



Competency-Based
Competitive Events
Written Exam

2025 HS ICDC
Booklet Number _____

Hospitality and Tourism Cluster Exam

HLM - Hotel and Lodging Management Series Event

HTDM - Hospitality Services Team Decision Making Event

HTPS - Hospitality and Tourism Professional Selling 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. A coffee shop offers a “Buy One, Get One Free” deal on lattes every Tuesday. If the regular price of one latte is \$4.50, how much will the customer pay if they purchase two lattes during the deal?
 - A. \$4.50
 - B. \$9.00
 - C. \$0.00
 - D. \$6.75
2. Which of the following is an example of an operational risk:
 - A. Obsolescence
 - B. Inflation
 - C. Crime
 - D. Human errors
3. Accountants must present financial information in a way that is coherent and comprehensible, both in the language used and in the layout and format of the report. This best demonstrates how useful financial information is
 - A. comparable.
 - B. reliable.
 - C. relevant.
 - D. understandable.
4. Directing occurs at every level and in all departments throughout an organization. This means that everyone from the CEO to first-line managers direct their staff. This best describes how directing is
 - A. pervasive.
 - B. continuous.
 - C. people-focused.
 - D. creative.
5. Discouraging information hoarding is a good way to follow which technique for collaborating effectively on a project?
 - A. Be a good team player
 - B. Set goals together
 - C. Carefully choose team members
 - D. Create a safe environment
6. Charlie is a customer service representative for a cell phone company. One day, she answers a call from an angry customer who begins to yell about a problem with their phone. Which of the following should Charlie do in this situation:
 - A. Match the customer's tone
 - B. Allow the customer to vent
 - C. Respond to the customer's angry comments
 - D. Offer her opinion on the issue

7. A famous streetwear brand makes it impossible for customers to buy its items from other retailers. Because of this, the demand for the items is at an all-time high. Which of the following competitive advantages does the brand possess:
- A. Exclusivity
 - B. Pricing
 - C. Network effects
 - D. Scale
8. How can a company reduce its risk of legal trouble?
- A. Promote a culture of ethical leadership
 - B. Encourage employees to reach lofty goals
 - C. Create an environment of fear and intimidation
 - D. Hire leaders that are confident and outgoing
9. Which of the following are job titles that typically fall under the travel and tourism category within the hospitality and tourism industry:
- A. Restaurant owner and event planner
 - B. Travel agent and chef
 - C. Lifeguard and guest service manager
 - D. Tour guide and cruise director
10. Julia, Davion, and Ahmed each purchased a pair of LeBron James' newest limited-edition shoes. Julia wants to wear them only when she is playing basketball, while Davion plans to wear them as a style choice for everyday use. Ahmed, meanwhile, doesn't plan to wear the shoes at all, as he is an avid collector of basketball shoes. When considering what each individual gets out of the shoes, what type of behavioral segmentation is this an example of?
- A. Occasion response
 - B. Loyalty response
 - C. Benefits derived
 - D. Rate of use
11. An airport completes a data study during the holiday season. Which of the following would be the most useful in anticipating potential pain points for the next holiday season:
- A. A study of customer demographics
 - B. A chart of the airport's peak periods of customer traffic
 - C. A financial log consisting of the airport's most expensive flights
 - D. A customer feedback survey on the airport's operations
12. Abel is an executive at a hotel chain. He has received plenty of customer feedback over the years and deliberately considers his customer's needs and expectations when making important business decisions. Abel heavily values
- A. customer voice.
 - B. what others will think of him.
 - C. marketing.
 - D. innovation.

13. Walmart stocks products not only from well-known corporate brands, but also its own brands, too. These brands are owned and sold exclusively by Walmart, which makes them
- A. brand extensions.
 - B. brand cues.
 - C. distributor brands.
 - D. co-brands.
14. What is the opposite of inflation?
- A. Deflation
 - B. Organization
 - C. Affiliation
 - D. Hyperinflation
15. Salma, the social media manager for a restaurant, is notified about a complaint a customer shared on their Facebook page. How should Salma handle this situation?
- A. Report the post so it will be taken down
 - B. Apologize and attempt to fix the problem
 - C. Ignore the post so it doesn't gain more attention
 - D. Deny the customer's complaint
16. Lauren does extensive research on the mayoral candidates for her city before deciding which one she will support. Which key step of considering conflicting viewpoints is Lauren demonstrating in this example?
- A. Examine each viewpoint
 - B. Be patient
 - C. Be respectful
 - D. Be open to new ideas
17. A beach town is a popular tourist attraction due to a high number of cruise ships that stop at the local port. As a result, the town's restaurants, stores, and excursion options receive regular business and employ hundreds of locals. This is an example of how the tourism industry
- A. lowers taxes for locals.
 - B. benefits local economies.
 - C. decreases local expenses.
 - D. leads to less infrastructure development.
18. To increase sales, a company decides to lower a product's price significantly. However, to the company's surprise, customers bought less after the price change. This is an example of the importance of setting _____ prices.
- A. demand
 - B. realistic
 - C. competitive
 - D. flexible

19. Georgina is responsible for training new employees. She has already identified all the relevant knowledge that the new employees must know. Now, she plans to create manuals, record video tutorials, and set up formal training programs to assist the new employees with their learning. This stage of the knowledge transfer process is called knowledge
- A. capture.
 - B. application.
 - C. identification.
 - D. sharing.
20. Which of the following are essential items to include in a first aid kit:
- A. Bandages and batteries
 - B. Gauze and bottled water
 - C. Disposable gloves and antiseptic
 - D. Ice pack and surgical instruments
21. Resort 1 and Resort 2 are competing tourism sites. Both resorts are popular for their luxury accommodations and eco-friendly practices. However, Resort 1 has the edge over Resort 2 in its proximity to outdoor activities, while Resort 2 is more affordable per night. The marketing team at Resort 1 plans to develop a new slogan to help them gain a competitive advantage over Resort 2. Which of the following slogans is most likely to accomplish this goal:
- A. "Live in Luxury"
 - B. "The Outdoors Right Outside Your Door"
 - C. "Comfort You Deserve for Prices You'll Love"
 - D. "Where Comfort Meets Conservation"
22. Which of the following is a drawback of word-of-mouth promotion:
- A. Potential customers tend to take it less seriously than business marketing campaigns.
 - B. It can be very expensive for marketing teams.
 - C. It reaches only a limited audience.
 - D. Customers are more likely to share negative experiences than positive ones.
23. What types of business information can be obtained from customer databases?
- A. Employee salaries
 - B. External market trends
 - C. Competitor pricing strategies
 - D. Purchase history
24. A hotel wants to expand its marketplace offerings. Many vendors submit applications, and Ennis recognizes one as a high school friend. While management is more interested in another, more reputable vendor, Ennis tries to make a case for his friend without revealing their connection. This ethical dilemma involves
- A. bribery.
 - B. a conflict of interest.
 - C. safety.
 - D. fraud.

25. Intermediaries like travel agents, online travel agencies (OTAs), tour operators, and wholesalers connect providers with interested customers. Which of the following types of distribution do these intermediaries fall under:

- A. Multichannel approach
- B. Partnerships
- C. Direct channels
- D. Indirect channels

26. A hotel's utility costs change month to month based on the amount of water and electricity used by guests. Utilities are an example of a _____ operating expense.

- A. variable
- B. semi-variable
- C. random
- D. fixed

27. Which of the following is required for a contract to be legally binding:

- A. It must be a written agreement.
- B. It must be agreed upon in front of a judge.
- C. It must be a verbal agreement.
- D. It must contain the valid signatures of all parties involved.

28. Which of the following is an example of a secondary tourist resource:

- A. Theme park
- B. Ancient ruins
- C. Mountains
- D. Temple

29. Hotel guests may exhibit disorderly behavior, including sexual harassment, violence, and vandalism. Which of the following would be the best way for a hotel manager to get ahead of this issue:

- A. Ensure cybersecurity systems are up to date.
- B. Train staff in de-escalation and conflict resolution.
- C. Conduct background checks on all hotel guests.
- D. Encourage staff to demonstrate a “don’t back down” mindset.

30. To ensure accurate tracking of invoices for guest billing, hotel managers should

- A. allow team members to choose which tracking system works best for them.
- B. store invoices in physical storage systems rather than digital ones.
- C. compare invoice records with bank statements to verify payment accuracy.
- D. track invoices in a log using paper and pen.

31. Lois has been working at a video studio in her hometown but decides to quit and move to New York City, where she believes there will be better job opportunities. Which type of unemployment does Lois fall into?

- A. Societal
- B. Frictional
- C. Structural
- D. Technological

32. Jerry's Table & Grill prioritizes a separation of duties with its finances. For example, Jerry, the restaurant's owner, is responsible for depositing the restaurant's cash in the bank while Sandria, a manager, keeps track of the accounting journals. This situation demonstrates a(n)
- A. debt funding.
 - B. credit card restriction.
 - C. internal control.
 - D. external control.
33. Which of the following is a way in which a business can successfully anticipate its customers' needs:
- A. Ignoring online feedback
 - B. Keeping up with trends
 - C. Prioritizing business success
 - D. Being reactive
34. Which of the following is a benefit of exceeding customer expectations:
- A. Higher employee salaries
 - B. Better product quality
 - C. Customer loyalty
 - D. Lower hotel rates
35. Recent trends show that more people are bringing their dogs with them on vacation. What can the tourism industry do to accommodate this travel trend?
- A. Target marketing campaigns at international travelers.
 - B. Promote eco-friendly travel options.
 - C. Increase the number of pet-friendly hotels.
 - D. Offer all-inclusive packages.
36. Sydney's resume is three pages long and contains her contact information, professional summary, education, work experience, skills, and awards. The information is organized cohesively, and she has had it proofread. How could Sydney improve her resume?
- A. Reorganize her resume to be more cohesive
 - B. Trim her resume to a single page
 - C. Ensure that there are no action verbs throughout
 - D. Add a section for letters of recommendation
37. After making a purchase using the company credit card, an employee receives an email from the credit card company asking them to confirm their credit card details to protect their account. When the employee hits reply, they notice the company's email address is different from past emails. What should the employee do?
- A. Respond and confirm the credit card details
 - B. Forward the email to their manager
 - C. Click on links in the email
 - D. Report the email to the IT department as a scam

38. Which of the following is a factor associated with positive customer experiences:
- A. Less personalized experiences
 - B. Quick response times
 - C. Reactive problem solving
 - D. Use of complex technological systems
39. Desmond decides to take his family on a trip to the Gettysburg battlefield and visit the accompanying museum. What type of tourism product is the Gettysburg experience?
- A. Accommodation
 - B. Transportation
 - C. Attraction
 - D. Event
40. Wesley works in the tech department at a store. One day, he overhears a customer telling their friend that although they need new headphones, they cannot afford many of the options. Wesley approaches the customer, inquires about the type of headphones they want, and successfully matches them with the perfect pair within their budget. This example shows the importance of _____ in selling.
- A. product history
 - B. product knowledge
 - C. enthusiasm
 - D. discounts
41. Which of the following is an appropriate reason to use a line graph:
- A. To display dozens of data points
 - B. To illustrate changes over time
 - C. To show data points that are not continuous
 - D. To present categorical data
42. Lucy is a project manager tasked with submitting a deliverable by the end of the week. She knows that the next few days will be insufficient for the team to complete the project to their standard, but she is hesitant to ask for an extension due to pressure from stakeholders. If Lucy is unable to ask for an extension, which of the following will directly suffer as a result:
- A. The deliverable
 - B. Her boss
 - C. The stakeholders
 - D. The company
43. Which of the following is the best way an airline can utilize email to improve the customer experience:
- A. Send day-of-flight updates to customers
 - B. Send a daily newsletter to unsubscribed customers
 - C. Send booking reminders to customers a month in advance
 - D. Send unsubscribed customers as many promotional offers as possible

