



SAMPLE EXAM

HOSPITALITY + TOURISM
CAREER CLUSTER

THE HOSPITALITY AND TOURISM CAREER CLUSTER EXAM IS USED FOR THE FOLLOWING EVENTS:

HOSPITALITY AND TOURISM PROFESSIONAL SELLING **HTPS**

HOSPITALITY SERVICES TEAM DECISION MAKING **HTDM**

HOTEL AND LODGING MANAGEMENT SERIES **HLM**

QUICK SERVE RESTAURANT MANAGEMENT SERIES **QSRM**

RESTAURANT AND FOOD SERVICE MANAGEMENT SERIES **RFSM**

TRAVEL AND TOURISM TEAM DECISION MAKING **TTDM**

These test questions were developed by the MBA Research Center. Items have been randomly selected from the MBA Research Center's Test-Item Bank and represent a variety of instructional areas. Performance indicators for these test questions are at the prerequisite, career-sustaining, and specialist levels. A descriptive test key, including question sources and answer rationale, has been provided.

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1. What can result from employees not respecting one another's lifestyles?
 - A. Generational misunderstandings
 - B. An uncomfortable work environment
 - C. Language barriers
 - D. An increase in productivity

2. What is often the best way for a business to increase its profit?
 - A. Lower taxes
 - B. Raise prices
 - C. Reduce expenses
 - D. Improve sales

3. To achieve a good work-life balance, you should always
 - A. budget your time and energy.
 - B. do activities you enjoy.
 - C. set high personal goals.
 - D. complete work tasks first.

4. Ron has developed the habit of evaluating his goals on a monthly basis. During this time, he checks off goals that he has achieved and modifies others as necessary. Ron is very good at choosing goals that are realistic, attainable, and challenging. He can set up steps to achieve them. Unfortunately, Ron only achieves 25% of his goals. Ron could improve his rate of goal attainment by
 - A. describing the benefits of setting goals.
 - B. telling others about his goal.
 - C. lowering his standards and setting unrealistic goals.
 - D. avoiding writing down goals.

5. Which of the following is a reason that responsible employees cost a business less than irresponsible employees:
 - A. They look for ways to increase their productivity.
 - B. They often fail to follow directions.
 - C. They overuse their sick leave and other benefits.
 - D. They come to work late and leave early.

6. When you use money to make money, you are
 - A. saving.
 - B. investing.
 - C. reimbursing.
 - D. rationing.

7. When preparing the property's marketing plan, Samantha researched the current, popular travel destinations; the ways in which visitors spend their money; the duration of their vacations; and their demographics. These are examples of _____ trends.
 - A. industry
 - B. technology
 - C. visitor
 - D. competitive

8. Successful brands use brand promises to connect with their customers on a(n) _____ level.
A. rational
B. ethical
C. logical
D. emotional
9. Which of the following is an example of a value-added promotion offered by a hotel:
A. Daily housekeeping
B. Hotel airport shuttle
C. Indoor swimming pool
D. Discounted rooms
10. Although the primary purpose of an invoice is to bill a customer for goods and services, invoices can also help the business monitor its customers'
A. purchasing habits.
B. buying motives.
C. annual incomes.
D. personal attitudes.
11. Aurora is able to save money by buying her internet and cable TV together instead of buying them separately. Aurora benefits from product
A. bundling.
B. seeding.
C. grouping.
D. applications.
12. To protect customer data such as credit card information, businesses should
A. keep sensitive records encrypted.
B. use a shared server to store information.
C. require that all customers show an ID.
D. accept payments in cash only.
13. Which of the following is true based on Maslow's theory of need satisfaction:
A. Self-esteem needs must be satisfied before physical needs can become important.
B. All levels of needs are important and can be satisfied simultaneously.
C. Most people are able to satisfy only lower level needs.
D. Lower level needs must be satisfied before higher level needs can become important.
14. From a legal standpoint, hospitality and tourism customers have the right to expect businesses in this industry to take
A. reasonable care.
B. no risks.
C. total responsibility for accidents.
D. insurance out of each customer.

15. Stella works for a cruise line, and she is recommending that the owners add another Alaskan cruise to the yearly schedule. She wants to demonstrate how sales of Alaskan cruises have risen over the past several years. What kind of chart should Stella use to demonstrate this?
- A. Histogram
 - B. Scatter
 - C. Pie
 - D. Column
16. Aiden is considering moving out of his parents' house and into his own apartment. Before he makes such a big financial decision, he should
- A. ask his parents if they will pay for his new apartment.
 - B. quit his job so that he has more time to plan.
 - C. apply for a personal loan from a bank.
 - D. consider how the move will affect his budget.
17. Which of the following is a pure business risk:
- A. Obsolescence
 - B. Inflation
 - C. Robbery
 - D. Competition
18. What is the mean of the data set [2, 3, 9, 6, 4, 8, 3]?
- A. 4
 - B. 3
 - C. 5
 - D. 7
19. The ABC corporation's privacy policy states that the company will maintain the confidentiality of its customers' information at all times. Which of the following would be a violation of that policy:
- A. Selling customer lists without the customers' consent to third parties
 - B. Collecting customer information with authorization to develop a customer profile
 - C. Implementing a frequent-buyers program for the business's customers
 - D. Allowing customers the ability to opt-out of the email updates that the business provides
20. Which of the following statements regarding international trade is true:
- A. Only large companies typically benefit from conducting international trade.
 - B. Foreign language skills are required to conduct international trade.
 - C. Businesses shipping internationally must use freight forwarding services.
 - D. Online businesses can easily become involved in international trade.
21. Which of the following statements is true about self-esteem:
- A. To build self-esteem, individuals must value their abilities above others' abilities.
 - B. Low self-esteem usually motivates a person to try harder and strive for success.
 - C. Your level of self-esteem depends on your ability to accept yourself as you are.
 - D. To have high self-esteem, you must be willing to overlook your faults and weaknesses.

22. Tia is the front office manager at the Grand Hotel. She is preparing a short report for the general manager regarding budgetary issues that are negatively impacting the hotel. How should she begin the report?

- A. Provide a formal plan to adjust the budget
- B. Explain the purpose of the report
- C. Share information from the budget
- D. Give specific examples of negative impacts

23. Which of the following industries has most impacted the development of the hospitality industry:

- A. Lumber
- B. Retail
- C. Transportation
- D. Financial

24. An important aspect of Jason's job is developing better, more efficient organizational processes. The aspect of quality management in which Jason is involved is quality

- A. assurance.
- B. deviation.
- C. consistency.
- D. improvement.

