-212]. Upper Saddle River, NJ: Prentice Hall.

40. C

Immediate data capture. After the respondents have submitted their answers, the marketer has immediate access to the data. Having immediate access allows the marketer to tabulate and analyze sample groups in real time. Other advantages to Internet surveys are low costs, interactivity, and low interviewer influence or bias. A disadvantage to using Internet surveys is that poorly written questions may be confusing for respondents, which may lead them to answer questions incorrectly because they have no way to obtain clarification. Another disadvantage is that many Internet surveys involve respondent anonymity, so follow up is difficult unless the marketer has the respondent's e-mail address.

SOURCE: IM:297

SOURCE: Zikmund, W.G., & Babin, B. (2010). Essentials of marketing research (4th ed.) [pp. 175, 179].

Mason, OH: South-Western Cengage Learning.

41. D

"B." The median is the middle value. That means that the number above the median is the same as the number below the median. For example, if 60 people respond to a questionnaire and 20 answer "A," 20 answer "B," and 20 answer "C," the median is "B" because there is an equal number higher and lower. The mode is the response most often given to a question. The mean is the arithmetic average of all the responses in a sample. Range is the distance between high and low.

SOURCE: IM:416

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). Marketing essentials (p. 171). Woodland

Hills, CA: Glencoe/McGraw-Hill.

42. D

Use clear, concise language. When making an oral presentation that includes complex research findings, the speaker should use words that help the audience understand the subject matter. The speaker may want to repeat key or major points to reinforce important information. The use of humor depends on the nature of the audience and the topic at hand. Using too much humor or speaking too slowly may irritate some audience members, which in turn may affect their comprehension of the information.

SOURCE: IM:391

SOURCE: Bovée, C.L., & Thill, J.V. (2008). Business communication today (9th ed.) [pp. 501, 509].

Upper Saddle River, NJ: Pearson Prentice Hall.

Promotion. Promotion involves communicating information about goods, services, images, and/or ideas to achieve a desired outcome. Pricing involves determining and adjusting prices to maximize return and meet customers' perceptions of value. Production is the creation of goods and services. Publicity is any nonpersonal presentation of ideas, goods, or services that is not paid for by the company or individual that benefits from it.

SOURCE: MK:001

SOURCE: MK LAP 4—Have It Your Way! (Marketing)

44. D

Highly competitive. Travel and tourism is a rapidly growing industry throughout the world. As a result, marketing the industry is highly competitive because there are a wide range of companies that sell travel and tourism services. All of these companies compete for the same customers who have only so much money and time to spend on travel. Advances in technology affect the industry by making it easier for both travel companies and customers to plan vacations and book travel. Travel and tourism is a worldwide industry, although there are local attractions and facilities. Travel and tourism marketing is not controlled by society, although it is affected by what society wants in the way of travel options.

SOURCE: MK:013

SOURCE: Morrison, A.M. (2002). Hospitality and travel marketing (3rd ed.) [pp. 21-22]. Albany, NY:

Delmar/Thomson Learning.

45. B

To target specific markets. Guest history records usually contain information about guests' home towns, whether the visits were for business or pleasure, how often the guests visited, and who made the reservations. Properties use this information to develop marketing strategies that target the specific populations that are likely to use the lodging facility. If a large percentage of guests were business travelers, the property might develop a marketing plan to target corporations whose employees travel frequently. Properties do not use the information in guest history records to process room accounts, schedule payment plans, or recruit new employees.

SOURCE: MP:034

SOURCE: Vallen, G.K., & Vallen, J.J. (2005). Check-in: Check-out (7th ed.) [pp. 150, 182-183]. Upper

Saddle River, NJ: Prentice Hall.

46. C

Increased distribution of the workforce. Wireless networks are now more common due to increased distribution of the workforce. Many employees no longer have permanent offices. Instead, they work from home or the road. Wireless networks keep employees connected to the information they need. Wireless networks are not related to information overload, government regulations, or increased competition.

SOURCE: NF:110

SOURCE: NF LAP 3—In the Know (Nature of Information Management)

47. C

E-business. E-business goes beyond buying and selling electronically as referred to in e-commerce. It also includes providing service to customers and suppliers and enabling interactive communication such as teleconferencing. URLs are Internet addresses, while web sites are collections of web pages.