44. Which of the following is a way in which salespeople, rather than a business, benefit from building and maintaining a reliable customer base:
- A. Increased earnings
 - B. Higher customer turnover
 - C. Reduced selling costs
 - D. More word-of-mouth advertising
45. Hunter will deliver a presentation at a board meeting on Friday. It's Tuesday, and Hunter has not yet started preparing for his presentation. He plans to attend his daughter's soccer match on Wednesday evening and spend all night Thursday working on his presentation. This is an example of
- A. creating a to-do list.
 - B. activity-based costing.
 - C. procrastination.
 - D. stress.
46. The JCZL company's cash flow statement for the fiscal year has a cash flow from operations of \$90 million and capital expenditures of \$50 million. What is the company's free cash flow?
- A. \$50 million
 - B. \$140 million
 - C. \$70 million
 - D. \$40 million
47. How does the increasing emphasis on mobile-friendly services benefit the hospitality and tourism industry?
- A. It creates a higher workload for businesses.
 - B. It improves customer experience.
 - C. It leads to lower customer engagement.
 - D. It leads to more complex processes.
48. Which of the following is a reason why a business may choose a contraction product-mix strategy:
- A. The product needs to keep up with consumer preferences.
 - B. The product has lost its appeal to customers.
 - C. The company wants to appeal to a new market.
 - D. The company wants to spread risk over a wider area.
49. The front desk agent at a tropical resort offers a guest an ocean-view suite for an additional \$50 per night. The guest is interested but unsure whether it's worth the cost. What is the best way for the agent to proceed to enhance the customer's experience and maximize the likelihood of an upgrade?
- A. Suggest the upgrade again but provide no additional information
 - B. Emphasize the added value of the suite, such as exclusive amenities and enhanced relaxation
 - C. Drop the price of the upgrade to \$25 per night to encourage the guest to accept
 - D. Accept the guest's hesitation and move forward without pursuing the upgrade further

50. Which of the following is an example of a regulatory change that can impact the hospitality and tourism industry:

- A. Changing customer preferences
- B. Adoption of AI in hotels
- C. Evolving health and safety standards
- D. Economic fluctuations

51. The balance sheet for Benny's Fast Food Palace indicates that it has \$15 billion in assets and \$4 billion in liabilities. Based on this information, what is the owner's equity?

- A. \$11 billion
- B. \$60 billion
- C. \$19 billion
- D. \$30 billion

52. Which of the following statements describes the publicity element of the promotional mix:

- A. It encourages short-term sales and develops a brand image.
- B. It has a low cost per contact and boosts repeat purchases.
- C. It is not paid for by the benefitting company or individual.
- D. It is all about building relationships with customers.

53. Valerie is the manager of a restaurant and notices that her staff is struggling to keep up during peak hours despite their best efforts. What action could Valerie take to resolve this issue?

- A. Create a rewards system to incentivize her employees
- B. Offer discounts to customers experiencing slow service
- C. Demand her staff work harder
- D. Hire additional staff

54. A company's union employees threaten to go on strike due to unresolved wage negotiations. As a result, the company's management closes its factory and prevents employees from entering the building. This scenario describes a(n)

- A. lockout.
- B. boycott.
- C. arbitration.
- D. concession.

55. If you're adaptable, you can generate unique ideas, approaches, and solutions. In other words, you're

- A. objective.
- B. persistent.
- C. creative.
- D. empathetic.

56. Brady, an accountant, reports to his company's chief financial officer. However, because he is working on a budget for a particular product line, he also reports to the head of the product line for that assignment. This scenario best describes which of the following organizational designs:

- A. Functional
- B. Authority
- C. Matrix
- D. Divisional

57. After brainstorming a list of values, what should you do next?

- A. Group similar values together.
- B. Finalize your list and prevent changes.
- C. Eliminate any similar values.
- D. See how you compare to others.

58. Robert sells tourism packages. One day, while on the phone with an interested customer, he learns that the customer recently attended a Miami Dolphins game. How should Robert respond to best establish a positive relationship with the customer?

- A. Steer the conversation back to tourism as quickly as possible
- B. Conclude that the customer is uninterested and end the conversation
- C. Ask a few follow-up questions about the game
- D. Express his opinion that going to the game was a waste of money

59. Mookie is a customer service manager on a cruise ship. One day, he is approached by an upset customer who complains about their excursion being canceled due to dangerous weather conditions. According to the HEART principle for assisting unhappy customers, what is the first step Mookie should take in this situation?

- A. Apologize and express regret for the situation.
- B. Acknowledge their emotions and empathize with them.
- C. Actively listen to understand their concerns.
- D. Assess the situation and take steps to resolve the problem.

60. How have advancements in technology impacted the tourism industry?

- A. It is more difficult for customers to book activities.
- B. There is less personalization of the travel experience.
- C. Customers have lower expectations of their vacations.
- D. Travelers can easily book flights and hotels online.

61. Consumer expectations are _____ all the time.

- A. growing higher
- B. stagnating
- C. staying the same
- D. decreasing

62. Which of the following are traits one must have to be successful in hospitality and tourism:

- A. Empathy and a low stress tolerance
- B. Teamwork and tech illiteracy
- C. Attention to detail and inflexibility
- D. Communication and people skills

63. One day, Xavier notices he is unable to log into his credit card account. He then receives a call from his credit card company asking about purchases he claims he never made. When reviewing his statements, he finds all sorts of transactions he did not make. Xavier is a victim of
- A. ransomware.
 - B. identity theft.
 - C. phishing.
 - D. bank errors.
64. Which of the following is an example of an intangible product:
- A. Smartphone
 - B. Winter clothing
 - C. Sightseeing tour
 - D. Groceries
65. For the month of July, an organization's total processing fees were \$6,115.20 and its total sales were \$106,392.68. Based on this information, what is the organization's effective rate for credit card processing?
- A. 5.17%
 - B. 6.32%
 - C. 5.75%
 - D. 8.62%
66. Harrison is giving directions to his team regarding a new shipping procedure. His team is clearly paying attention but after he is finished, he notices them exchange looks of confusion with one another. How should Harrison respond?
- A. End the meeting and begin the shipping procedure
 - B. Encourage his team to write down questions for him to review throughout the day
 - C. Offer his team the opportunity to ask questions
 - D. Reprimand his team for not paying attention
67. You cannot possess initiative unless you also possess
- A. diplomacy and independence.
 - B. independence and a positive attitude.
 - C. a positive attitude and hesitation.
 - D. hesitation and diplomacy.
68. Janelle noticed fraudulent purchases on her credit card statement. She immediately contacted her credit card issuer and had the transactions removed, and she asked them to send her a new card. What additional action should Janelle take?
- A. Change her passwords and update her security settings
 - B. Store her new credit card number in the Notes app on her phone
 - C. Click on the links in suspicious emails to identify the perpetrator
 - D. Change credit card companies

69. Successful companies view the numbers on their budgets as estimates and accommodate variances by adjusting their budgets when necessary. This best demonstrates how effective budgets should be
- A. realistic.
 - B. clearly communicated.
 - C. well planned.
 - D. flexible.
70. A company stores flammable material inside its warehouse. Accepting the risk, the company installs a state-of-the-art water sprinkler system inside the warehouse to minimize potential damage from a fire. Which of the following types of risk control is the company implementing:
- A. Avoidance
 - B. Duplication
 - C. Loss reduction
 - D. Separation
71. A pizza shop promises delivery in 20 minutes or less from when the order is processed. If the pizza shop is unable to follow through with its promise, then the customer receives the pizza free of charge. This is called a
- A. free giveaway.
 - B. service guarantee.
 - C. scam.
 - D. limited-time offer.
72. Which of the following features of presentation software is most effective when giving an oral report:
- A. Using bullet points to summarize key information
 - B. Adding fun and decorative animations to slides
 - C. Incorporating charts and graphs without explanations
 - D. Including detailed paragraphs on each slide
73. The healthcare industry is always looking for opportunities to make progress, whether by introducing new drugs, creating new surgical techniques, or gaining new knowledge about illnesses. This best demonstrates quality
- A. assurance.
 - B. improvement.
 - C. inspection.
 - D. control.
74. Froot Loops is one of Kellogg's most popular cereals. Each box features Toucan Sam, the cartoon mascot, along with the logo showcasing the circular-shaped cereal bites. In this scenario, which of the following is considered the brand name:
- A. Kellogg's
 - B. Toucan Sam
 - C. The logo
 - D. Froot Loops

75. Which of the following is a situation in which employees should stay in an office building:

- A. Tornado
- B. Indoor chemical spill
- C. Gas leak
- D. Fire

76. Which of the following cybersecurity threats is currently considered one of the most dangerous:

- A. Ransomware
- B. Insider threats
- C. Social engineering
- D. Cloud vulnerabilities

77. A hotel guest complained to the manager that the beds were unmade, there were no towels, and the trash had not been taken out when they arrived at their room. Who should the hotel manager address this issue with?

- A. Front desk
- B. Accounting
- C. Maintenance
- D. Housekeeping

78. An advertisement shows a coach talking to their basketball team during a timeout. One player is drinking water, while another player is drinking a sports drink. The coach decides to put the player drinking the sports drink into the game, while the other is sent to the bench. The player with the sports drink is then shown making the game-winning basket. The advertisement is most likely to be criticized because it

- A. plays upon people's fears.
- B. is deceptive.
- C. is offensive.
- D. has limited abilities.

79. Which of the following scenarios best illustrates a key characteristic of service marketing:

- A. A company offers a one-size-fits-all product with no customer interaction.
- B. A customer purchases a software subscription that includes 24/7 customer support.
- C. A retailer sells a physical product that can be returned and resold if unused.
- D. A customer buys a product based on its shelf-life and resale value.

80. During a staff meeting, Brett shares an idea about improving the flow of service. His manager thanks Brett for his participation but respectfully points out a few reasons why the idea may not be feasible. In response, Brett storms out of the meeting. Brett needs to improve on

- A. receiving feedback without getting angry or defensive.
- B. paying attention to speakers.
- C. exhibiting confidence.
- D. allowing everyone to talk without interruption.