25. Mackenzie works in the travel and tourism industry. At which of these places is she most likely to work?

- A. An airline
- B. A restaurant
- C. A hotel
- D. A state park

26. A cafe wants to determine how well its loyalty program is working. Which of the following data will help it determine the mean use-rate of customers' loyalty cards:

- A. Data that reveal which customers use their loyalty cards the least
- B. Data that show which month has the highest number of customers using the loyalty card
- C. Data that reveal which customers use their loyalty cards the most often
- D. Data that show the number of times each customer has used the card over several months

27. An HR manager is considering two different health care plans for their company. One is significantly cheaper but covers fewer medical conditions. This is an example of an ethical dilemma related to

- A. hiring and firing.
- B. employment law.
- C. race and gender.
- D. compensation.

28. What type of purchase order do businesses use for recurring purchases from the same supplier in which the purchased item and price are set, but the quantity and delivery schedule may vary?

- A. Contract purchase order
- B. Blanket purchase order
- C. Standard purchase order
- D. Planned purchase order

29. When handling cleaning chemicals, hotel housekeeping attendants should
- A. keep a log of ingredients found in the cleaning materials.
 - B. avoid using eye goggles or ventilation masks.
 - C. avoid direct skin contact and wear disposable gloves.
 - D. complete a purchase order when inventory is low.
30. Which of the following is a cruise-ship service that you should recommend to a senior couple with limited mobility:
- A. Parasailing
 - B. Cooking class
 - C. Horseback riding along the beach
 - D. Raft ride over river rapids
31. When Kayleigh lost her hotel keycard, she went to the front desk to ask for a replacement. The hotel staff remotely deactivated the lost card and issued her a new one. The ability to reprogram keycards allows hotels to
- A. recover a greater number of lost keycards.
 - B. screen potential guests for security risks.
 - C. reduce break-ins and ensure room security.
 - D. improve after-hours service for guests.
32. What action should hotel employees take when a fire occurs and they determine that they cannot contain it themselves?
- A. Relocate gas-powered equipment to the middle of the room
 - B. Use an A-B-C fire extinguisher
 - C. Shut off air conditioners
 - D. Open windows to let the fire out of the building
33. Max set a financial goal of saving \$2,000 in the next year. On a whim, Max saw a new video game that he wanted, so instead of putting a portion of his paycheck in his savings account, he used that money to purchase the game. What barrier is preventing Max from reaching his goal?
- A. Impulsive spending
 - B. Overuse of credit
 - C. Unexpected needs
 - D. Loss of income
34. Which of the following is a basic right of all employees in the workplace:
- A. Paid time off for jury duty
 - B. Overtime pay
 - C. Email and internet privacy at work
 - D. Equal pay for men and women
35. One of the reasons you should listen to criticism carefully is that it shows that you
- A. don't have any questions.
 - B. know you have made a mistake.
 - C. believe the criticism is valid.
 - D. take the criticism seriously.

36. Which of the following tasks would a manager complete when organizing:

- A. Arranging an office space
- B. Writing a marketing plan
- C. Hiring employees
- D. Training staff

37. Before a restaurant manager can close the restaurant for the night, what task must they complete?

- A. Cash reconciliation
- B. Bank reconciliation
- C. Financial ratio analysis
- D. An internal audit

38. Leaders that share their power recognize that

- A. they won't meet their goals as quickly.
- B. they can't trust their subordinates.
- C. their followers won't do a good job.
- D. most goals can't be reached alone.

39. Trent took notes in a meeting, but when he looked over them later, he realized that he was missing some important information. To determine what he failed to write down, Trent should

- A. use a consistent, logical note-taking format.
- B. ask a coworker to help him fill in the blanks.
- C. condense what he has written to be more concise.
- D. tackle the tasks he was assigned at the meeting.

40. Jenny wants to talk to her parents about a raise in her allowance, but then she finds out that her mother has just been laid off from her job. If she asks for the money anyway, which communication barrier is likely to result?

- A. Environment
- B. Bad timing
- C. Language
- D. Information overload

41. What is typically the first step in the managerial planning process?

- A. Developing company goals and objectives
- B. Identifying necessary tasks
- C. Establishing methods to evaluate progress
- D. Prioritizing projects and tasks

42. What is one way someone can improve their active listening skills?

- A. Thinking about how to respond to the speaker's message
- B. Concentrating on remembering what the speaker says
- C. Paying more attention to the speaker's nonverbal cues than to their tone of voice
- D. Controlling the conversation by monitoring their own nonverbal language

43. A passenger is upset with Petra, a flight attendant, because the plane has not taken off and they are worried about being late for an important meeting. Before responding, Petra takes a deep breath, listens to the passenger's complaint, and apologizes. Petra is
- A. diffusing the customer's anger.
 - B. solving the problem.
 - C. avoiding the conflict completely.
 - D. deferring to authority.
44. Items of value are listed under which of the following components of the balance sheet:
- A. Notes
 - B. Assets
 - C. Liabilities
 - D. Owner's equity
45. Orlando changes the price of one of his products, and this price change leads to a major change in the number of people who purchase the product. This means that demand for Orlando's product is
- A. elastic.
 - B. competitive.
 - C. constant.
 - D. inelastic.
46. What might result if an event promoter scheduled a major concert in a facility that consumers considered to be located in an unsafe area?
- A. Decreased parking
 - B. Shortened hours
 - C. Reduced sales
 - D. Limited access
47. Sunny Side Up Cafe is a small, family-owned business in a quiet part of town. The restaurant does not accept credit cards—only cash. Which of the following is the most likely reason for the restaurant to refuse credit cards:
- A. Residents never carry credit cards.
 - B. The town restricts use of credit cards.
 - C. The business owners are old.
 - D. Credit cards have high processing fees.
48. One way that a business might try to compensate for the limited number of qualified workers is to increase its use of
- A. specialization.
 - B. conservation.
 - C. production.
 - D. automation.
49. Which of the following is a characteristic of the hospitality and tourism industry:
- A. Nonperishable
 - B. Intangible
 - C. Separable
 - D. Employee-centric

50. What technique can help businesses reduce risks associated with software piracy and unauthorized peer-to-peer file sharing via the internet?
- A. Virtualization
 - B. Multicasting
 - C. Encryption
 - D. Rerouting
51. Customers are often interested in where products come from and
- A. the names of manufacturing CEOs.
 - B. how they are manufactured.
 - C. the month and year they were invented.
 - D. how many the company has in its inventory.
52. The goals of government are to protect the rights of individuals and businesses and to provide a stable environment, but the main goal of business is to
- A. save the environment.
 - B. provide the best products.
 - C. provide a safe working environment.
 - D. make a profit.
53. Which of the following would be categorized as a fixed expense on a personal budget:
- A. Grocery expenses
 - B. Rent payments
 - C. Entertainment costs
 - D. Cost of gasoline
54. Which of the following actions can the LBS Company take to control risk that is associated with external factors:
- A. Implement business policies
 - B. Update customer data
 - C. Review compliance requirements
 - D. Maintain intranet security
55. Why is it important for companies to make inventories of their digital information?
- A. Because most employees don't use their computers wisely
 - B. So that the company can keep tabs on what employees are doing online
 - C. So that the information is readily accessible when it is needed
 - D. To prevent unethical IT professionals from stealing company data
56. Which of the following pieces of data would be most helpful to a restaurant that wants to increase sales:
- A. Customers with reservations spend 25% more than other customers.
 - B. Customers with reservations tip waitstaff 8% more than other customers do.
 - C. Twenty percent of customers pay with cash instead of credit cards.
 - D. Thirty percent of customers dining with small children order split plates.