SOURCE: NF:086

SOURCE: Jensen, B. (n.d.). Jensen's technology glossary. Retrieved September 20, 2010, from

http://www.translationdirectory.com/glossaries/glossary017 e.htm

"Confidence in itself is the secret of success." Many search engines eliminate common words (e.g., the, of, a) as the search is conducted because the words slow down the search process. In addition, the inclusion of common words generally does not improve search result accuracy. When it is necessary to include all words in a search, enclose the phrase in double quotation marks. Search engines do not generally recognize single quotation marks, brackets, or parenthesis as designations to include all words in a web search.

SOURCE: NF:006

SOURCE: Google. (2010). Google search basics: More search help. Retrieved September 20, 2010,

from http://www.google.com/support/websearch/bin/answer.py?answer=136861

49. B

Audio conferencing. Audio conferencing is a communication method that allows several individuals to simultaneously hold a discussion by telephone. Although each person is in a different location, each person can speak and hear all of the conference participants. Voice mail and facsimile machines are not business tools that allow several people to communicate simultaneously. Typing a text message on the computer or on a cell phone can take time, so it is not as efficient as holding an audio conference.

SOURCE: NF:011

SOURCE: InterCall. (n.d.). Audio conferencing services. Retrieved September 20, 2010, from

http://www.intercall.com/services/audio-conferencing/

50. B

Quality. Roger would have benefited from quality records—records that are accurate and reliable. Archived records (stored for the long-term), digital records (stored in a computer-related medium), and required records (mandated by a governing authority) may or may not be quality records.

SOURCE: NF:001

SOURCE: NF LAP 1—Record It (Business Records)

51. C

Unemployment rate. An environmental scan is an analysis of external forces that influence a business's success. The fluctuation of unemployment rates is an economic factor because unemployment has an effect on consumers' ability to buy goods and services. If consumers are unemployed, they do not have income to spend. As a result, businesses do not sell as much because consumers are not buying. When this situation occurs, businesses often reduce expenses in an attempt to stay in business until the rate of employment starts to rise again. Increased regulation is a political factor. Population shift is a demographic factor. Lifestyle adjustment is a cultural factor.

SOURCE: NF:015

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). Marketing essentials (pp. 30-32, 84-86).

New York: Glencoe/McGraw-Hill.

52. B

Adventure. The hospitality industry is developing ways to accommodate niche markets. Trends indicate that many niche markets are growing. Some of these markets include the baby boomers, health conscious people, and adventure travelers. Adventure travelers include people who enjoy nature and often enjoy taking risks. Adventure travelers enjoy activities such as skydiving, mountain biking, and race car driving. Geotourism (or environmental tourism) refers to a market that is interested in unique or threatened outdoor environments, such as the rainforest. Agriculture enthusiasts are members of a niche market called the agritourists and often visit working farms.

SOURCE: NF:048

SOURCE: Silva, K.E., & Howard, D.M. (2006). Hospitality and tourism (pp. 96-98). Woodland Hills, CA:

Glencoe/McGraw-Hill.

Safe work environment. Businesses usually develop procedures and policies for employees to follow in order to maintain a safe work environment. One policy might involve the type of clothing that employees are permitted to wear on the job. Depending on the type of work, employees may be required to wear certain types of shoes or clothing that cover their arms and legs. Employees may not be allowed to wear clothing that might get tangled up in equipment. The intent is to keep the work environment safe for employees. Businesses do not require employees to wear appropriate clothing to maintain a comfortable atmosphere, an industrial image, or a sanitary facility.

SOURCE: OP:008

SOURCE: Redman, B., & Richards, W. (2003). Skills tasks and results training (pp. 116-117, 376).

Lansing, MI: Educational Institute of the American Hotel & Lodging Association.

54. B

Fraud prevention. Fraud is deceiving or cheating an individual or a business out of money or property. Businesses usually instruct employees to check the status of credit cards, the card's expiration date, and the signature on the back of the card. Employees should make sure that the signature on the charge receipt matches the signature on the back of the credit card. Pilferage is theft of small sums of money or inexpensive items. Robbery is theft that involves the use of force, violence, or fear. Burglary is any illegal entry into a building to commit a theft.

SOURCE: OP:013

SOURCE: Kimiecik, R.C., & Thomas, C. (2006). Loss prevention in the retail business (pp. 110-112).

Hoboken, NJ: John Wiley & Sons.