81. Hospitality is a sector that creates a lot of waste. How could a hotel manager promote environmentally friendly practices that reduce the business's carbon footprint?
- A. Invest in higher quality materials to reduce waste
 - B. Provide complimentary bottled water in all rooms
 - C. Increase the use of single-use plastics for convenience
 - D. Encourage guests to always keep lights and appliances on
82. Which of the following is an example of primary hospitality and tourism market information:
- A. Government tourism statistics
 - B. Academic journal articles
 - C. Hotel guest interviews
 - D. Market research reports
83. A hotel offers a \$100 gift certificate for its spa services. A guest redeemed the certificate for a \$120 massage and paid the remaining \$20 balance with their credit card. A week later, the guest claimed they were charged the full \$120. As the hotel's customer service manager, what is the most appropriate course of action?
- A. Refund the \$120 immediately to avoid conflict and ensure customer satisfaction.
 - B. Consult the spa staff to verify the charges before responding to the guest.
 - C. Explain that it was the hotel's mistake but the customer still must pay the full charge.
 - D. Apologize to the guest and offer a discount of \$20 on their next service.
84. What is the mean of the data set [7, 4, 8, 5, 9, 6, 3]?
- A. 5
 - B. 6
 - C. 3
 - D. 9
85. Which of the following is a positive moment of truth:
- A. A sales associate receives a more substantial bonus than usual.
 - B. A business tells its staff that it has tripled its annual profit.
 - C. A barista remembers a customer's name and order from a previous visit.
 - D. A manufacturer develops a new way to create high-quality products.
86. Rodrigo makes a concerted effort to keep his desk tidy and his electronic files arranged in specific folders. Rodrigo is helping his company achieve its goals by
- A. showing up on time.
 - B. staying organized.
 - C. observing safety standards.
 - D. demonstrating thorough product knowledge.
87. When traveling internationally, Amanda expects that her hotel will protect against unwarranted intrusions. This describes how customers have the right to _____ in the hospitality and tourism industry.
- A. privacy
 - B. fair treatment
 - C. autonomy
 - D. a refund

88. A shoe company keeps a close eye on its products currently on the market by tracking sales and customer feedback. This describes what phase of the product/service management process?

- A. Monitoring existing products
- B. Dealing with product returns
- C. Developing new products
- D. Eliminating weak products

89. Which of the following is a strategy for selecting vendors in tourism that involves comparing current vendors with alternatives to determine each vendor's value proposition:

- A. Customer feedback analysis
- B. Process improvement
- C. Benchmarking
- D. Cost optimization

90. Ann-Marie is the digital marketing manager for a popular resort. She recently found the median age of the company's customers in its customer database and plans to use that information to better tailor the company's marketing efforts to its audience. Ann-Marie is using _____ to aid in decision-making.

- A. training data
- B. customer feedback
- C. coding
- D. descriptive statistics

91. Which of the following scenarios best demonstrates how promotion reminds customers:

- A. A food manufacturer shares a new dinner recipe on its website.
- B. An electronics company shares details about a new product it is releasing.
- C. A pet food company offers coupons to get customers to buy its products.
- D. A soda company buys billboard space in a busy metropolitan area.

92. A hotel experiences a power outage during a storm and is forced to close for a few days. The hotel's insurance will cover the hotel's lost income and expenses under its _____ obligation.

- A. alcohol license
- B. workers' compensation
- C. business interruption
- D. general liability

93. Which of the following is an example of an external factor that influences a business's selling policies:

- A. Customer needs and wants
- B. Human and financial resources
- C. Research and development efforts
- D. Corporate objectives and goals

94. A tech company plans to launch a new line of smart home devices. To ensure the product meets its customers' needs and expectations, the company creates an online survey. Which of the following is the best way to administer the survey:
- A. Invite customers for in-person interviews
 - B. Call customers to conduct the survey
 - C. Email the survey to customers
 - D. Invite customers to a discussion group
95. Nora, a restaurant owner, analyzes the demographics of her guests and segments them into different groups to determine who she should target with her marketing. She deduces that many of her guests are businesspeople. Which of the following would be the most effective marketing method considering this new information:
- A. Investing in TV and radio advertisements
 - B. Creating a kids' menu for younger guests
 - C. Lowering prices to increase the restaurant's appeal to students
 - D. Mailing coupons to local businesses to distribute to their employees
96. Which of the following is considered a special need that a hotel must accommodate:
- A. Roll-in shower
 - B. New set of towels
 - C. Late check-out time
 - D. Wake-up call
97. A popular hotel chain wants to conduct an environmental scan. What should it do first?
- A. Analyze important trends.
 - B. Determine who will participate in it.
 - C. Select issues to act on.
 - D. Gather information with a survey.
98. Which of the following degrees would be best for laying a foundation for a business career:
- A. English
 - B. Biology
 - C. History
 - D. Economics
99. A resort manager wants to reduce the resort's water usage. What is the most effective strategy to address this issue?
- A. Invest in a new, luxurious fountain for the lobby
 - B. Upgrade the showers to include a steam room feature
 - C. Lower the frequency of plant watering
 - D. Invest in water-efficient appliances throughout the resort

100. Valerie is a hotel manager dealing with a high rate of staff absenteeism. The issue has resulted in delayed room service, frequent equipment breakdowns, and inventory discrepancies. This example best illustrates how a high rate of staff absenteeism can pose a risk to a hotel's

- A. finances.
- B. future.
- C. operations.
- D. safety.



KEY

2025 HS ICDC

Hospitality and Tourism Cluster Exam

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

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1. A

\$4.50. A “Buy One, Get One Free” deal means that if the customer pays full price for one latte (\$4.50), then they will get the next latte for free (\$0.00), meaning the total cost for the two lattes is \$4.50. \$6.75 would be the total cost for two lattes during a “Buy One, Get One Half-Off” deal. \$9.00 would be the total cost if there was no deal offered. \$0.00 would mean the customer received both lattes for free.

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

SOURCE: Olszewska, A. (2023, January 2). *BOGO promotions explained: Why buy one get one deals work and how to use them*. Retrieved November 18, 2024, from <https://www.voucherify.io/blog/bogo-promotions-explained-bogo-meaning>

2. D

Human errors. Operational risks are the possible events and situations that can result from employee actions, core processes, and daily business activities. Unfortunately, people and processes aren't perfect—as long as your business deals with people, you'll always have some degree of operational risk. Human errors include those made by improperly trained, incompetent, or careless employees. Inflation is a type of external financial risk. Obsolescence is a type of strategic risk. Crime is a type of hazard risk.

SOURCE: EC:011 Determine factors affecting business risk

SOURCE: LAP-EC-911—Lose, Win, or Draw (Business Risk)

3. D

Understandable. Financial information must be understandable, not just to the people who prepare it but to everyone who needs to use it. Accountants and others in the field of finance may have in-depth knowledge of financial data, but their reports will be seen by managers, employees, investors, etc., who may not be as skilled in the finer points of financial interpretation. For this reason, useful financial information is presented in ways that are understandable, both in the language used and in the layout and format of the report. This scenario does not demonstrate how useful financial information is relevant, reliable, or comparable.

SOURCE: FI:579 Describe the need for financial information

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

4. A

Pervasive. Directing is the management function of providing guidance to workers and work projects to achieve goals. The directing management function has certain characteristics no matter what situation, including that it is pervasive. This means that it happens at every level and in every department throughout the organization. Everyone from the CEO to first-line managers direct their staff. This scenario does not demonstrate how directing is people-focused, creative, or continuous.

SOURCE: SM:066 Discuss managerial considerations in directing

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

5. A

Be a good team player. Being a good team player is an important way to collaborate effectively. Being a good team player involves encouraging team spirit and discouraging information hoarding; instead, you should ask team members to share their knowledge and resources with each other for the benefit of the project. It is a good idea to set goals together, create a safe environment, and carefully choose team members, but those techniques are not directly related to information hoarding.

SOURCE: EI:130 Collaborate with others

SOURCE: LAP-EI-130—Genius Is a Team Sport (Collaborating With Others)

6. B

Allow the customer to vent. In this situation, Charlie should allow the angry customer to vent and express their feelings. Doing so will release some of their frustration and may help them calm down, and it demonstrates that their concerns are being heard. Charlie should not match the customer's tone or respond to their angry comments, as it could lead to conflict and make the customer more upset. Charlie should remain neutral on the call and not offer her opinion on the issue.

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

SOURCE: Cerdeira, C. (2022, December 22). *12 tips for conflict resolution to create excellent customer service*. Retrieved November 20, 2024, from <https://www.talkdesk.com/blog/12-conflict-resolution-tips-for-excellent-customer-service>

7. A

Exclusivity. The brand's exclusivity is its competitive advantage. Because the items are sold at only a few exclusive locations under the brand name, the demand for them will always be extraordinarily high as the supply continues to be extraordinarily limited. A competitive advantage in scale would more directly apply to large companies that generate massive amounts of revenue and dominate their industries (major supermarkets like Walmart, Kroger, etc.). A competitive advantage in network effects would more directly apply to instances in which society changes the way they function to where there is no other choice but to purchase the product (Apple iPhone, Venmo, etc.). A competitive advantage in pricing would more directly apply to a company that is known for selling affordable goods.

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

SOURCE: Bond, C. (2021, November 9). *6 competitive advantage examples from the real world*. Retrieved December 2, 2024, from <https://www.crayon.co/blog/competitive-advantage-examples>

8. A

Promote a culture of ethical leadership. Ethical leadership helps organizations avoid legal trouble because ethics generally align with legal behavior. Encouraging employees to reach lofty goals does not necessarily reduce the risk of legal trouble; in fact, it can increase the risk if the pressure to succeed supersedes ethical behavior. Confident, outgoing leaders do not necessarily reduce the risk of legal trouble if they are not leading ethically. Creating an environment of fear and intimidation does not necessarily reduce the risk of legal trouble.

SOURCE: EI:131 Explain the nature of ethical leadership

SOURCE: LAP-EI-131—Be the Change (Nature of Ethical Leadership)

9. D

Tour guide and cruise director. Common job titles that typically fall under the travel and tourism category within the hospitality and tourism industry include tour guides, cruise directors, travel agents, event planners, reservationists, and director of tourism development, to name a few. Chef and restaurant owner are job titles that commonly fall under the restaurants category within the hospitality and tourism industry. Lifeguard is a job title that falls under the recreation, amusements, and attractions category. Guest service manager is a job title that falls under the lodging category.

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

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

10. C

Benefits derived. Benefits derived refers to the same product being purchased by customers to satisfy different needs and wants. Julia, Davion, and Ahmed each have different needs and wants from the shoes. Classifying customers on the basis of benefits they desire from products helps marketers provide the durability and quality demanded by the public. Rate of use refers to the usage rate of a product, which classifies customers as heavy, moderate, light, or nonusers of a product. Loyalty response refers to customers who buy a product because they are loyal to that product or a business. Occasion response refers to customers purchasing a product for a special occasion (especially for an event such as a wedding, birthday, graduation, etc.), which helps marketers predict what special events result in demand for products. This is not an example of rate of use, loyalty response, or occasion response.

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

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

11. B

A chart of the airport's peak periods of customer traffic. A chart of the airport's peak periods of customer traffic can help airports ensure they are adequately staffed during those periods the next year, improving its efficiency. A study of customer demographics, a customer feedback survey on the airport's operations, and a financial log consisting of the airport's most expensive flights will provide little assistance in anticipating pain points for the next holiday season.