57. Under what circumstances might it be impossible to honor a customer's request?
- A. If the request is unrelated to the customer's health
 - B. If the request jeopardizes the safety of others
 - C. If the customer is new to the company
 - D. If the customer is impolite and demanding
58. The importance of customer service in the hospitality and tourism industry has grown due to
- A. lower prices.
 - B. less frequent travel.
 - C. fewer consumer choices.
 - D. technology.
59. While watching a travel show on TV, Alex saw an advertisement for a tropical resort. This is an example of _____ segmentation.
- A. geographic
 - B. psychographic
 - C. demographic
 - D. behavioral
60. Good salespeople in the hospitality and tourism industry commonly use three techniques to determine customer/guest needs. What are those three techniques?
- A. Canvassing, qualifying, organizing
 - B. Presenting, visualizing, following up
 - C. Greeting, modifying, focusing
 - D. Observing, questioning, listening
61. You are a hotel event planner in charge of a business conference. One of your guest speakers calls you to explain they are running late and will miss the pre-conference dinner. Instead, they explain, they are going to get something fast to eat on the way to the hotel. However, they still plan to arrive in time for their scheduled presentation. Which of the following would be the best thing for you to do to assist the guest speaker:
- A. Ask the staff to keep their entrée warm so they can eat when they arrive.
 - B. Ask a valet to help them with parking and luggage when they arrive.
 - C. Cancel their presentation and let attendees know that the speaker cannot make it.
 - D. Arrange for a video conference call in case they are late for their presentation.
62. Ms. Woo is staying at a hotel that is across the street from the office of the client with whom she plans to meet. Which of the following factors most likely motivated Ms. Woo to select the hotel:
- A. Desire for convenience
 - B. Need for relaxation
 - C. Need for prestige
 - D. Desire for safety

63. "This is an exciting new opportunity for you," says Jane's boss. Which of the following nonverbal cues would appropriately reinforce that message?
- A. Smiling
 - B. Slouching
 - C. Looking out the window
 - D. Focusing eyes on the computer
64. You think you have the best solution for a problem, but your colleagues don't believe that your idea will work. What should you do?
- A. Accept defeat.
 - B. Reject feedback.
 - C. Remain patient.
 - D. Become defensive.
65. Which of the following industries would most likely be regulated by environmental laws:
- A. Mining
 - B. Merchandising
 - C. Education
 - D. Finance
66. Which of the following is a benefit of evaluating project success:
- A. Figuring out who is to blame for shortcomings
 - B. Keeping stakeholders from knowing about mistakes
 - C. Eliminating the need for customer satisfaction
 - D. Identifying the need for future projects
67. What do many hotel chains sell that provides the buyers or users with flexibility to make reservations at their convenience?
- A. Keyless cards
 - B. Gift cards
 - C. Contest passes
 - D. Spa points
68. To recover disgruntled guests, businesses should reach out to customers
- A. after processing payment.
 - B. quickly.
 - C. electronically.
 - D. with financial compensation.
69. Which level of law deals with treaties and issues such as migration and war?
- A. Federal
 - B. Local
 - C. International
 - D. State

70. What type of information does a business's purchasing department need to obtain from the sales department in order to function properly?
- A. Accurate forecasts
 - B. Operating expenses
 - C. Pricing policies
 - D. Production needs
71. A cafe creates a special entree each day using local produce. It markets the entrees to promote its support of local farmers and growers. What aspect of product/service management does this situation exemplify?
- A. Commercialization
 - B. Positioning
 - C. Test marketing
 - D. Licensing
72. Eugenia is using presentation software to prepare slides for her next workshop. In addition to putting the name and date of the workshop on the title slide, where else could Eugenia include this information in her presentation?
- A. Transitions
 - B. Footers
 - C. Animations
 - D. Bibliography
73. Nancy's Beach Resort operates a small store that sells sunscreen, towels, beach chairs, and various lotions to its customers. Which of the following utilities has Nancy's Beach Resort demonstrated:
- A. Place
 - B. Time
 - C. Possession
 - D. Form
74. Launching a brand in other countries requires extensive research into
- A. the history of branding in those countries.
 - B. brand licensing laws.
 - C. co-branding practices in those countries.
 - D. foreign customs, values, and languages.
75. It's human nature to prioritize
- A. others over yourself.
 - B. adults over children.
 - C. your school over your work.
 - D. the short term over the long term.
76. If a business has two records for one customer in its database, it should consolidate all of the information into one record and
- A. delete the other record.
 - B. reorganize all of the customer records.
 - C. reformat the second record.
 - D. create a new record.

77. Which of the following is an example of an organizational vision:

- A. A project leader generates team enthusiasm by stating, "We're the most efficient project team in the firm."
- B. Techno-Electronics hopes to increase its market share by 15% in the next year.
- C. Jiffy Parcel Service strives to provide the quickest, most reliable delivery service in the country.
- D. The members of the production department work together to help the business lower its operating costs.

78. The first step in the accounting cycle is

- A. posting to ledgers.
- B. journalizing financial transactions.
- C. analyzing financial transactions.
- D. preparing financial statements.

79. In the travel and tourism industry, customers' perceptions of value and worth are often associated with

- A. price.
- B. promotion.
- C. place.
- D. profit.

80. What is one way that businesses can prevent internal computer fraud?

- A. Install electronic sensing systems
- B. Hire professional security guards
- C. Use closed-circuit television monitors
- D. Provide employees with specialized training

81. Iseabail conducts email marketing for a luxury spa, and she wants to know how many email campaign recipients read the most recent email. Which metric would most likely give Iseabail the information she is looking for?

- A. Click-to-open rate
- B. Bounce rate
- C. Open rate
- D. Unsubscribe rate

82. Which of the following is a true statement about how technology affects the external business environment:

- A. Technology is the main way to compete with other businesses.
- B. Not all businesses are affected by technology.
- C. Businesses must look for updated technology all the time.
- D. Certain target markets do not use technological products.