55. B

Needed skills. You know you need people to work on a project. Before you can identify the right people, you need to decide what skills are needed. For example, do you need people to use hand tools or lift heavy boxes? Once you determine the needed skills, you can select people who have those skills and are willing to participate. Tangible resources are the supplies, equipment, and materials needed to complete a project as well as the physical facilities that might be needed.

SOURCE: OP:003

SOURCE: QS LAP 19—Get What You Need (Identify Resources)

56. A

Production. Production is the process or activity of producing goods and services. For example, a company uses raw materials, equipment, employees, and a building to produce radios for purchase by other businesses for use or for resale. Management is the process of coordinating resources in order to accomplish an organization's goals. Accounting is the process of keeping financial records. Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.

SOURCE: OP:017

SOURCE: OP LAP 4—Can You Make It? (Nature of Production)

57. D

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 co-workers' projects or disappoint customers. Meeting deadlines helps to control expenses by eliminating the need for overtime or additional work in order to complete projects. Employees who read magazines, take long breaks, and leave early cost a business additional money in lost time.

SOURCE: OP:025

SOURCE: Think Big. (2009, April 29). Steps for reducing business expenses. Retrieved September 20,

2010. from

http://www.associatedcontent.com/article/1682579/steps_for_reducing_business_expenses.

html?cat=3

Accounts payable. Accounts payable refers to all monies owed by the business to others. Many companies have departments that handle all of the bills (accounts payable) that the companies need to pay. When a project requires the input of several outside sources, there are usually many bills associated with the project. To make sure that the projected budget amounts match the actual bills, the project manager may request copies of the invoices from the accounts payable department to review the invoices for discrepancies. The sales, inventory control, and service departments do not handle accounts payable.

SOURCE: OP:184

SOURCE: Eggland, S.A., Dlabay, L.R., & Burrow, J.L. (2004). Intro to business (5th ed.) [p.186].

Mason, OH: South-Western.

59. D

Continual inspection program. Many businesses develop continual inspection programs in order to identify and correct any problems. Businesses often have programs that call for the inspection of each area on a regular basis. For example, the lights may be checked weekly while the heating and cooling system is inspected twice a year. By continually inspecting equipment and facilities, a business is able to prevent many breakdowns from occurring. Continual inspection may identify problems with housekeeping, landscaping, and security that the business would then be able to correct.

SOURCE: OP:032

SOURCE: Stutts, A.T., & Wortman, J.F. (2006). Hotel and lodging management: An introduction

(2nd ed.) [pp. 98-99,195]. Hoboken, NJ: John Wiley & Sons, Inc.

60. B

So they do not put themselves or others in additional danger. The most important thing to do is to try to stay calm and not do anything that might anger the robber. By angering the robber, the event may escalate into a situation where someone gets hurt. For example, attempting to write down the description of the robber, refusing to cooperate or follow instructions, or attempting to distract or overtake the robber while the robbery is in process might anger the robber and result in serious injury. When the robber leaves the premises, the police should be called and a physical description of the robber should be detailed in a written format. Many businesses have hidden or quiet alarm systems located on the premises. Employees should be carefully trained to use the silent alarm system in the event of a robbery.

SOURCE: OP:113

SOURCE: Kimiecik, R.C., & Thomas, C. (2006). Loss prevention in the retail business (pp. 94-97).

Hoboken, NJ: John Wiley & Sons.

61. C

Electronic key cards. These offer excellent security for hotel guests as they do not contain a hotel room number, so that if one is lost or stolen it cannot be easily traced. Metal detectors are used in airports to check passengers entering boarding areas. Retailers use radio frequency identification tags, which are attached to expensive merchandise, to reduce the risk of shoplifting. A property management system is used to store information about reservations, room availability, and room rates.

SOURCE: OP:115

SOURCE: Vallen, G.K., & Vallen, J.J. (2005). Check-in: Check-out (7th ed.) [p. 580]. Upper Saddle

River, NJ: Prentice Hall.

62. B

Sitting up straight. Individuals are frequently judged by others on the basis of first impressions or the image they project. Good posture has a positive effect on the image people project to others, and sitting up straight is an example of good posture. Using slang will not create a favorable impression. Wearing dressy clothes at all times is inappropriate and may indicate poor judgment. Not letting the other person talk makes a bad impression.