SOURCE: NF:151 Demonstrate basic data mining techniques

SOURCE: Mageau, J. (2023, February 28). *New quarterly insights identify travel pain points and opportunities to improve experiences*. Retrieved December 12, 2024, from <https://www.ustravel.org/news/new-quarterly-insights-identify-travel-pain-points-opportunities-improve-experiences>

12. A

Customer voice. Customer voice is a term that describes customers' feedback about their experiences with and expectations of a product or service. Placing heavy value on customer voice means focusing on customer needs, expectations, understandings, and product improvement. Abel is not placing heavy value on what others will think of him personally, but more specifically, how the hotels' customers will feel about the service they receive. There is no indication that Abel heavily values marketing and innovation during the decision-making process.

SOURCE: PM:317 Describe the role of customer voice in hospitality and tourism branding

SOURCE: Qualtrics. (2024). *What is voice of the customer (VoC)*? Retrieved December 11, 2024, from <https://www.qualtrics.com/experience-management/customer/what-is-voice-of-customer/>

13. C

Distributor brands. Distributor brands are owned by the retailer or wholesaler that sells the brands, rather than the manufacturer. You can see distributor's brands at large grocery stores, which often produce their own lines. One example is Walmart whose Great Value brand is the largest food brand in the U.S. A brand extension is the brand strategy of using successful brands to introduce new products. Co-branding is a brand strategy that involves businesses joining forces for mutual benefit. Brand cues are simple reminders of the brand's identity and values.

SOURCE: PM:206 Explain the nature of corporate branding

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

14. A

Deflation. The opposite of inflation is deflation, or a steady decline in the general price levels of goods and services over time. While deflation might seem desirable, it's actually bad for the economy as a whole. When general price levels fall, companies often have to keep lowering and lowering their own prices to stay competitive. This can lead to falling profits, reduced output, layoffs, and even business failures. Eventually, decreased demand and higher unemployment can lead to an economic depression. The opposite of inflation is not hyperinflation, organization, or affiliation.

SOURCE: EC:083 Describe the economic impact of inflation on business

SOURCE: LAP-EC-083—Up, Up, and Away (Inflation)

15. B

Apologize and attempt to fix the problem. In this situation, Salma should respond to the customer by apologizing for their poor experience and attempting to fix the problem. Trying to appease the customer and repair the relationship shows strong customer service and demonstrates to others that the restaurant values its customers. Ignoring the post, denying the customer's complaint, or reporting the post will not improve relationships with customers and will make the restaurant appear unsympathetic or dishonest.

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

SOURCE: Horton, C. (2024). *How to respond to negative reviews online*. Retrieved November 20, 2024, from <https://www.brightlocal.com/learn/review-management/profile-management/how-to-respond-to-negative-reviews>

16. A

Examine each viewpoint. Thoroughly examining each viewpoint means doing your research on the different sides so that you can make an informed decision on the topic. By researching the different candidates, Lauren is well-informed and capable of making a responsible voting decision. There is no indication that Lauren is demonstrating patience, respect, or an openness to new ideas while considering conflicting viewpoints.

SOURCE: EI:136 Consider conflicting viewpoints

SOURCE: LAP-EI-136—Pick a Side (Considering Conflicting Viewpoints)

17. B

Benefits local economies. The scenario is an example of how the tourism industry benefits local economies because it brings regular business to the town's restaurants, stores, and excursion options. The local businesses receiving regular customers and providing jobs to the community positively impact its economy. This is not an example of how the tourism industry lowers taxes for locals, decreases local expenses, or leads to less infrastructure development.

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

SOURCE: Ejim, E. (2024, May 16). *What is the relationship between tourism and economic development?* Retrieved November 21, 2024, from <https://www.smartcapitalmind.com/what-is-the-relationship-between-tourism-and-economic-development.htm>

18. B

Realistic. Believe it or not, prices can be set too low. Many businesses have found that if their prices are not what customers expect to pay, even if that price is lower than expected, customers will not buy. Customers associate price with quality—if the price is high, the quality is high; if the price is low, the quality is low. That's why it is important for businesses to set realistic prices. This is not an example of the importance of setting flexible or competitive prices. Flexible prices refer to pricing that can change based on circumstances. Competitive prices are set relative to competitors. Demand price refers to the maximum price buyers are willing and able to pay for a product.

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

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

19. A

Capture. The knowledge capture stage is when the identified knowledge is documented or recorded. This can include creating manuals, recording video tutorials, or setting up formal training programs. In this example, knowledge identification has already occurred. Knowledge sharing occurs after knowledge capture and entails sharing the knowledge with the relevant individuals. Knowledge application occurs last and is when the transferred knowledge is applied.

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

SOURCE: IMD. (2025, January). *8 successful leadership transition knowledge transfer strategies*. Retrieved February 2, 2025, from <https://www.imd.org/blog/leadership/knowledge-transfer/>

20. C

Disposable gloves and antiseptic. It is important to keep first aid kits on hand, as they allow you to treat minor injuries like scraped knees, prevent infections, and—in more serious instances—keep someone alive until medical professionals arrive. Essential items to include in a first aid kit include disposable gloves, antiseptic, gauze, ice packs, bandages, tape, and over-the-counter pain relievers, to name a few. Bottled water, surgical instruments, and batteries are not typically included in first aid kits.

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

SOURCE: Scardelli, L. (2023, December 18). *First aid kit: Items to include and not forget*. Retrieved December 16, 2024, from <https://www.verywellhealth.com/first-aid-kit-8399671>

21. B

“The Outdoors Right Outside Your Door.” This slogan is most likely to help Resort 1 gain a competitive advantage over Resort 2 since it capitalizes on Resort 1’s proximity to outdoor activities, which is an area that is difficult for Resort 2 to compete in due to its inconvenient location. “Where Comfort Meets Conservation” highlights Resort 1’s eco-friendly practices, and “Live in Luxury” highlights Resort 1’s luxury accommodations. However, these slogans do not separate them from Resort 2 since they, too, use eco-friendly practices and promote luxury accommodations. “Comfort You Deserve for Prices You’ll Love” highlights Resort 1’s affordability. However, it would be unwise for Resort 1 to focus its slogan on affordability since Resort 2 is more affordable per night. Consequently, choosing this slogan would result in Resort 2 gaining a competitive advantage over Resort 1.

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

SOURCE: SiteMinder. (2024, March 6). *Hotel competitor analysis: A complete guide*. Retrieved February 3, 2025, from <https://www.siteminder.com/r/hotel-competitor-analysis/>

22. D

Customers are more likely to share negative experiences than positive ones. Word-of-mouth promotion is very powerful; however, businesses must keep in mind that this information can also be negative, as customers are more likely to share negative experiences than positive ones. Word-of-mouth promotion is free. There is no limit to the audience word-of-mouth promotion can reach. Potential customers tend to take word-of-mouth promotion more seriously than they do business marketing campaigns.

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

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

23. D

Purchase history. Customer databases can provide a wealth of business information to help companies understand their customers better and make informed decisions. Purchase history is a common type of business information that can be obtained from customer databases. It includes products or services customers purchased, transaction amounts, and frequency of purchases, among other metrics. External market trends, employee salaries, and competitor pricing strategies are not commonly found in customer databases, as they do not focus on internal customer data.

SOURCE: NF:284 Obtain business information from customer databases

SOURCE: GoCardless. (2022, May). *What is a customer database?* Retrieved December 12, 2024, from <https://gocardless.com/en-us/guides/posts/what-is-a-customer-database>

24. B

A conflict of interest. A conflict of interest occurs when an individual's personal interests could compromise their judgment, decisions, or actions in their professional role. In this scenario, Ennis's personal interests are compromising his judgment, decisions, and actions in his professional role. Bribery occurs when a person offers money or gifts to persuade another person to do something wrong or against their duty. Ennis is not a victim of bribery. The dilemma does not involve the safety of himself or those he works with. Finally, fraud is a crime that involves deceiving people to obtain money or property. There is no indication that fraud is occurring here.

SOURCE: OP:246 Discuss the importance of utilizing ethical purchasing methods

SOURCE: LAP-OP-246—Quid Pro No (Ethics in Purchasing)

25. D

Indirect channels. Indirect distribution channels involve intermediaries who act as a bridge between service providers and customers. Direct distribution channels require service providers to sell their offerings directly to customers without intermediaries. Partnerships occur when there is an agreement between two or more businesses to work together for the better of both companies. A multichannel approach would include both indirect and direct channels such as a hotel's website or reservation system.

SOURCE: OP:522 Explain the nature and scope of distribution

SOURCE: Lacalle, E. (2023, January 3). *The perfect guide to hotel distribution channel strategy.* Retrieved December 11, 2024, from <https://www.mews.com/en/blog/hotel-distribution-channels>

26. A

Variable. A variable operating expense is an expense that fluctuates depending on the level of production and sales. Utilities are an example of a variable operating expense because they change based on the level of activity and the amount of water and electricity used by guests. A semi-variable operating expense is a combination of fixed and variable costs. They increase with production but still occur even when the production is zero. A fixed operating expense remains constant regardless of the level of output. Finally, a random operating expense is an expense that is unusual and unexpected (think maintenance-related issues).

SOURCE: OP:024 Explain the nature of overhead/operating costs

SOURCE: LAP-OP-024—Watch Your (Over) Head (Overhead/Operating Costs)

27. D

It must contain the valid signatures of all parties involved. The two main requirements for a legally binding contract include the valid signatures of all parties involved and an outline of all the duties and responsibilities each has to the other(s). A legally binding agreement can be either written or verbal and does not have to be agreed upon in front of a judge.

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

SOURCE: Axiom. (2024). *Legally binding documents: What you need to know*. Retrieved December 12, 2024, from <https://www.axiomlaw.com/guides/legally-binding-document>

28. A

Theme park. Secondary tourist resources are locations or attractions that were specifically built to attract tourists. These include hotels, restaurants, and theme parks. Primary tourist resources are locations or attractions that did not originally exist for tourism purposes. These include mountains, temples, ancient ruins, and many other natural and human-made structures.

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

SOURCE: Burdett, M. (2017, November 7). *Primary and secondary tourist resources*. Retrieved December 11, 2024, from <https://geographycasestudy.com/primary-and-secondary-tourist-resources>

29. B

Train staff in de-escalation and conflict resolution. Practicing de-escalation is the best way to keep a conflict from getting worse. Encouraging staff to demonstrate a “don’t back down” mindset will only make the situation worse. Ensuring cybersecurity systems are up to date will not aid in addressing the behavior of hotel guests. It is not feasible to conduct background checks on all hotel guests due to costs, the volume of guests, and the time it takes to complete background check.