83. If a person starts wearing a certain style of clothing because everyone else is wearing it, they are demonstrating

- A. status quo bias.
- B. herd mentality.
- C. acceptance.
- D. groupthink.

84. Which of the following is an example of a business performing the marketing function of promotion:

- A. Creating product assortments
- B. Organizing storage shelves
- C. Processing recent shipments
- D. Developing attractive displays

85. The Elegance Pointe resort is twice as busy from March through August, so it often hires seasonal employees to help meet demand. What is one way for the resort to encourage its seasonal employees to provide high-quality service?

- A. Enforce a strict termination policy for bad service
- B. Expand full-time roles to take on more responsibility
- C. Seek out recruiting opportunities such as college job fairs
- D. Offer training and professional development

86. Dirk is interested in working overtime to earn some extra money to put toward a new car. He can't find his department's policy regarding overtime work in the company's employee handbook. What should Dirk do?

- A. Ask the department manager about the policy
- B. Look for the policy on the company's website
- C. Send a memo to the human resources manager
- D. Question an employee from another department

87. To discover customer needs or wants, the salesperson should be skilled at

- A. questioning and listening.
- B. talking and arguing.
- C. coaxing and persuading.
- D. watching and waiting.

88. Fun-Tastic Entertainment owns several amusement parks throughout the midwestern area of the country. The company is planning to open several water parks within driving distance of its amusement parks. This is an example of

- A. a corporate merger.
- B. a joint venture.
- C. a product extension.
- D. product positioning.

89. The main goal of promoting a hospitality and tourism product is to _____ the product.

- A. create demand for
- B. develop the brand name of
- C. determine the price of
- D. identify distribution channels for

90. Nelson needs to find out the exact model number of a printer to order the correct ink cartridge for a customer. To obtain accurate information quickly, Nelson should access

- A. the manufacturer's accounting department.
- B. his company's contact directory.
- C. his company's intranet.
- D. the manufacturer's production manager.

91. Why is it important for a business to communicate the core values of its products?

- A. To appeal to the target market
- B. To justify the price
- C. To develop appropriate advertising
- D. To analyze market research

92. Which of the following is an example of corporate branding:

- A. A restaurant prints its company logo on all of its disposable paper products.
- B. A cafe develops a logo illustrating its core value of using natural ingredients.
- C. A cafe advertises its homemade muffins and pastries.
- D. A restaurant sells tickets to special seven-course meals.

93. One of the reasons a business may monitor technology use is to

- A. measure electricity usage.
- B. delete unnecessary files.
- C. discourage time theft.
- D. check employees' work.

94. What should businesses try to achieve when manipulating data for information analysis?

- A. Program development
- B. Secondary information
- C. Exploratory research
- D. Accurate interpretations

95. A restaurant's reputation for providing excellent service can attract faithful customers

- A. during seasonal sales only.
- B. away from the competition.
- C. with advertised specials.
- D. because of the lower prices.

96. A restaurant chain wants to expand into a new city. Which of the following is an example of secondary research that the owner might seek:

- A. A focus group with other restaurant owners in the city
- B. A survey about the eating habits of people in the city
- C. Interviews with current employees
- D. Demographics from a census report

97. Which of the following is an economic factor that might be identified as part of an environmental scan:

- A. Increased general competition
- B. Higher inflation rates
- C. Companies going green
- D. Changing state and local laws

98. An important personality trait is leadership, which is demonstrated by individuals when they
- A. feel what others are feeling.
 - B. analyze employee productivity.
 - C. guide the actions of others.
 - D. plan and organize their work.
99. Mike is planning to work Tuesday and Thursday, go dirt-bike riding Sunday, and pay his bills Wednesday. Mike has just _____ his activities.
- A. performed
 - B. prioritized
 - C. scheduled
 - D. classified
100. What can you do if you are unable to obtain the amount of financial support you need to complete the project?
- A. Eliminate the project
 - B. Lower expectations
 - C. Cut costs
 - D. Decrease time



KEY

Test Number 1284

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. B

An uncomfortable work environment. Sometimes, employees do not respect each other's lifestyles and discriminate against each other because of them. When this occurs, employees might experience an uncomfortable work environment. This can damage productivity. Language barriers are a result of ethnic or cultural differences rather than differences in lifestyles. Generational misunderstandings are not a result of disrespecting lifestyle choices.

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

SOURCE: Renee, M. (2019, March 6). *Top 10 diversity issues at work*. Retrieved August 4, 2023, from <https://smallbusiness.chron.com/top-10-diversity-issues-work-24939.html>

2. C

Reduce expenses. Decreasing expenses is perhaps the best way that businesses can help increase profit. Businesses have control over many of their expenses and can take measures to reduce them. For example, they can eliminate some free services and encourage workers to turn off lights and equipment when not being used, in order to save money on energy costs. Raising prices will not increase profits unless customers are willing to pay the higher prices. Tax rates are regulated by government. If businesses improve sales, they might increase their profits if the rate of sales is proportionately higher than the expense involved.

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

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

3. A

Budget your time and energy. The best way to achieve work-life balance is to budget your time and energy. Being aware of your own limits can help you avoid overcommitting to outside responsibilities or taking on too many projects at work. Always completing work tasks first can cause your personal life to suffer. Regularly doing activities you enjoy can cause you to neglect work responsibilities. When setting goals, it is important to create balanced ones that consider both your career and your personal life.

SOURCE: PD:179 Balance personal and professional responsibilities

SOURCE: Cooks-Campbell, A. (2023, May 25). *How to have a good work-life balance*. Retrieved August 3, 2023, from <https://www.betterup.com/blog/how-to-have-good-work-life-balance>

4. B

Telling others about his goal. Ron will greatly improve his ability to achieve his goals if he involves supportive people in the process. People who will encourage Ron to achieve his goals will benefit him greatly. Describing the benefits of setting goals won't help Ron achieve them. Writing goals down greatly increases the chance of attainment. Lowering standards and setting unrealistic goals will not improve goal attainment.

SOURCE: PD:018 Set personal goals

SOURCE: LAP-PD-918—Go for the Goal (Goal Setting)

5. A

They look for ways to increase their productivity. Responsible employees look for ways to do jobs faster so that they will be more efficient. This increases their productivity and makes their output cost less than the output of irresponsible employees who don't care about productivity. Irresponsible employees cost the business money by coming to work late and leaving early, failing to follow directions, and overusing their benefits.

SOURCE: EI:021 Demonstrate responsible behavior

SOURCE: LAP-EI-021—Make the Honor Role (Acting Responsibly)

6. B

Investing. Using money to make money is called investing. Saving is setting aside part of your current income for future use. Rationing is a function of relative prices that determines who gets the goods and services produced—it is determining how scarce resources will be distributed. Reimbursing involves paying back or refunding money that someone has spent.