SOURCE: PD:002

SOURCE: PD LAP 5—Brand ME! (Personal Appearance)

Asking your friends if the goal is worthwhile. You are not likely to achieve a goal unless you are sure that it is worth working toward. Setting a time limit, developing a plan, and keeping a written record of your progress are all steps that will help you to achieve your goal.

SOURCE: PD:018

SOURCE: PD LAP 16—Go for the Goal (Goal Setting)

64. A

Select and implement a solution. Rob has decided to take an action (asking Patrick for help) that can solve his problem with an assignment. The problem has already been defined, and Rob is no longer brainstorming possible solutions because he has decided on one. He won't be able to evaluate this solution until after he talks to Patrick.

SOURCE: PD:077

SOURCE: PD LAP 17—No Problem (Problem Solving)

65. C

Negative comments. Polishing and refining an idea may involve hard work, perseverance, and a good bit of persuasion. You may need to ignore those who tell you it won't work and who give you negative comments. In order to make your idea work, you need to believe in it and give it sufficient thought and revision. Industry feedback, personal suggestions, and logical questions may help you to improve on your original idea.

SOURCE: PD:012

SOURCE: PD LAP 2—Creativity

66. C

Yes, the applicant should say that s/he would really like to be hired. Job applicants who know that they would like to have the job for which they are being interviewed should let the interviewer know this, usually at the conclusion of the interview. Applicants are seldom hired at an initial job interview, but it helps the interviewer during the selection process to know which applicants seemed most interested in working for the company. The applicant will not seem over anxious, especially if it is phrased in a low-key manner.

SOURCE: PD:028

SOURCE: Bailey, L.J. (2003). Working: Career success for the 21st century (3rd ed.) [p. 69]. Mason,

OH: South-Western.

67. A

Training. Some professional organizations in the travel and tourism industry provide training to members. This is an advantage of belonging to certain professional organizations. Training that is sponsored by a professional organization usually is recognized throughout the industry. Counseling, marketing, and interviewing are not services that are provided by professional organizations in the travel and tourism industry.

SOURCE: PD:061

SOURCE: Todd, G., & Rice, S. (2002). Travel perspectives: A guide to becoming a travel professional

(3rd ed.) [pp. 13-14]. Albany, NY: Delmar/Thomson Learning.

68. C

Prepared food, entertainment, and lodging. The hospitality industry provides services to anyone who travels. The services that the hospitality industry provides include prepared food (e.g., quick-serve restaurants, full-service restaurants which include fine dining), entertainment (e.g., sporting events, concerts), and lodging (e.g., hotel, motel, bed and breakfast inn). Destination planning and transportation (e.g., airlines, bus tours) are functions of the travel and tourism industry. Financial services, such as banks, financial brokerage firms, and mortgage companies, provide consumers monetary assistance.

SOURCE: PD:111

SOURCE: Silva, K.E. & Howard, D.M. (2006). Hospitality & tourism (p. 6). Woodland Hills, CA:

Glencoe/McGraw-Hill.

One night at an all-inclusive resort. Price in the hospitality industry is the amount that guests pay for the primary services provided by a property. In most situations, the price is the amount guests pay for one night's lodging. However, in the case of an all-inclusive resort, price is the amount a guest pays for one night's lodging which also includes a variety of extras such as meals and beverages. An all-inclusive price is often appealing to guests because they think they are getting a bargain. Price in the hospitality industry usually does not include dinner in the main dining room, transportation, or sightseeing trips. These services are often included in a total vacation package that is often provided by the travel and tourism industry.

SOURCE: PI:029

SOURCE: Educational Institute of the American Hotel & Lodging Association (2006). Lodging

management program: Year 2 (2nd ed.) [p. 139]. Lansing, MI: Educational Institute of the

American Hotel & Lodging.

70. C

Reinforce a business's image. Core values represent the underlying worth of products and the image those products project. The image of products reinforces a business's image. Ideally, the core values of the business and its products should be the same or compatible. For example, exhibiting social responsibility is a core value. Businesses project this value in their products by making products that are safe. Communicating the core value of product safety also reinforces the business's image of being socially responsible. Communicating the core values of products is not an effective way to explain the price structure, analyze the sales operation, or create a distribution channel.

SOURCE: PM:214

SOURCE: Kotler, P., & Armstrong, G. (2008). Principles of marketing (12th ed.) [p. 232]. Upper Saddle

River, NJ: Prentice-Hall.