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

SOURCE: Roar. (2024). *5 common security issues in the hospitality industry*. Retrieved December 11, 2024, from <https://www.roarforgood.com/blog/common-security-issues-in-the-hospitality-industry/>

30. C

Compare invoice records with bank statements to verify payment accuracy. This method will prevent errors or discrepancies in the invoice records. Storing invoices in a physical storage system rather than a digital one makes them more vulnerable to security threats. Tracking invoices in a log using paper and pen increases the chance of mistakes as manual methods are often less reliable than digital ones. The system for tracking invoices should be centralized and consistent throughout the company. Allowing team members to choose whichever system works best for them can lead to confusion, duplicated efforts, and overall inaccurate invoice management.

SOURCE: OP:184 Track invoices

SOURCE: Brex. (2024). *15 tips on how to keep track of invoices and payments*. Retrieved December 11, 2024, from <https://www.brex.com/spend-trends/accounting/how-to-keep-track-of-invoices-and-payments>

31. B

Frictional. Frictional unemployment occurs when a person transitions between jobs, quits their job to go back to college, or moves to a new city to look for better job opportunities. Structural unemployment exists when there is a mismatch between available workers and available jobs. Technological unemployment is a kind of structural unemployment that occurs when advances in technology eliminate certain job positions. Societal unemployment is not a type of unemployment.

SOURCE: EC:082 Discuss the impact of a nation's unemployment rates

SOURCE: LAP-EC-082—Help Wanted? (Impact of Unemployment Rates)

32. C

Internal control. Internal accounting controls are policies and procedures that are created and enforced to ensure the reliability of accounting systems. Examples of internal controls include separations of duties, access control/authorization, documentation, physical audits, risk assessments, and compliance with laws and regulations. Separation of duties is the dividing of accounting responsibilities so that no one person oversees the lifespan of a single financial transaction. By separating the duties that pertain to Jerry's Table & Grill's finances, Jerry is safeguarding his restaurant from theft, fraud, and other financial issues. Businesses do not develop credit card restrictions. External controls also impact business operations, but the source of external controls is outside the business, rather than within the business. Debt funding is using money that is lent by a bank or other institution to finance a project.

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

SOURCE: Kenton, W. (2024, June 18). *Internal controls: Definition, types, and importance*. Retrieved November 26, 2024, from <https://www.investopedia.com/terms/i/internalcontrols.asp>

33. B

Keeping up with trends. One of the best ways for a business to successfully anticipate its customers' needs is to keep up with trends. Customers' needs and expectations are constantly changing, so businesses that monitor industry reports, influencer blogs, competition research, technologies, and experts' analyses put themselves in prime position to successfully anticipate their customers' needs. Successfully anticipating customers' needs requires businesses to be proactive (rather than reactive), prioritize customer success, and welcome online feedback.

SOURCE: CR:053 Anticipate unspoken customer needs

SOURCE: Plaksij, Z. (2024, January 16). *The game of chess: How to anticipate your customers' next move*. Retrieved November 20, 2024, from <https://www.superoffice.com/blog/customer-needs>

34. C

Customer loyalty. When a business consistently meets or exceeds customer expectations, it goes a long way toward building customer loyalty. Customer loyalty is the customer's preference for a business, which is usually expressed in regular purchases from the business. Better product quality, higher employee salaries, and lower hotel rates are not direct benefits of exceeding customer expectations.

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

SOURCE: Habib, A. (2023, June 13). *Understanding and exceeding customer expectations*. Retrieved November 19, 2024, from <https://www.linkedin.com/pulse/understanding-exceeding-customer-expectations-asma-habib>

35. C

Increase the number of pet-friendly hotels. To accommodate the travel trend of people bringing their dogs with them on vacation, the tourism industry can increase the number of pet-friendly hotels. These hotels often include pet-friendly rooms, pet beds, and food bowls. Offering all-inclusive packages, promoting eco-friendly travel options, and targeting marketing campaigns at international travelers are not ways to accommodate this specific trend.

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

SOURCE: Social Tables. (2024). *Why pet-friendly hotels are winning over new customers*. Retrieved December 11, 2024, from <https://www.socialtables.com/blog/hospitality/pet-friendly-hotels>

36. B

Trim her resume to a single page. Generally, it is advised to limit a resume to one to two pages at most. This is because hiring managers are looking through hundreds of resumes at a time and want to see only the most relevant information. At three pages long, Sydney's resume is too long and needs to be trimmed down. Furthermore, it would not be wise to add any additional sections to her resume as it is already too long. Sydney's resume is already organized cohesively. Action verbs are highly encouraged throughout a resume so omitting them will only make hers worse.

SOURCE: PD:031 Prepare a resume

SOURCE: Indeed. (2024, July 2). *The key components of a great resume*. Retrieved December 11, 2024, from <https://www.indeed.com/career-advice/resumes-cover-letters/key-components-of-a-resume>

37. D

Report the email to the IT department as a scam. Once the employee notices the email address is different from past emails, the employee should deduce that this is an instance of phishing (a type of online scam that involves tricking people into revealing sensitive information) and should report the email to the IT department as a scam. This will allow the IT department to take security measures. An employee should never share sensitive information like credit card details or click on any links in emails they suspect to be phishing. Forwarding the email to their manager without drawing attention to their suspicions would put their employer at risk.

SOURCE: CO:202 Explain how digital communications (e.g., email, text messages, chats) exposes business to risk

SOURCE: Imperva. (2024). *Phishing attacks*. Retrieved December 12, 2024, from <https://www.imperva.com/learn/application-security/phishing-attack-scam/>

38. B

Quick response times. A customer will likely have a positive experience if the company responds in a quick and timely fashion. Timeliness is an important factor in customer service, as customers expect companies to answer their questions or find solutions to their problems in a reasonable time frame. Less personalized experiences and the use of complex technological systems are likely to be associated with negative customer experiences. Proactive problem-solving, rather than reactive problem-solving, is typically associated with positive customer experiences.

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

SOURCE: Outsource2india. (n.d.). *14 factors which constitute a great customer experience*. Retrieved November 20, 2024, from <https://www.outsource2india.com/callcenter/articles/14-factors-which-constitute-a-great-customer-experience.asp>

39. C

Attraction. Examples of tourism products that are classified as attractions include theme parks, museums, and historical sites. Gettysburg is both a historical site and a museum, making it an attraction. Examples of events include festivals and sports events. Examples of transportation tourism products include flight tickets and ride fees. Examples of accommodations include hotels, resorts, and hostels.

SOURCE: PM:081 Explain the concept of product in the hospitality and tourism industry

SOURCE: Vaia. (2024). *Tourism products*. Retrieved December 11, 2024, from <https://www.vaia.com/en-us/explanations/hospitality-and-tourism/tourism-management/tourism-products/>

40. B

Product knowledge. This example shows the importance of product knowledge in selling. Wesley uses his product knowledge to identify customer needs and match them with their ideal product. Enthusiasm refers to the level of excitement a salesperson has about the product they are selling. Discounts refer to price reductions. Product history refers to knowledge of the product's "backstory." There is no indication that enthusiasm, discounts, or product history are important to selling based on this example.

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

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

41. B

To illustrate changes over time. An appropriate reason to use a line graph is to illustrate changes over time. A line graph connects a series of data points, and is specifically designed to show patterns, trends, and changes in data over a continuous period (such as days, months, or years). A pie chart or a bar chart is better suited for categorical data, as line graphs work best with continuous numerical data. If the data points are not part of a continuous trend, a scatter plot or bar chart is more appropriate. While line graphs can display many data points, overcrowding them can make them difficult to read. For large datasets, it is better to use a different visualization method like a heatmap.

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

SOURCE: Tomboc, K. (2024, October 7). *20 essential types of graphs and when to use them*. Retrieved December 12, 2024, from <https://piktochart.com/blog/types-of-graphs>

42. A

The deliverable. If Lucy does not ask for an extension, the deliverable will directly suffer as a result. This is because Lucy will likely have to take shortcuts to finish the project by the desired date. Neither the stakeholders, the company, nor her boss would suffer from Lucy completing the project at the desired time.

SOURCE: OP:675 Describe the role of ethics in project management

SOURCE: LAP-OP-675—Projects With Principles (Ethics in Project Management)

43. A

Send day-of-flight updates to customers. Airlines can utilize email to improve customer experience by sending day-of-flight updates to customers. This creates a line of communication between the airline and its customers that allows customers to better adapt to change as it occurs. Unsubscribed customers do not want to be bothered by daily newsletters or have their inboxes filled with promotional offers. An airline that utilizes email in this way risks worsening the customer experience. Similarly, sending booking reminders to passengers a month in advance is premature and unnecessary. It also runs the risk of irritating customers and worsening the overall customer experience.

SOURCE: NF:004 Demonstrate basic email functions

SOURCE: Malik, S. (2023, July 25). *Email design for airline ticketing: 5 use cases explained*. Retrieved December 12, 2024, from <https://unlayer.com/blog/email-design-for-airline-ticketing>

44. A

Increased earnings. Both business and salespeople benefit from building and maintaining a reliable customer base. Specifically, it benefits salespeople by leading to increased earnings, repeat sales, referrals, and greater personal satisfaction. A reliable customer base benefits businesses by increasing sales volume, reducing selling costs, building customer loyalty, creating word-of-mouth advertising, and increasing income and profit. Higher customer turnover is not a benefit to salespeople or businesses.

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

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

45. C

Procrastination. Procrastination is the action of delaying or postponing something. Hunter demonstrated procrastination by delaying his work on the presentation. Stress is the body's response to a challenging or threatening situation. Creating a to-do list is a time management technique that involves creating a list of tasks to complete and checking them off one by one. Activity-based costing is another time management method that identifies activities in an organization and assigns the cost of each activity to all products and services according to their actual consumption. Hunter's scenario is neither an example of stress, creating a to-do list, or activity-based costing.

SOURCE: PD:019 Use time-management skills

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

46. D

\$40 million. Free cash flow is the money that remains after a company pays for operating expenses and capital expenditures. The formula for calculating free cash flow is: Free cash flow = Cash flow from operations – Capital expenditures. When inserting the figures from this scenario, the formula is: Free cash flow = \$90 million – \$50 million. The difference is \$40 million, making it the company's free cash flow.

SOURCE: FI:541 Interpret cash-flow statements

SOURCE: Murphy, C.B. (2024, July 12). *What is the formula for calculating free cash flow?* Retrieved November 25, 2024, from <https://www.investopedia.com/ask/answers/033015/what-formula-calculating-free-cash-flow.asp>

47. B

It improves customer experience. The increasing emphasis on mobile-friendly services provides several significant benefits to the hospitality and tourism industry, including that it has enhanced the overall customer experience. Mobile-friendly websites have made it easier for customers to book hotels, flights, and reservations quickly and conveniently. Additionally, it allows for real-time updates on bookings, weather, or delays and allows for on-the-go access to maps, reservations, or itineraries. Lower customer engagement, higher workloads for businesses, and more complex processes are not benefits nor goals of mobile-friendly services in the hospitality and tourism industry.