SOURCE: FI:270 Explain the need to save and invest

SOURCE: Frankel, M. (2023, June 20). *What to invest in: Use your money to make money*. Retrieved August 3, 2023, from <https://www.fool.com/investing/how-to-invest/what-to-invest-in/>

7. C

Visitor. Visitor trends are studied so that the property can predict the number of upcoming reservations and bookings it is likely to receive based on such things as people's ages, incomes, marital status, and travel habits. Competitive trends identify the directions that other properties are moving, including their price adjustments, renovation plans, levels of service, and so forth. Trends in technology provide information about how computers, the internet, and new equipment are likely to change the way properties operate. Industry trends give an idea as to the impact that other businesses are likely to have on the property, especially those (e.g., airlines, convention centers, and highway departments) in which the property depends upon for their success.

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

SOURCE: Mabrian. (2022, September 16). *Visitor demand and profile analysis*. Retrieved August 4, 2023, from <https://mabrian.com/blog/visitor-demand-profile-analysis/>

8. D

Emotional. A brand promise is the specific benefit that customers can expect from using the good/service and interacting with the company. It connects to customers on an emotional level and gives meaning to the brand. Successful brands use brand promises to connect to their customers on a "gut" level. Customers are more likely to be loyal to brands that they feel share their values and beliefs. Some customers may feel connected to a brand due to its ethics, but brand promises do not always connect with customers on an ethical level as they do an emotional one. Customers might choose to purchase products and services from companies due to rational or logical reasons, but these are not usually connected to the business's brand promise.

SOURCE: CR:001 Identify company's brand promise

SOURCE: LAP-CR-001—Share the Promise (Identifying Brand Promise)

9. B

Hotel airport shuttle. Value-added hotel promotions are typically complimentary "add-on" services or products that give customers an additional incentive to book a room. Many guests value an airport shuttle that provides convenience and reduces transportation costs. Daily housekeeping is a basic service that is typically included with any hotel room. An indoor swimming pool is a built-in hotel amenity. Discounting rooms is a promotional technique that does not provide anything additional to guests.

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

SOURCE: Morello, R. (2018, April 20). *Promotional strategies in hotels*. Retrieved August 4, 2023, from <http://yourbusiness.azcentral.com/promotional-strategies-hotels-11582.html>

10. A

Purchasing habits. An invoice is the formal, printed record of a sale that includes all necessary information of a sales transaction. The information includes the buyer, the seller, items purchased, quantities, prices, delivery date, credit, discount terms, etc. Because invoices record detailed information about sales transactions, businesses can review their invoices to analyze their customers' buying habits. By reviewing invoices, a business can determine the best-selling products and the products that are not moving, which helps the business make decisions about its product mix. Invoices do not reveal information about customers' personal attitudes, annual incomes, or buying motives.

SOURCE: OP:184 Track invoices

SOURCE: Hayes, A. (2023, June 8). *What is an invoice? Its parts and why they are important*. Retrieved August 4, 2023, from <https://www.investopedia.com/terms/i/invoice.asp>

11. A

Bundling. Product bundling is a marketing strategy that involves offering several products for sale as one combined product. This typically involves a discount for the customer. Offering several products as one combined product is not called product grouping, seeding, or applications.

SOURCE: PM:041 Describe the nature of product bundling

SOURCE: Moore, K. (2023, January 25). *What is product bundling? Examples and benefits* (2023). Retrieved August 4, 2023, from <https://www.shopify.com/retail/bundling-for-retail>

12. A

Keep sensitive records encrypted. Encrypting sensitive data such as credit card information, phone numbers, and addresses can prevent security breaches that can lead to information theft. Accepting payments in cash only may prevent security breaches but would most likely hurt a business' sales. Requiring customers to show a form of identification would not prevent sensitive information from being leaked or stolen. Businesses should use their own dedicated server for storing sensitive data. Using a shared server is a risk because other people or companies may have access to the information stored on it.

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

SOURCE: Dragilev, D. (2022, April 19). *Small business fraud prevention tips*. Retrieved August 4, 2023, from <https://quickbooks.intuit.com/r/operations-technology/how-to-protect-your-small-business-from-fraud/>

13. D

Lower level needs must be satisfied before higher level needs can become important. The five levels of needs, from lowest to highest levels, are physical, safety, social, self-esteem, and self-fulfillment. The theory states that the lower level needs must be relatively well-satisfied before higher level needs can become important to us. The theory does not support the statement that most people can satisfy only lower level needs.

SOURCE: PD:013 Assess personal interests and skills needed for success in business

SOURCE: McLeod, S. (2023, July 26). *Maslow's hierarchy of needs*. Retrieved August 3, 2023, from <https://www.simplypsychology.org/maslow.html>

14. A

Reasonable care. When hospitality and tourism businesses act in a way that a reasonable hospitality and tourism business would have acted, the business exhibits reasonable care. If hospitality and tourism businesses can prove that they acted with reasonable care, they are not fined by the courts. Otherwise, the courts can find them guilty of negligence, and they would be charged a fine. It's not possible for hospitality and tourism businesses to avoid all risks. There is always the chance that something bad can happen. Hospitality and tourism businesses are not insurers of their customers nor do they take out insurance on each customer. Instead, they take out liability insurance that transfers risk to an insurance company. Hospitality and tourism businesses act so that they limit their responsibility for accidents.

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

SOURCE: HG.org. (1995-2023). *Hospitality law*. Retrieved August 4, 2023, from <https://www.hg.org/hospitality-law.html>

15. D

Column. A column chart shows the differences in individual values vertically. It is useful to show the difference between values in different time periods, such as the rising sales of Alaskan cruises over time. Pie charts show the proportion of each segment to the whole. They are not useful for showing rising sales over time. A scatter chart is used when showing relationships and correlations between variables, rather than rising sales over time. A histogram is used to show frequency distribution, not rising sales over time.

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

SOURCE: Metwalli, S. (2020, September 7). *Data visualization 101: How to choose a chart type*. Retrieved August 4, 2023, from <https://towardsdatascience.com/data-visualization-101-how-to-choose-a-chart-type-9b8830e558d6>

16. D

Consider how the move will affect his budget. Before making any financial decision, you should carefully consider the potential consequences. In Aiden's case, he should consider how moving to an apartment and paying rent will impact his personal budget. Only after careful consideration and planning should he make a decision. He shouldn't ask his parents to pay for his apartment, since that would be inappropriate. Moving to an apartment generally symbolizes the start of a young person's adult life, and most adults pay for their own living arrangements. It would be unwise for Aiden to quit his job if he is considering moving out, since he will need the income to pay for rent. Aiden shouldn't apply for any loans before deciding if he will be moving.