71. A

13. To calculate the amount to purchase, first determine the servings per box. If a one-pound box of spaghetti yields eight side dishes, divide the number of customers to be served by that figure ($100 \div 8 = 12.5$). The restaurant needs to purchase 12.5 boxes of spaghetti to prepare 100 side dishes but will need to purchase 13 boxes because it cannot buy partial boxes.

SOURCE: PM:261

SOURCE: Gregoire, M.B. (2010). Foodservice organizations: A managerial and systems approach

(7th ed.) [p. 207]. Upper Saddle River, NJ: Prentice Hall.

72. B

A bed and breakfast advertising private baths and a fireplace in each room. This illustrates the product element of marketing in the travel industry. The product is the accommodations. The resort is focusing on how it treats its guests. The cruise ship is providing information. The conference center is offering additional services.

SOURCE: PM:081

SOURCE: Educational Institute of the American Hotel & Lodging Association (2006). Lodging

management program: Year 2 (2nd ed.) [p. 138]. Lansing, MI: Educational Institute of the

American Hotel & Lodging.

73. D

Shuttle. Shuttle services provide a means of transportation for guests and their baggage when the property is located far away from popular destinations such as the airport. Valet services are responsible for cleaning guests' garments so that guests don't have to obtain access to laundry facilities. Concierge services provide tourist information, directions, dinner reservations, and other personalized services that make it easier for guests to enjoy their stay and to navigate unfamiliar territory. Bell staff services handle guests' baggage, making it easier for them to get to and from their room, as well as their modes of transportation.

SOURCE: PM:095

SOURCE: Kaser, K., & Freeman, J.T. (2002). Hospitality marketing (pp. 208-210). Mason, OH: South-

Western Thomson Learning.

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

SOURCE: Zikmund, W., & d'Amico, M. (2001). *Marketing: Creating and keeping customers in an e-commerce world* (7th ed.) [p. 308]. Mason, OH: South-Western.

75. D

Provides advertising aids. Many vendors provide a variety of advertising signs, point-of-purchase displays, banners, or cooperative advertising funds. A business with a limited promotional budget could extend that budget by choosing this kind of vendor. The other alternatives are services that some vendors offer, but they are not related to the promotional budget.

SOURCE: PM:263

SOURCE: Arens, W.F. (2004). Contemporary advertising (9th ed.) [pp. 102-103, 197, 328]. Boston:

Irwin/McGraw Hill.

76. D

Interactive. Most banner advertisements are interactive, which means that they involve two-way communication. Users are able to click on the ad and be linked to the advertiser's home page. Users also may click on a portion of the ad to obtain additional information, download coupons or other specials, or link to related sites. The banner advertisements interact with users by providing information and allowing users to respond to the information by linking to other information or sites. Banner advertisements are not restrictive or selective because they are available to all users who access the site on which they appear. The advertisements may, or may not, be productive depending on whether they appeal to consumers.

SOURCE: PR:164

SOURCE: Miles, J.E., & Dolce, C. (2006). E-Commerce (pp. 311-313). New York: Glencoe/McGraw-

Hill.

77. B

Hyperlinks. A hyperlink is a component of an electronic document that can be clicked on to jump to another place within the document or into a different document. A common use of hyperlinks is to make it possible to link from somewhere within the e-mail to a web site. Hyperlinks are a great way to drive traffic to web sites. An address book is a list of Internet addresses. A gateway is a combination of hardware and software that connects different types of networks that convert an e-mail so that the software program understands it. A mailing list is a system that sends out regular e-mail messages to subscribers of the list. SOURCE: PR:165

SOURCE: PR LAP 13—E-Mail as a Marketing Tool

78. B

Primary colors. Colors generally should be bright rather than pastel, and an artist should keep the color scheme simple. When the color scheme is simple, the main illustration helps to make the basic idea of the billboard stand out. Excessive variations of tones and tints should be avoided. It is best to use primary colors only—the most readable combination is black on yellow. If too many colors are used, the billboard may confuse and distract the viewer.

SOURCE: PR:123

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). Marketing essentials (pp. 389-390).

Woodland Hills, CA: Glencoe/McGraw-Hill.