SOURCE: NF:313 Describe the impact of mobile technology on the hospitality and tourism industry

SOURCE: Tek Tree LLC. (2023, September 21). *How mobile technology is revolutionizing the hospitality industry.* Retrieved December 10, 2024, from <https://www.linkedin.com/pulse/how-mobile-technology-revolutionizing-hospitality-industry>

48. B

The product has lost its appeal to customers. Contraction means removing product items or lines from the product mix. Some of the reasons that a business deletes a product from its mix are because the product lost its appeal to customers, is no longer appropriate to the company's goals, or is no longer profitable, among other reasons. A company wanting to spread risk over a wider area or appeal to a new market are reasons why a business may choose an expansion product-mix strategy—where a business expands its product mix by adding additional product items or product lines. A company or product that needs to keep up with consumer preferences would benefit from using the alteration product-mix strategy—when a business makes changes to its products or product lines.

SOURCE: PM:003 Explain the concept of product mix

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

49. B

Emphasize the added value of the suite, such as exclusive amenities and enhanced relaxation. This approach highlights the benefits of the upgrade rather than focusing solely on the cost. It addresses the guest's interest in the suite while providing additional reasons to consider the upgrade, making it more appealing. Offering a discount immediately undermines the resort's pricing strategy and the perceived value of the upgrade. It prioritizes the sale over the guest's experience. Repeating the offer without elaborating fails to address the guest's hesitation or provide reasons why the upgrade would enhance their stay, reducing the likelihood of the upsell. Abandoning the upsell too quickly misses an opportunity to enhance the guest's experience and generate additional revenue.

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

SOURCE: Hayes, A. (2023, June 16). *Suggestive selling (upselling): Definition, purposes, examples*. Retrieved November 18, 2024, from <https://www.investopedia.com/terms/s/suggestive-selling.asp>

50. C

Evolving health and safety standards. Regulatory changes that can impact the hospitality and tourism industry include evolving health and safety standards, environmental policies, and taxation and legal requirements. For example, the COVID-19 pandemic changed health and safety standards in the industry, as a greater emphasis was placed on hygiene. Economic fluctuations are an example of an economic change that can impact the hospitality and tourism industry. Changing customer preferences is an example of a guest trend that can impact the hospitality and tourism industry. Adoption of AI in hotels is an example of a technological change that can impact the hospitality and tourism industry.

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

SOURCE: TotalCtrl. (2024, January 22). *Navigating new waters: Key policy changes reshaping the hospitality industry*. Retrieved December 12, 2024, from <https://www.linkedin.com/pulse/navigating-new-waters-key-policy-changes-reshaping-hospitality-joz5f>

51. A

\$11 billion. Assets are items of value, liabilities are debts, and owner's equity is money that's been invested in the business. The formula for calculating owner's equity is assets – liabilities = owner's equity. When plugging in the numbers from this scenario, we get: \$15 billion – \$4 billion = \$11 billion.

SOURCE: FI:093 Explain the nature of balance sheets

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

52. C

It is not paid for by the benefitting company or individual. Publicity is an identity-building tactic defined as any nonpersonal presentation of ideas, goods, or services that is not paid for by the company or individual that benefits from or is harmed by it. Little or no direct interaction occurs between customers and the company when the promotional message is received. And, because publicity is often distributed via third-party sources such as the news media, businesses have little control over the message presented to customers, the timing of that message, or the location in which the customers receive the message. Advertising is any paid form of nonpersonal presentation of ideas, images, goods, or services. Businesses often use advertising to encourage short-term sales, build product awareness, and develop a brand image. Personal selling is the form of promotion that determines client needs and wants and responds through planned, personalized communication that influences purchase decisions and enhances future business opportunities. At its core, personal selling is all about building relationships with customers. Sales promotion refers to promotional activities other than advertising, personal selling, and publicity that stimulate customer purchases. Sales promotions are measurable, have a low cost per contact, attract new customers, generate excitement, encourage quick responses, provide added value, and boost repeat purchases.

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

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

53. D

Hire additional staff. If Valerie believes her employees are giving their best efforts to provide quality service but are still struggling to keep up, then the issue is staffing. The solution would be to hire additional staff to improve efficiency. Offering discounts to customers experiencing slow service fails to resolve the root issue, which is staffing. Demanding that her staff work harder fails to acknowledge the real problem and ignores the fact that her staff is already giving their best efforts. As said before, the issue is not the staff's effort, so creating a rewards system to incentivize her employees to improve their service addresses an issue that does not exist.

SOURCE: PD:398 Explain the roles and responsibilities of hospitality and tourism organizations

SOURCE: Dinsmore, K. (2024, October 22). *Restaurant management duties: What does a manager do?* Retrieved December 11, 2024, from <https://www.sculpturehospitality.com/blog/restaurant-management-duties-what-does-a-manager-do>

54. A

Lockout. A lockout is a company strategy in which the business is closed, and the employees are not allowed to work. Because the company closes and prevents employees from entering the building, this scenario is an example of a lockout. A boycott is a union pressure strategy in which union members refuse to buy a company's products and encourage others to do the same. Arbitration is the act of settling a dispute by using an uninvolved third party. A concession is something that is given up during a negotiation.

SOURCE: HR:452 Explain labor-relations issues

SOURCE: Testbook. (2023, February 15). *Difference between strike and lock out.* Retrieved November 26, 2024, from <https://testbook.com/key-differences/difference-between-strike-and-lock-out>

55. C

Creative. Adaptability promotes creativity. If you're adaptable, you can generate unique ideas, approaches, and solutions. In other words, you're creative. If you're empathetic, you have the ability to understand and share the feelings of other people. If you're persistent, you work at a task or idea until the desired outcome is achieved. If you're objective, you're able to hold viewpoints that are not influenced by personal or outside opinions.

SOURCE: EI:006 Demonstrate adaptability

SOURCE: LAP-EI-006—Go With the Flow (Demonstrating Adaptability)

56. C

Matrix. Matrix structure is an organizational design that combines the traditional functional structure with the divisional structure. In a matrix structure, employees answer to a functional manager and another cross-functional team, like Brady in this scenario. Matrix structures are more complicated but allow employees to collaborate with one another across departments. Functional structure is an organizational design in which the business is broken into traditional departments, each with its own set of responsibilities and activities (marketing, operations, sales, IT, etc.). Divisional structure is an organizational design in which the firm is divided into units according to factors such as product, process, territory, customer type, etc. Authority refers to the formally granted influence of an individual to make decisions, pursue goals, and obtain the resources necessary to support those decisions and goals.

SOURCE: SM:064 Explain managerial considerations in organizing

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

57. A

Group similar values together. After brainstorming a list of values, you should group similar values together. After you have grouped your values, you can narrow down the groups to the top 5-7 that are most important to you. You should not eliminate any similar values. It's not necessary to compare your personal list of values to others because everyone has different values. Values often change over time, so it would not make sense to prevent changes.

SOURCE: EI:126 Assess personal behavior and values

SOURCE: LAP-EI-126—Assess Yourself (Assessing Your Personal Behavior and Values)

58. C

Ask a few follow-up questions about the game. The best way for Robert to establish a positive relationship with the customer is to entertain the conversation by asking them a follow-up question or two about the game. The completion of a sale is largely determined by the first few minutes that a salesperson spends with their customers, so the goal should always be to make that time as pleasant as possible, even if it means straying away from business talk momentarily. Steering the conversation back to tourism as quickly as possible can communicate disinterest and make the customer feel undervalued. Expressing his opinion that going to the game was a waste of money runs the risk of upsetting the customer or leading to an argument. Robert should not automatically conclude that the customer is uninterested just because the first few minutes of their conversation do not address the primary purpose of their call (the sale). In most cases, customers appreciate a more casual conversation before discussing business.

SOURCE: SE:048 Explain the selling process

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

59. C

Actively listen to understand their concerns. The HEART (Hear, Empathize, Apologize, Resolve, and Thank) principle is a guest service recovery method for effectively communicating with unhappy customers and turning their poor experiences into positive ones. The first step of HEART is Hear, or to actively listen to the dissatisfied customer to fully understand their concerns. In this scenario, Mookie should do just that, as it will make the angry customer feel heard and valued. Acknowledging the customer's emotions and empathizing with them is part of the Empathize step of the HEART principle. Apologizing to them and expressing regret for the situation relates to the Apologize step of the principle. Assessing the situation and taking steps to resolve the problem is part of the Resolve step.

SOURCE: CR:045 Explain the nature of guest recovery

SOURCE: Vianna, C. (2023, October 31). *5 guest service recovery tactics you can use to make it right with unhappy guests*. Retrieved November 20, 2024, from <https://www.xola.com/articles/guest-service-recovery-tactics>

60. D

Travelers can easily book flights and hotels online. Technology advancements have made it easier for travelers to plan out their trips and vacations. For example, travelers can easily book flights, hotels, and activities online in minutes, and can do so on their phones, laptops, and tablets. Additionally, they can compare prices of different flights, hotels, and activities to ensure they get the best deal. Technology has led to customers having higher (not lower) expectations of their vacations. Technology also allows for more personalization, as there are tools available that allow travelers to create personalized travel plans. Data analytics also allows algorithms to recommend destinations, accommodations, and activities based on a user's preferences and online activity.

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

SOURCE: Narmada, C. (2023, October 21). *The impact of technology on the travel industry*. Retrieved December 10, 2024, from <https://www.linkedin.com/pulse/impact-technology-travel-industry-n-c-lop9c>

61. A

Growing higher. Consumer wants and needs are as dynamic as consumers themselves. One thing is certain, though—consumer expectations are growing higher all the time. Today's consumers want the greatest value for their money, new product features, extended services, instant gratification, and value-driven companies. It might not be easy to meet all these demands, but successful firms figure out how to do it. Smart business owners know that if their products and services don't live up to consumer expectations, they will lose out to the competition.

SOURCE: EC:107 Explain how organizations adapt to today's markets

SOURCE: LAP-EC-107—Keep the Change (Adapting to Markets)

62. D

Communication and people skills. To be successful in the hospitality and tourism industry, one should have strong people and communication skills. Other traits that can help someone be successful in the hospitality and tourism industry include the ability to work well in teams, attention to detail, flexibility, tech-savviness, empathy, and a high stress tolerance. Inflexibility, tech illiteracy, and a low stress tolerance are not important traits one must have to be successful in the hospitality and tourism industry.

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

SOURCE: SOEG JOBS. (2024, June 5). *10 essential skills and qualities of outstanding hospitality employees*.

Retrieved November 25, 2024, from <https://soegjobs.com/top-10-qualities-great-hospitality-employee>

63. B

Identity theft. There are many warning signs that identity theft may have occurred, including the inability to access online accounts, receiving calls from creditors regarding unverified purchases, and spotting unaccounted-for transactions on statements. Xavier is the victim of identity theft. Phishing is a form of cyberattack that occurs when one receives fraudulent communications that appear to come from a legitimate source, usually through email and text messages. Ransomware is a type of malware that blocks access to software or files in a computer system until a specific sum of money is paid. Bank errors, while infrequent, do occur, but indicators of a bank error include incorrect deposit or withdrawal amounts or transactions to the wrong account.

SOURCE: OP:654 Explain the nature of identity theft controls

SOURCE: Ravichandran, H. (2024, March 28). *How does identity theft happen? (And how to avoid it)*.