SOURCE: FI:783 Make responsible financial decisions

SOURCE: Bellhops. (2023, February 24). *How to move out of your parents' house—all you need to know*. Retrieved August 3, 2023, from <https://www.getbellhops.com/blog/move-out-parents-house/>

17. C

Robbery. A pure risk is one that carries the possibility of loss or no loss. Robbery is a pure business risk that can be covered by insurance. Obsolescence, competition, and inflation are speculative risks because they could bring gain.

SOURCE: EC:011 Determine factors affecting business risk

SOURCE: LAP-EC-003—Lose, Win, or Draw (Business Risk)

18. C

5. The mean of the data set [2, 3, 9, 6, 4, 8, 3] is 5. The mean is the average, which is calculated by dividing the sum of the values in a data set (in this instance, 35) by how many numbers are being averaged (in this instance, 7.) So, $35 / 7 = 5$. The median, mode, and range of this data set are 4, 3, and 7, respectively.

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

SOURCE: Hayes, A. (2023, March 21). *Descriptive statistics*. Retrieved August 4, 2023, from https://www.investopedia.com/terms/d/descriptive_statistics.asp

19. A

Selling customer lists without the customers' consent to third parties. It is unethical for a business to sell its customers' information to third parties without the customers' permission because it is a breach of privacy. When privacy is breached, trust is broken, and customers may defect to the business's competitors. Implementing a frequent-buyers program, collecting information with authorization, and allowing customers to opt-out of email updates are ethical actions.

SOURCE: CR:017 Explain the role of ethics in customer relationship management

SOURCE: Wordstream. (2023, March 30). *Customer data privacy 101: 10 non-negotiable best practices to protect your business*. Retrieved August 3, 2023, from <https://www.wordstream.com/blog/ws/2022/11/22/customer-data-privacy>

20. D

Online businesses can easily become involved in international trade. A company that has a website can easily be found by people in foreign countries, and online services make international transactions easy to conduct. Small businesses represent a large majority of international trade. Freight forwarding services are often used by companies, but they are not required. Foreign language skills may be helpful, but they are not required to conduct international trade, since people in many countries speak more than one language and translation services exist.

SOURCE: EN:041 Describe small-business opportunities in international trade

SOURCE: Ikenson, D. (2022, June 13). *The e-commerce revolution is transforming global trade and benefitting the U.S. economy*. Retrieved August 3, 2023, from <https://www.forbes.com/sites/danikenson/2022/06/13/the-e-commerce-revolution-is-transforming-global-trade-and-benefitting-the-us-economy/>

21. C

Your level of self-esteem depends on your ability to accept yourself as you are. Self-esteem is how you feel about yourself at any given time. Your level of self-esteem can fluctuate from time to time; however, if you have an overall high level of self-esteem, you can accept yourself as you are—both your positive and negative qualities. Having good self-esteem does not mean that you overlook your faults, weaknesses and mistakes; rather, you recognize them and strive to improve over time. A person with high self-esteem has the ability to recognize others' abilities and accomplishments without feeling threatened or discouraged about their own abilities and accomplishments. Many people who have low self-esteem do not trust their own abilities and are less likely to try harder or strive for success because they fear they will fail.

SOURCE: EI:016 Explain the concept of self-esteem

SOURCE: Mind. (2023). *Self-esteem*. Retrieved August 15, 2023, from <https://www.mind.org.uk/information-support/types-of-mental-health-problems/self-esteem/about-self-esteem/>

22. B

Explain the purpose of the report. A short report is a formal but brief document that provides information needed for decision-making. Tia should start her short report with an introduction that states the purpose of the report and captures the manager's attention. Next, she should share pertinent facts, concerns for the organization, and other relevant information. The report's conclusion should contain a short summary and can include a recommendation that reinforces the report's message. Specific examples of negative impacts and information from the budget can be shared in the body of the report to illustrate concerns. A short report is not appropriate for sharing formal plans.

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

SOURCE: Meier, K.S. (2018, August 8). *How to write a short report to the general manager*. Retrieved August 4, 2023, from <https://work.chron.com/write-short-report-general-manager-7223.html>

23. C

Transportation. The development of rail, automobile, and air travel in the past 150 years has had the most impact on the development of the hospitality industry. Business and leisure travel has dramatically expanded because the time, comfort, and ease of travel has improved. This, in turn, creates a demand for facilities to house a wide variety of travelers. The retail, lumber, and financial industries would be impacted by growth or decline of the hospitality industry. The higher demand for hospitality services would naturally result in a higher demand for financial backing, building materials for facilities, and retail establishments for travelers.

SOURCE: PD:105 Describe the development of the hospitality and tourism industry

SOURCE: Westcott, M. (n.d.). *Introduction to tourism and hospitality in BC: Chapter 2. Transportation.*

Retrieved August 4, 2023,

from <https://ecampusontario.pressbooks.pub/introtourismbc/chapter/chapter-2-transportation/>

24. D

Improvement. Quality management is the coordination of resources to ensure the degree of excellence of a process, good, or service. Quality improvement involves using a systematic approach to increase the levels of excellence in relation to a process, good, or service. Quality assurance is the processes involved in checking processes or products to ensure that they are consistently meeting the business's quality standards. Deviation is the degree to which a process or product does not meet the business's quality standards.

SOURCE: QM:001 Explain the nature of quality management

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

25. A

An airline. Travel and tourism employees are in charge of making sure customers have the best experience possible while traveling and planning their trips. A travel and tourism employee might be employed at an airline. If Mackenzie works in the travel and tourism industry, she would not be employed at a state park, a hotel, or a restaurant.

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

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

26. D

Data that show the number of times each customer has used the card over several months. The mean of a set of data is the average of those data. So, the most effective method for determining the mean use-rate of loyalty cards involves using data from a wide range of customers. Examining several months of individual customer data will help determine the mean or average use-rate of customers' loyalty cards. Data revealing the month of highest loyalty card use do not show the overall customer use-rate. Data revealing which customers use the card most or least also do not help determine the overall customer use-rate.

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

SOURCE: Hayes, A. (2023, March 21). *Descriptive statistics.* Retrieved August 4, 2023, from

https://www.investopedia.com/terms/d/descriptive_statistics.asp

27. D

Compensation. Determining fair compensation can sometimes be a challenge for human resources managers. An example of compensation presenting an ethical dilemma is choosing a health care plan for employees. Deciding between a cheap but lower-quality health care plan and a more expensive but more comprehensive plan is not an example of an ethical dilemma related to hiring and firing, employment law, or race and gender.