79. B

Script. Script type styles are those in which the letters are linked together and look like cursive handwriting. Script styles are most often used when messages are formal or want to convey high quality. Because script type styles look like handwriting, they often convey a more personal touch to a message. Novelty type styles are decorative in nature and are used primarily as headlines. Sans serif type styles do not have feet or strokes at the end of the letter forms. Roman type styles use a combination of thin and thick lines and are often used for lengthier copy or text.

SOURCE: PR:326

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). Advertising & integrated brand promotion

(5th ed.) [p. 423]. Mason, OH: South-Western Cengage Learning.

80. B

Red, yellow, and orange. Color harmonies are the ways in which colors are combined on the page to create a sense of visual order and appeal. Colors tend to trigger certain feelings in people. Because the color red attracts the most attention visually, it tends to generate intense emotion and energy. Yellow also attracts attention and tends to be an "optimistic" color. Because yellow is hard on the eyes, it should be used sparingly. Orange is a mixture of red and yellow and often generates feelings of enthusiasm and warmth. Blue and purple are cool colors that create a sense of calm and tranquility. Green is easiest on the eye and is most often associated with nature. White signifies purity, and black signifies authority.

SOURCE: PR:314

SOURCE: What is color? (n.d.). Retrieved September 24, 2010, from

http://knightdalehs.wcpss.net/student_life/fine_arts/Departments/Fine_Art/Collin/Documents/

color.pdf

81. B

Indicate a benefit. After the graphic, the headline is the next element of an advertisement the audience scans. A well-written headline is short and memorable, and it encourages the audience to read the advertising copy. An effective headline also indicates how the product will benefit the reader. For example, a Tide laundry detergent advertisement contained a headline stating, "Just when you thought laundry couldn't get any more fun." The benefit of using Tide is having fun while doing laundry. The headline does not need to criticize the competition or offer a guarantee to be effective.

SOURCE: PR:330

SOURCE: Clow, K.E, & Baack, D. (2010). Integrated advertising, promotion, and marketing

communications (4th ed.) [pp. 167-168]. Upper Saddle River, NJ: Prentice Hall.

82. D

Keep it short. Because mobile advertisements are displayed on cell phones, it is important to keep the message short and direct. If the message is too long, the intended audience is likely to delete the ad without reading it. The use of symbols (e.g., an offer 4 u) in mobile ad copy depends on characteristics of the target audience. For example, tech-savvy 16- to 25-year-olds are more likely to understand the use of symbols than those who do not "text" or use technology on a regular basis. Coupons are a sales-promotion technique.

SOURCE: PR:318

SOURCE: Miller, A. (2010, July 12). AdWords mobile ad text best practices. Retrieved September 21,

2010, from http://calltrackingblog.com/2010/07/adwords-mobile-ad-text-best-practices/

83. B

Make sure the firm's name is correct. All kinds of mistakes are possible in print ads. The firm paying for the ad should make sure that its name and, in some cases, its address appear correctly in the ad so that consumers who read the ad will be able to identify the business. The business might also include a telephone number and hours of business operation with the business identification, and this information should be checked for accuracy. Questions as to how long an ad will run, what media will present it, and how it compares with competitors' ads would be answered before a final proof of the ad is prepared.

SOURCE: PR:130

SOURCE: Farese, L. S., Kimbrell, G., & Woloszyk, C. A. (2009). Marketing essentials (p. 433).

Woodland Hills, CA: Glencoe/McGraw-Hill.

Donating books to local elementary schools. Literacy initiatives focus on helping people learn to read. Donating books to schools, libraries, and hospital waiting rooms are ways to support literacy initiatives. Providing a college scholarship is a way to support educational endeavors. An event to raise money for cancer research and sponsoring a blood drive are heath-related causes.

SOURCE: PR:347

SOURCE: Clow, K.E, & Baack, D. (2010). *Integrated advertising, promotion, and marketing communications* (4th ed.) [pp. 361-363]. Upper Saddle River, NJ: Prentice Hall.

85. B

www.obxbaitandtackle.com. Pay-per-click ads involve paying a web-site vendor a set fee each time a visitor clicks on the sponsor's ad, directing visitors to the ad sponsor's web site. In the presented situation, Tony is the ad sponsor and he wants to place an ad on the web site that his target market is most likely to visit. Because tourists who visit the Outer Banks and like to fish are most likely to access a local bait and tackle shop's web site, Tony should place his ad on www.obxbaitandtackle.com. Surfboarders are most likely to visit a surfboard web site, whitewater rafters are most likely to visit a whitewater rafting web site, and people who like to eat seafood are most likely to access the Red Lobster restaurant's web site.