Retrieved December 11, 2024, from <https://www.aura.com/learn/how-does-identity-theft-happen>

64. C

Sightseeing tour. Intangible products are productive activities that we pay someone else to perform. They are services provided to customers that cannot be touched or physically owned, such as a sightseeing tour. Physical products such as winter clothing, smartphones, and groceries are tangible, meaning they can be touched, smelled, tasted, seen, or heard. Tangible products have a physical presence, whereas a sightseeing tour represents an experience, which is intangible.

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

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

65. C

5.75%. An effective rate is the average percentage a merchant pays to process a credit card transaction. The formula to calculate effective rate is: (Total amount deducted for processing / Total monthly sales) x 100. When inserting the information from this scenario, the formula is: $(6,115.20 / 106,392.68) \times 100 = 5.75\%$.

SOURCE: FI:790 Calculate credit-card processing costs

SOURCE: Rej, M. (2023, April 10). *How do you calculate processing rates?* Retrieved November 25, 2024, from <https://merchantcostconsulting.com/lower-credit-card-processing-fees/how-do-you-calculate-processing-rates>

66. C

Offer his team the opportunity to ask questions. If Harrison notices that his team appears confused by his verbal directions, he should offer his team the opportunity to ask questions. He should not reprimand his team for not paying attention, as it is evident that they were. The issue lies with his delivery of verbal directions. Encouraging his team to write down questions for him to review throughout the day fails to capitalize on the opportunity for all employees to hear each other's questions. This can clear up many areas of confusion that employees didn't even know they had. Ending the meeting and beginning the shipping procedure when his team is very clearly confused by his verbal directions is setting them up to fail.

SOURCE: CO:083 Give verbal directions

SOURCE: Wilkinson, M. (2024, August 16). *Giving masterful directions.* Retrieved December 12, 2024, from <https://www.leadstrat.com/directions/>

67. B

Independence and a positive attitude. Your personal traits are interdependent—they depend upon one another. Each trait has an influence (direct or indirect) upon the others, and initiative is no exception! You cannot possess initiative unless you also possess other certain qualities, such as independence, leadership, empathy, creativity, and a positive attitude. Hesitation and diplomacy—while potentially helpful in certain situations—are not traits typically associated with initiative.

SOURCE: EI:024 Explain the importance of demonstrating initiative

SOURCE: LAP-EI-024—Hustle! (Taking Initiative)

68. A

Change her passwords and update her security settings. Victims of credit card fraud, like Janelle, need to update their passwords and security settings for any online accounts that may have been compromised. Janelle should not click on any links in suspicious emails, as that will put her at risk again. The Notes app is not designed to store sensitive information, and it, too, could put her at risk again. It is not necessary to change credit card companies after an instance of credit card fraud.

SOURCE: OP:653 Identify credit card fraud prevention methods

SOURCE: Psychalski, B. (2023, October 15). *What to do if you're a victim of credit card fraud.* Retrieved December 11, 2024, from <https://www.creditkarma.com/credit-cards/i/credit-card-fraud-victim>

69. D

Flexible. This scenario best demonstrates how effective budgets should be flexible. Budget estimates must be seen for what they are—estimates. Businesses might spend or earn more money than originally estimated. To accommodate these variances, budget figures may need to be adjusted. This scenario does not demonstrate how effective budgets should be realistic, well planned, or clearly communicated.

SOURCE: FI:106 Describe the nature of budgets

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

70. C

Loss reduction. Loss reduction is a type of risk control that accepts the risks and seeks to limit losses. In the example, the company has accepted the risk of a fire and seeks to limit its losses by installing a state-of-the-art water sprinkler system inside the warehouse. Avoidance is a type of risk control that seeks to eliminate risk by pursuing other, less risky options (if they are available). Separation is a type of risk control that involves dispersing key assets so that catastrophic events at one location affect the business only at that location. Duplication is a type of risk control that involves creating a backup plan in case the original plan does not work as intended.

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

SOURCE: Kenton, W. (2024, August 22). *Risk control: What it is, how it works, example*. Retrieved December 2, 2024, from <https://www.investopedia.com/terms/r/risk-control.asp>

71. B

Service guarantee. A service guarantee is a promise by a company that it will perform at a certain level. If that level is not met, the company promises to compensate the customer in some way. In this case, the pizza shop will provide the pizza for free if the delivery takes longer than 20 minutes. A limited-time offer is a sales promotion that offers products and services in a special deal within a short period to drive a sense of urgency or scarcity. A free giveaway is the act of giving something away for free or without expecting anything in return and is usually intended to attract new customers. A scam is a dishonest scheme that attempts to defraud a person after gaining their trust.

SOURCE: PM:314 Explain guarantees in hospitality and tourism

SOURCE: Hays, J. (2024). *Improving service quality with a service guarantee*. Retrieved December 11, 2024, from <https://news.stthomas.edu/publication-article/improving-service-quality-with-a-service-guarantee/>

72. A

Using bullet points to summarize key information. Presentation software, such as Microsoft PowerPoint or Google Slides, allows you to use bullet points to summarize key information in your presentation or report. Using bullet points on each slide, rather than detailed paragraphs, makes the slide look neat and does not clutter it with text. While fun and decorative animations may engage the audience, they are not the most effective feature of presentation software when giving an oral report. Incorporating charts and graphs is a must for effective oral reports, but they need explanations to be useful.

SOURCE: NF:290 Prepare and use presentation software to aid in making oral reports

SOURCE: Turner, J. (2023, July 20). *What is presentation software?* Retrieved December 16, 2024, from <https://www.beautiful.ai/blog/what-is-presentation-software>

73. B

Improvement. Quality improvement is a business's ongoing commitment and willingness to make changes for the purpose of maintaining quality. We see examples of this all the time in the healthcare industry—new drugs are introduced, new surgical techniques are created, and new knowledge about illnesses is formed. Quality control (also known as quality inspection) is a process businesses use to check for defects after products have been produced. Quality assurance is a process businesses use to prevent defective products from being created, not just to eliminate or correct them after they've already been produced.

SOURCE: QM:001 Explain the nature of quality management

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

74. D

Froot Loops. Froot Loops is considered the brand name, which is the part of the brand that can be spoken, such as a word, a phrase, a letter, a number, or any combination of these. Kellogg's is the trade name, which is the name that is used to identify a company or an organization. The Froot Loops logo is a brand mark—a distinctive symbol, design, sound, or group of letters that is seen or heard but cannot be spoken. Toucan Sam is a trade character, or a brand mark that has been personified and made to seem lifelike.

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

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

75. A

Tornado. When there is a tornado warning near an office building, all employees should shelter in place. If possible, employees should move to the lowest level of their building and avoid windows. Fires, gas leaks, or indoor chemical spills are all instances where employees should evacuate an office building rather than stay in place.

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

SOURCE: Pedersen, A. (2024). *4 key elements to consider in a workplace emergency evacuation plan*.

Retrieved December 16, 2024, from <https://www.swipedon.com/blog/key-elements-emergency-evacuation-plan>

76. C

Social engineering. Social engineering remains one of the most dangerous hacking techniques employed by cybercriminals because it relies on human error rather than technical vulnerabilities. It includes phishing, spoofing, whaling, and baiting. Insider threats occur when a person within a business or organization is the culprit of a cyberattack. Ransomware is a type of malware that blocks access to software or files in a computer system until a specific sum of money is paid. While both insider threats and ransomware pose legitimate threats to organizations, social engineering's ability to capitalize on human error makes it a greater threat. While cloud vulnerabilities can be dangerous, the cloud is generally considered extremely secure.

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

SOURCE: Embroker. (2025, January 3). *Top 16 cybersecurity threats in 2024*. Retrieved February 2, 2025, from <https://www.embroker.com/blog/top-cybersecurity-threats/>

77. D

Housekeeping. Hotel housekeeping is responsible for maintaining hotel cleanliness. Accounting is responsible for recording, analyzing, and verifying financial transactions. The front desk is a customer service role primarily responsible for greeting guests, checking them in and out, and managing room reservations. Maintenance is responsible for inspecting, repairing, and maintaining all physical aspects of the hotel property.

SOURCE: OP:354 Monitor and ensure completion of delegated tasks

SOURCE: Indeed. (2024, April 18). *What is hotel management? Definition and duties*. Retrieved December 12, 2024, from <https://www.indeed.com/career-advice/finding-a-job/hotel-management>

78. B

Is deceptive. The advertisement is an example of a promotion being deceptive. The ad suggests that the player is a gifted athlete due to their consumption of a certain sports drink, and this is likely not the case. Ads that play upon people's fears focus on their insecurities and the unfavorable outcome of not buying the product. Ads that are considered offensive can be interpreted as bad in taste, vulgar, or insulting to an audience. Critics of promotions say that promotional activities are limited in their abilities. For example, the use of promotion simply cannot make up for the poor quality of a good or service, immediately achieve major success for a company or its product, or substitute for salespeople who are talented and well trained. This ad probably would not receive criticism for being offensive, playing upon people's fears, or having limited abilities.

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

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

79. B

A customer purchases a software subscription that includes 24/7 customer support. Service marketing refers to when a person or business promotes and delivers intangible services to customers. It is aimed at providing solutions to problems, performing acts to satisfy needs and wants, building relationships, and creating value through experiences, rather than selling physical products that can be owned and resold. A customer purchasing a software subscription that includes 24/7 customer support is an example of service marketing. While the software itself may be a product, the 24/7 customer support is a characteristic of service marketing. A retailer selling a physical product that can be returned and resold if unused, a company offering a one-size-fits-all product with no customer interaction, and a customer buying a product based on its shelf-life and resale value are each examples of product marketing.

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

SOURCE: Key Differences. (2024). *Difference between product marketing and service marketing*. Retrieved December 9, 2024, from <https://keydifferences.com/difference-between-product-and-service-marketing.html>

80. A

Receiving feedback without getting angry or defensive. Brett's manager thanked Brett for his participation and pointed out a few reasons why the idea may not be feasible in a respectful way. Although the response may not be what Brett wanted to hear, he needs to improve on receiving feedback without getting angry or defensive. There is no indication that Brett has an issue paying attention to speakers, exhibiting confidence, or allowing everyone to talk without interruption.

SOURCE: CO:063 Participate in a staff meeting

SOURCE: Herrity, J. (2024, August 15). *How to actively participate in a team meeting (plus tips)*. Retrieved December 12, 2024, from <https://www.indeed.com/career-advice/career-development/actively-participate-in-a-team-meeting>

81. A

Invest in higher quality materials to reduce waste. A hotel manager could promote environmentally friendly practices that reduce the business's carbon footprint by investing in higher quality materials to reduce waste. Increases in the use of single-use plastics increase the amount of waste the hotel produces. Encouraging guests to keep lights and appliances on increases the amount of energy the hotel uses. Providing complimentary bottled water also increases the amount of waste the hotel produces.

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

SOURCE: Lacalle, E. (2023, December 12). *9 most common ethical practices in the hospitality industry*. Retrieved December 11, 2024, from <https://www.mews.com/en/blog/ethical-practices-in-hotels>

82. C

Hotel guest interviews. Primary information refers to information developed from data collected for the problem or project at hand. Examples of primary information in the hospitality and tourism industry include interviews with hotel guests, surveys, focus groups, and observational studies. Government tourism statistics, market research reports, and academic journal articles are examples of secondary hospitality and tourism market information—information developed from data that have already been collected by others.