SOURCE: HR:411 Explain the role of ethics in human resources management

SOURCE: LAP-HR-411—Moral Mediators (Ethics in Human Resources Management)

28. B

Blanket purchase order. Blanket purchase orders are created when the item and negotiated price are set with a supplier or vendor, but the quantity and schedule may vary from order to order. These are most often used for recurring orders of the same item in circumstances where the item quantity is likely to vary based on need. Often there is a negotiated set of terms and conditions including spending limits and duration of agreed pricing. A standard purchase order is used for a single purchase in which the terms and conditions apply only to a single transaction. A planned purchase order is often used in situations with recurring purchases in which the item, price, quantity, and delivery schedule are all negotiated and set. A contract purchase order is a formal agreement between buyer and supplier in which terms are set but no actual purchase is required. Contract purchase orders act like contracts for future purchases but do not necessarily require any purchases to be made.

SOURCE: OP:250 Describe types of purchase orders

SOURCE: Poskitt, C. (2019, September 27). *The know-it-all-guide to purchase orders*. Retrieved August 4, 2023, from <https://www.turbinehq.com/blog/guide-to-purchase-orders#Chapter-4>

29. C

Avoid direct skin contact and wear disposable gloves. To protect from bacteria transmission and skin irritation, hotel housekeeping attendants should wear disposable gloves when using cleaning chemicals. Housekeeping attendants generally alert their manager when cleaning-chemical inventory is low and do not complete the purchase order. When mixing or using toxic or strong cleaning chemicals, eye goggles or ventilation masks may need to be used. It is not necessary for attendants to keep a log of ingredients found in the cleaning materials; the ingredients are listed on the cleanser storage containers.

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

SOURCE: OSHA. (n.d.). *Housekeeping*. Retrieved August 4, 2023, from <https://www.osha.gov/SLTC/etools/hospital/housekeeping/housekeeping.html>

30. B

Cooking class. Service recommendations need to fit the needs of the customer. In this case, one of the customers lacks the mobility needed for parasailing, horseback riding, or raft riding. A cooking class would suit the senior couple's mobility limitations.

SOURCE: SE:221 Recommend hospitality and tourism services

SOURCE: Holland America Line. (2023). *Activities*. Retrieved August 4, 2023, from https://www.hollandamerica.com/en_US/onboard-activities.html

31. C

Reduce break-ins and ensure room security. The ability to reprogram keycards allows hotels to strengthen their overall security by reducing the chance of room break-ins. Room keys that can be remotely deactivated decrease the chance of a potential thief gaining access to a guest room. Keycards that can be reprogrammed do not necessarily help hotels screen potential guests for security risks, recover more lost keycards, or improve after-hours services.

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

SOURCE: Koorsen Fire & Security. (2016, September 16). *How the hospitality industry tackles security risks*. Retrieved August 4, 2023, from <https://blog.koorsen.com/2016/09/how-the-hospitality-industry-tackles-security-risks>

32. C

Shut off air conditioners. When fires occur, hotel employees should determine whether they can control the fire themselves. If not, they need to contact the fire department, shut off the air conditioning to keep the smoke from filtering into other parts of the property, close windows and doors to keep the fire from spreading, and shut off the fuel to gas-powered equipment. Since the employees have already determined that they cannot contain the fire themselves, they should not take time to attempt using fire extinguishers.

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

SOURCE: Setupmyhotel.com. (2023). *Fire emergency plan and procedure - hotel*. Retrieved August 4, 2023, from <https://setupmyhotel.com/train-my-hotel-staff/securityandloss/722-hotel-fire-emergency-plan-and-procedures.html>

33. A

Impulsive spending. Many situations can prevent individuals from reaching their financial goals. When people lose their jobs or need to get their cars fixed, their financial goals may be temporarily sidetracked. Overuse of credit cards can also affect an individual's ability to achieve their financial goals. An individual who must pay off credit card debt has less money available to save and invest. In Max's situation, impulsive spending derailed his financial goals. He saw something that he wanted right away, so he bought it without thinking about the consequences. It will likely take Max longer to reach his savings goal. A video game is considered a want, not a need, so unexpected needs did not hinder Max from reaching his goal. Max did not lose income; he simply chose to spend his earnings impulsively.

SOURCE: FI:065 Set financial goals

SOURCE: Christensen, T. (2022, April 6). *Impulse spending explained*. Retrieved August 3, 2023, from <https://moneyfit.org/impulse-spending>

34. D

Equal pay for men and women. The Equal Pay Act mandates equal pay for men and women performing similar job tasks. Email and internet privacy when working on an employer's computer system is not guaranteed, nor is paid time off for jury duty legally mandated. Overtime pay is a basic right to most employees but does not include some professionals, managers, and other employees.

SOURCE: PD:021 Explain the rights of workers

SOURCE: Inc. (2023). *Employee rights*. Retrieved August 3, 2023, from <http://www.inc.com/encyclopedia/employee-rights.html>

35. D

Take the criticism seriously. You should listen carefully to criticism, even though you may not like what you are hearing. The speaker thinks the criticism is valid and expects you to take it seriously. Listening carefully does not indicate that you know you have made a mistake, that you don't have any questions, or that you believe the criticism is valid.

SOURCE: EI:003 Explain the use of feedback for personal growth

SOURCE: LAP-EI-903—Grin and Bear It (Using Feedback for Personal Growth)

36. A

Arranging an office space. Organizing involves activities such as allocating tasks, resources, and facilities. Arranging an office space is an example of allocating facilities. Hiring employees and training staff would fall under the staffing function of management. Writing a marketing plan would fall under the planning function of management.

SOURCE: SM:064 Explain managerial considerations in organizing

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

37. A

Cash reconciliation. Cash reconciliation is the process of verifying the amount of cash in a register at the end of a business day. It allows businesses to keep track of cash flow. The manager of a restaurant should perform cash reconciliation before closing the restaurant down for the night. Bank reconciliation, internal audits, and financial ratio analysis are not completed on a nightly basis.

SOURCE: FI:396 Reconcile cash

SOURCE: Bragg, S. (2023, June 19). *Cash reconciliation definition*. Retrieved August 4, 2023, from <https://www.accountingtools.com/articles/what-is-a-cash-reconciliation.html>

38. D

Most goals can't be reached alone. Sharing the power means recognizing that most goals cannot be reached alone and engaging followers in meaningful work. Sharing the power does not mean that a leader doesn't trust their subordinates, doesn't think that their followers will do a good job, or that they won't meet goals as quickly.

SOURCE: EI:135 Use power appropriately

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

39. B

Ask a coworker to help him fill in the blanks. It can be difficult to capture everything important when taking notes. If Trent realizes that his meeting notes are incomplete, he should ask a coworker who was also in the meeting to help him fill in what he is missing. While it's a good idea to tackle assigned tasks after a meeting, this will not necessarily help Trent deal with the missing information in his notes. Using a consistent, logical note-taking format is an effective strategy, but it will not help Trent after the fact when he is missing important information. Condensing what he has written to be more concise will not help Trent fill in the missing information.