SOURCE: PR:333

SOURCE: Sick, S. (2010, July 23). Attract visitors to your website-top 12 ways. Retrieved September

22, 2010, from http://youcreatewebsite.com/attract-visitors-your-website

86. D

Who, what, where, when, why. The first paragraph contains the most important information. For example, a news release should tell who the company or organization is, what the event is, when the event will occur, where the event will happen, and why this is an important event. Product, price, place, and promotion are the elements of the marketing mix. Attention, interest, desire, and action, or AIDA, represents the sequence the customer goes through in the buying process. Sales promotion, publicity, personal selling, and advertising are the elements of the promotional mix.

SOURCE: PR:057

SOURCE: Arens, W.F. (2004). Contemporary advertising (9th ed.) [p. 348]. Boston: Irwin/McGraw Hill.

87. A

Customers' likes and dislikes. Special events should appeal to your customer. To do this, you need to determine what your customers like and don't like. The special event can be used to sell product or to create a certain image. When the purpose of the event is to create a desired image, brands and markups are not considered. If the purpose of the event is to sell product, you should base the brands to feature based on your customers' likes and dislikes.

SOURCE: PR:360

SOURCE: Startups. (2004, January 22). Small retailers advised to use personal touch to lure

customers. Retrieved September 20, 2010, from

http://www.startups.co.uk/6678842908690675849/small-retailers-advised-to-use-personal-

touch-to-lure-customers.html

88. A

Placing tropical-themed tent cards on each table. Full-service restaurants often develop seasonal menus. A Caribbean summer menu might consist of fresh fruits, seasonal vegetables, and flavorful seafood and chicken entrees. Because the Caribbean Islands are a tropical location, the restaurant might place tropical-themed tent cards on the tables to promote the new menu items. Sending a newsletter to trade publications would not be a way to prepare the restaurant for the premier of a new summer menu. Employees might be required to wear tropical shirts and shorts rather than red sweaters. It would better follow the tropical theme if the restaurant were to hire a reggae band rather than a jazz musician.

SOURCE: PR:068

SOURCE: Mill, R.C. (2001). Restaurant management: Customers, operations, and employees (2nd ed.)

[pp. 101, 109-110]. Upper Saddle River, NJ: Prentice Hall.

Closed. The closed display case is usually made of glass and prevents the transfer of germs or the possibility of theft while motivating customers to buy. Island, open, and end cap displays do not protect freshly baked desserts.

SOURCE: PR:026

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). Marketing essentials (pp. 386-387).

Woodland Hills, CA: Glencoe/McGraw-Hill.

90. A

Display props and fixtures should be dusted. A professional image is created when display props and fixtures are clean and free of dust. Changing background paper, replacing signs, and removing staples would occur during the dismantling of the display.

SOURCE: PR:052

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). Marketing essentials (p. 393). Woodland

Hills, CA: Glencoe/McGraw-Hill.

91. D

Promotion. Promotion is the element of marketing that involves communicating and sending messages to inform, persuade, or remind customers of a travel and tourism business's products. An online travel business that sends an e-mail about a special product offer is using promotion. Product/Service management is a marketing function that involves obtaining, developing, maintaining, and improving a product or service mix in response to market opportunities. Operations management is the process of planning, controlling, and monitoring the day-to-day activities required for continued business functioning. Distribution is an aspect of operations.

SOURCE: PR:121

SOURCE: Silva, K.E. & Howard, D.M. (2006). Hospitality & tourism (pp. 250-251, 260-263). Woodland

Hills, CA: Glencoe/McGraw-Hill.

92. B

Package plan. Package plans are often promoted as mini-vacations because they combine lodging and certain amenities at a discounted price. A corporate rate is a commercial rate offered to businesses. The rack rate is the regular room rate. An incentive rate is one offered to other employees of the hospitality industry, e.g., travel agents, to encourage referrals.

SOURCE: PR:082

SOURCE: Stutts, A.T., & Wortman, J.F. (2006). Hotel and lodging management: An introduction

(2nd ed.) [pp. 68, 130]. Hoboken, NJ: John Wiley & Sons.