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

SOURCE: Alvarez, C. (2023, April 4). *What is the difference between a primary and secondary source?*

Retrieved December 11, 2024, from <https://www.wgu.edu/blog/what-difference-between-primary-secondary-source2304.html>

83. B

Consult the spa staff to verify the charges before responding to the guest. This will ensure accuracy and help avoid unnecessary refunds or promises while maintaining the hotel's integrity and professionalism. Refunding the \$120 immediately without verifying the claim can lead to financial losses and set a precedent for unjustified refunds. If the hotel makes a mistake, they should not expect the customer to pay the full charge. Offering a discount without verifying the claim could unnecessarily cost the hotel.

SOURCE: SE:479 Sell gift certificates in hospitality and tourism

SOURCE: Alamir, D. (2024, April 5). *Inside a hotel room: Tips for excellent customer service*. Retrieved November 18, 2024, from <https://www.zendesk.com/blog/inside-hospitality-customer-service-tips-excellent-customer-service/>

84. B

6. The mean of the data set [7, 4, 8, 5, 9, 6, 3] is 6. The mean is the average, which is calculated by dividing the sum of the values in a data set (in this instance, 42) by how many numbers are being averaged (in this instance, 7). So, $42 / 7 = 6$.

SOURCE: NF:237 Interpret descriptive statistics for business decision making

SOURCE: Hayes, A. (2024, June 27). *Descriptive statistics: Definition, overview, types, and examples*.

Retrieved December 12, 2024, from https://www.investopedia.com/terms/d/descriptive_statistics.asp

85. C

A barista remembers a customer's name and order from a previous visit. A moment of truth is any time a customer engages with a company and has an opportunity to form an impression. Moments of truth can be small. By remembering a customer's name and order from their previous visit, the company has created a positive customer experience that might give the customer a lasting, positive impression. While the business, manufacturer, and sales associate examples are all positive, they do not relate to the customer experience and, therefore, are not examples of a moment of truth.

SOURCE: CR:055 Deliver positive moments of truth

SOURCE: Interaction Design Foundation. (2023). *The moment of truth: Build desirable relationships with users and customers*. Retrieved November 21, 2024, from <https://www.interaction-design.org/literature/article/the-moment-of-truth-build-desirable-relationships-with-users-and-customers>

86. B

Staying organized. Employees who keep everything in their work life organized will have an easier time staying on task, maintaining focus, and helping their company achieve its goals. Rodrigo is organized because he keeps his desk tidy, while keeping his electronic files arranged in specific folders. In this scenario, Rodrigo is not helping his company achieve its goals by demonstrating thorough product knowledge, showing up on time, or observing safety standards.

SOURCE: MK:015 Discuss actions employees can take to achieve the company's desired results

SOURCE: LAP-MK-015—Act Now! (Employee Actions and Company Goals)

87. A

Privacy. In the hospitality and tourism industry, customers have the right to expect that their privacy will be protected, including the freedom from unwarranted intrusions into their hotel rooms. This scenario does not demonstrate the right to a refund. The right to fair treatment means equitable handling of complaints and disputes. Autonomy is defined as self-sufficient or independent.

SOURCE: BL:135 Describe the rights of customers in the hospitality and tourism industry

SOURCE: Moritz, N. (2024, October 24). *Rights to travel: Consumer protections and rules*. Retrieved November 19, 2024, from <https://www.findlaw.com/consumer/travel-rules-and-rights.html>

88. A

Monitoring existing products. Monitoring existing products is the second phase of the product/service management process, as it entails keeping a close eye on existing products and monitoring them in terms of sales, profit, market share, and how well they're meeting company goals and expectations. This scenario does not describe developing new products or eliminating weak products. Dealing with product returns is not one of the phases of the product/service management process.

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

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

89. C

Benchmarking. Benchmarking is the practice of comparing businesses to each other to determine specific areas of strength and weakness. Cost optimization is a business practice that involves reducing expenses while maximizing value and efficiency. Customer feedback analysis is the process of evaluating and interpreting feedback left by customers for a product or service. Process improvement is a goal-oriented method to improve an organization's processes, systems, or aspects within a defined time frame.

SOURCE: PM:318 Choose hospitality and tourism vendors

SOURCE: LinkedIn. (2023, October 18). *What are the best practices for vendor selection in tourism?* Retrieved December 9, 2024, from <https://www.linkedin.com/advice/1/what-best-practices-vendor-selection-tourism-ct19e>

90. D

Descriptive statistics. Descriptive statistics are numbers that are used to summarize and describe data. Examples of descriptive statistics are mean (the simple mathematical average of a set of numbers), median (the middle number in a sorted list of numbers), and mode (the number occurring most frequently in a set). By analyzing descriptive statistics, marketing and other business managers can see the current state of affairs within the company as well as past performance. Ann-Marie is not coding or studying customer feedback. Training data are used to teach machine learning models, such as AI, how to perform a specific function.

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

SOURCE: Hayes, A. (2024, June 27). *Descriptive statistics: Definition, overview, types, and examples*.

Retrieved December 12, 2024, from https://www.investopedia.com/terms/d/descriptive_statistics.asp

91. D

A soda company buys billboard space in a busy metropolitan area. Some companies need to remind customers of their existence. Usually in this case, the promotions try to build an image of the company or organization rather than try to sell an individual product. Reminder promotions seek to reinforce a favorable company image that is already present in customers' minds. Therefore, a soda company buying billboard space in a busy metropolitan area demonstrates how promotion reminds customers. An electronics company sharing details about a new product it is releasing and a food manufacturer sharing a new dinner recipe on its website are both ways in which promotion informs customers. A pet food company offering coupons to get customers to buy its products demonstrates how promotion persuades customers.

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

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

92. C

Business interruption. The hotel's insurance is responsible for covering lost income and expenses if the hotel is forced to close due to a power outage, storm, or other event. A general liability policy covers injuries and food contamination. Workers' compensation provides coverage and resources for employees who are injured on the job. Insurance may also be responsible for covering fees and preventing the loss of an alcohol license.

SOURCE: FI:081 Describe the concept of insurance

SOURCE: SiteMinder. (2024, April 11). *Hotel insurance: Costs, coverage, and requirements*. Retrieved December 12, 2024, from <https://www.siteminder.com/r/hotel-insurance/>

93. A

Customer needs and wants. Forces operating in the business environment over which the business has little or no control are known as external factors. Examples of external factors include customer needs and wants, competitors' actions, availability of raw materials, and social concerns. Corporate objectives and goals, human and financial resources, and research and development efforts are examples of internal factors—those forces present within the company itself.

SOURCE: SE:932 Explain company selling policies

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

94. C

Email the survey to customers. One common way companies in the hospitality and tourism industry collect business information is through online surveys. The best way for a business to conduct an online survey is to email the survey to its customers. That way, when customers receive the email, they can click a link that will take them right to the survey. Calling customers to conduct a survey is how a company would conduct a phone survey. Inviting customers for in-person interviews is a way to conduct personal interviews, not conduct a survey. Inviting customers to a discussion group is a way to facilitate a discussion with a group of people rather than conduct a survey.

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

SOURCE: SurveyMonkey. (2024). *Learn how to conduct a survey in these simple steps*. Retrieved December 12, 2024, from <https://www.surveymonkey.com/learn/survey-best-practices/how-to-conduct-surveys>

95. D

Mailing coupons to local businesses to distribute to their employees. Through segmentation, Nora learned that many of her customers are businesspeople. Therefore, mailing coupons to local businesses to distribute to their employees would be the most effective marketing method of the options. Investing in TV and radio advertisements would be costly and less targeted toward her market. Similarly, lowering prices to increase the restaurant's appeal to students or creating a kids' menu for younger guests both target demographics outside her target market.

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

SOURCE: SiteMinder. (2024, August 13). *Hotel market segmentation: Examples of target segments*. Retrieved December 11, 2024, from <https://www.siteminder.com/r/hotel-market-segmentation/>

96. A

Roll-in shower. When a guest requests a wheelchair-accessible room, it is considered a special need that the hotel must accommodate. A wheelchair-accessible room should be spacious and have a wider doorway, a roll-in shower, lower countertops and beds, and toilets with bars on the sides. A guest asking for a late check-out time, a new set of towels, or a wake-up call are not considered special needs a hotel must accommodate. Rather, they are specific requests that guests make to a hotel.

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

SOURCE: Lacalle, E. (2022, July 5). *What is an accessible hotel room and what should it include?* Retrieved November 20, 2024, from <https://www.mews.com/en/blog/accessible-hotel-rooms>

97. B

Determine who will participate in it. Environmental scanning refers to collecting information about the environment surrounding your business. The first thing any company should do when conducting an environmental scan is to identify the participants and responsibilities. The second step is to carry out scanning activities, such as gathering information through surveys, focus groups, social media, etc. This is followed by identifying and analyzing important issues and trends, then reporting results or selecting issues and trends to act on. The final step is to scan on a continuous basis.

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

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

98. D

Economics. People with a wide variety of educational backgrounds work in business, from high school graduates to those with graduate and doctoral degrees. Although certain positions do not require a college education, the best career prospects are available to candidates who have earned a bachelor's degree or higher. Many different degrees can lay a solid foundation for a business career—business, business administration, management, marketing, accounting, finance, economics, even communications. Degrees in English, history, or biology would not be best for laying a foundation for a business career.

SOURCE: PD:025 Explain employment opportunities in business

SOURCE: LAP-PD-025—Go for It! (Careers in Business)

99. D

Invest in water-efficient appliances throughout the resort. The most effective strategy to address the resort's water usage issue is to invest in water-efficient appliances throughout the resort. Upgrading the showers to include a steam room feature will make longer showers more appealing and result in increased water usage. Lowering the frequency of plant watering may reduce water usage, but it is not the most effective strategy of the options as it will increase the chance of the plants dying, creating another issue. Investing in a new, luxurious fountain for the lobby is both costly and counterintuitive to resolving the water usage issue.

SOURCE: OP:658 Identify environmental sustainability issues in hospitality and tourism

SOURCE: World Sustainable Hospitality Alliance. (2024). *Water stewardship*. Retrieved December 11, 2024, from <https://sustainablehospitalityalliance.org/our-work/water-stewardship/>

100. C

Operations. A high rate of staff absenteeism can pose a risk to a hotel's operations. In the example, the high rate of staff absenteeism results in operational issues such as delays in room service, frequent equipment breakdowns, and inventory discrepancies. The example does not as clearly illustrate how staff absenteeism can pose a risk to a hotel's safety, finances, or future.

SOURCE: RM:088 Describe types of indicators used to manage business risk (e.g., key risk indicators, key performance indicators, key process indicators)

SOURCE: O'Brien, M. (2024, August 29). *11 key hospitality KPIs to track*. Retrieved December 2, 2024, from <https://www.netsuite.com/portal/resource/articles/business-strategy/hospitality-kpis.shtml>