93. A

Sombrero, poster of Cancun, beach towel, and sunglasses. A travel agency that is running a special offer for Mexican beach destinations is likely to display items that relate to the beach and to the Mexican culture. Therefore, the travel agency is most likely to display "beach" items such as sunscreen, sunglasses, beach towels, or even a model of a sailboat. It would also display items that relate to the Mexican culture, such as maracas (hand-held shaking instrument), a sombrero (hat), and a poster of Cancun, which is a popular beach destination in Mexico. Athens is a city in Greece, the Eiffel Tower is in Paris, France, and the Bahamas are part of the Caribbean Islands. The travel agency would not display materials for these destinations when it is promoting beach destinations in Mexico.

SOURCE: PR:162

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). Marketing essentials (pp. 388-389).

Woodland Hills, CA: Glencoe/McGraw-Hill.

94. D

Properly timed. Proper timing is an important characteristic of a sales approach. Restaurant guests should be given time to consider the menu selections before the server opens the sale. Respect, courtesy, enthusiasm, sincerity, and friendliness are additional characteristics of a good sales approach, but do not relate to providing a guest or customer with enough time to review product (menu) information.

SOURCE: SE:110

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (p. 279). Woodland

Hills, CA: Glencoe/McGraw-Hill.

Use pauses between questions. Pausing is an effective technique that enables the customer to absorb all the information and to ask questions. Customers should be encouraged to ask questions and made to feel that their questions are important. Personal questions, such as "How much can you afford to spend?" are inappropriate. When stock is limited, fewer questions are needed to narrow the choices for the customer.

SOURCE: SE:111

SOURCE: Futrell, C.M. (2006). Fundamentals of selling: Customers for life through service (9th ed.)

[p. 326]. New York: McGraw-Hill/Irwin.

96. D

Recommend a substitute. Sometimes salespeople sell substitute items when they know that a substitute item will meet the customer's true needs better than the requested product. By determining a customer's needs, a salesperson may learn that a product of greater or lesser value might meet the customer's needs better than the item originally requested. After recommending a substitute product, a salesperson might demonstrate the item to the customer. A salesperson questions and listens to a customer to determine the customer's needs before recommending a substitute product. Salespeople should be prepared to answer questions or respond to objections when substitute selling.

SOURCE: SE:114

SOURCE: Greene, C. (2003). Selling: Business 2000 (p. 149). Mason, OH: South-Western.

97. D

Is sure the customer wants nothing more. This can be determined by asking the customer whether anything more is needed. The check should not be presented too soon, or customers will feel they are being rushed, but neither should customers be kept waiting for the check.

SOURCE: SE:895

SOURCE: Anderson, R.E., & Dubinsky, A.J. (2004). Personal selling: Achieving customer satisfaction

and loyalty (pp. 214-215, 222-223). Boston: Houghton Mifflin.

98. D

To address their needs. Before salespeople can decide which selling technique to use to sell goods or services to customers, they need to find out something about the customers. Each customer has a different need and responds differently to various selling techniques. Effective salespeople obtain information about customers in order to determine their needs and to use the most appropriate selling technique to satisfy those needs. Salespeople often make conversation and ask for information in an attempt to find out something about their customers. Salespeople usually do not expect to develop personal relationships with their customers.

SOURCE: SE:046

SOURCE: Futrell, C.M. (2006). Fundamentals of selling: Customers for life through service (9th ed.)

[pp. 258-259, 264-265]. New York: McGraw-Hill/Irwin.

99. D

Recommendations of friends. People often rely heavily on the recommendations of friends, relatives, and associates when choosing travel destinations. When friends share information about good experiences on cruise ships or on escorted tours, they often encourage each other to take similar trips. People may assume that they and their friends have similar likes and dislikes and would enjoy the same travel destinations. People usually do not select a destination if their friends had a bad experience and do not recommend it. People are not motivated to choose travel destinations because of the methods of promotion, actions of competitors, or level of maintenance.

SOURCE: SE:220

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). Marketing for hospitality and tourism (5th ed.)

[p. 24]. Upper Saddle River, NJ: Prentice Hall.

100. B

Executive management. Executive, or top-level, management is composed of all managers who are responsible for the entire company. They must chart the course and provide leadership in order for the business to be successful. Middle management is composed of managers who report to top-level management and who have supervisors who report to them. Supervisory, or first-level, management works directly with employees who carry out the business's routine work.

SOURCE: SM:001

SOURCE: SM LAP 3—Manage This! (Concept of Management)