SOURCE: CO:085 Utilize note-taking strategies

SOURCE: Slatta, R. (n.d.). *Strategies for effective listening & notetaking*. Retrieved August 2, 2023, from <https://faculty.chass.ncsu.edu/slatta/hi216/takenotes.htm>

40. B

Bad timing. If Jenny asks for a raise in her allowance right after her mother has been laid off from her job, the communication barrier of bad timing is likely to result. Jenny's parents may want to give her the money but just may not be able to at the time. The communication barriers of language, environment, and information overload would not result from this situation.

SOURCE: EI:007 Explain the nature of effective communications

SOURCE: LAP-EI-140—More Than Just Talk (Effective Communication)

41. A

Developing company goals and objectives. The first step in the managerial planning process involves establishing company goals and objectives. After establishing these goals, managers can identify the tasks and resources (money and staff) needed to reach those goals and objectives. Managers should then prioritize their goals and associated tasks so that staff understand where to focus their time and energy. Finally, managers should develop and implement methods to evaluate progress toward organizational goals and objectives.

SOURCE: SM:063 Discuss the nature of managerial planning

SOURCE: Gartenstein, D. (2019, February 4). *The basic steps in the management planning process*. Retrieved August 4, 2023, from <https://smallbusiness.chron.com/basic-steps-management-planning-process-17646.html>

42. B

Concentrating on remembering what the speaker says. One technique people use to improve listening skills is to make a conscious effort to try to focus and remember what the speaker says. Staying focused on the message and filtering out noise as much as possible improves the chances of remembering and accurately understanding the message. Listeners may want to be aware of their own body language (e.g., facial expressions, crossed arms) because their nonverbal cues are also being interpreted by the speaker and can affect communication. However, monitoring one's own nonverbal cues does not necessarily mean that the listener takes control of the conversation. Thinking about how to respond to messages while the speaker is talking is a barrier to active listening. To decipher a message accurately, the listener must not only pay attention to the speaker's words but also to their nonverbal cues and voice tone. Nonverbal cues are not necessarily more important than tone of voice.

SOURCE: CO:017 Demonstrate active listening skills

SOURCE: Hatter, K. (2021). *How to improve active listening skills in business situations*. Retrieved August 2, 2023, from <https://smallbusiness.chron.com/improve-active-listening-skills-business-situations-20192.html>

43. A

Diffusing the customer's anger. In the hospitality and tourism industry, it is important to know how to resolve conflicts with customers who are unhappy with the service. One of the first steps is diffusing anger because it is difficult to resolve conflict when one or more parties is angry. Petra is diffusing anger by remaining calm, listening, and expressing sympathy. In this example, Petra is not solving the problem, deferring to authority, or avoiding the conflict completely.

SOURCE: CR:044 Resolve hospitality and tourism related conflicts for customers

SOURCE: Customer Traac. (2022). *How to deal with angry customers and diffuse the situation*. Retrieved August 4, 2023, from <https://customertraac.com/diffuse-angry-customers/>

44. B

Assets. Items of value are called assets on balance sheets. Liabilities are debts. Owner's equity is what's left over after liabilities have been subtracted from assets. The notes section of the balance sheet contains additional, relevant information, such as notes about what types of accounting policies were used.

SOURCE: FI:093 Explain the nature of balance sheets

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

45. A

Elastic. Elastic demand is a form of demand for products in which changes in price correspond to changes in demand. Demand is inelastic when a change in price does not significantly affect demand. Inelastic demand exists if the demand for a product is constant, or ongoing. Demand is not described as competitive, but it is affected by competition. Products are more likely to have elastic demand if competitive products are available for consumers to purchase.

SOURCE: EC:005 Explain the principles of supply and demand

SOURCE: LAP-EC-011—It's the Law (Supply and Demand)

46. C

Reduced sales. The location of a sports or entertainment facility often has an effect on sales. If consumers feel that a facility is located in an unsafe area, they may be reluctant to purchase tickets to events. This would result in reduced sales. Event promoters should be aware of consumers' concerns for safety and schedule events in appropriate facilities. The location of a facility does not necessarily limit access or decrease parking. The length of an event would not be shortened because of the facility's location.

SOURCE: SM:076 Conduct a risk assessment of an event

SOURCE: Superevent. (2023). *13 important things to consider when choosing your event venue*. Retrieved August 3, 2023, from <https://superevent.com/blog/13-important-things-to-consider-when-choosing-your-event-venue/>

47. D

Credit cards have high processing fees. When businesses accept credit cards, they are required to give some of the money from each sale they make to several third parties—such as the card provider, the banks that are involved, and various credit card associations. These processing fees can sometimes make accepting credit cards too expensive for small businesses that sell inexpensive items like breakfast foods. It is unlikely that the cafe decided to refuse credit cards because the owners are old, because residents never carry credit cards, or due to town restrictions.

SOURCE: FI:790 Calculate credit-card processing costs

SOURCE: Williams, R. (2022, August 15). *Credit card processing fees and costs*. Retrieved August 4, 2023, from <https://www.valuepenguin.com/what-credit-card-processing-fees-costs>

48. D

Automation. Automation is the use of robots or other automatic equipment to do certain tasks. A business might make up for the shortage of qualified workers by relying more on the use of automated equipment or machinery. For example, the use of automatic phone systems often eliminates the need for a business to hire experienced phone operators. Production is the process or activity of producing goods and services. Specialization is the process of making the best use of resources in the production of goods and services. Conservation is the preservation and protection of resources and usually refers to natural resources rather than human resources.

SOURCE: EC:003 Explain the concept of economic resources

SOURCE: LAP-EC-903—Be Resourceful (Economic Resources)

49. B

Intangible. The products offered by the hospitality and tourism industry are services and experiences—not concrete goods. Instead of receiving tangible items for their money, the buyer receives a trip, hotel stay, or experience that they hope will be pleasant and memorable. The services offered by the hospitality and tourism industry are perishable, meaning that they cannot be stored for later sale or use. Just as fresh produce cannot be kept forever, a cruise vacation or hotel stay must be consumed or used relatively soon after it is purchased. The hospitality and tourism industry is guest- and service-centric, rather than employee-centric. The hospitality and tourism industry is also inseparable, meaning that the services provided cannot be separated from their providers.

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

SOURCE: Kurtz, J. (2023). *What is the hospitality industry?* Retrieved August 4, 2023, from <https://www.webstaurantstore.com/blog/3726/what-is-the-hospitality-industry.html>

50. C

Encryption. Software piracy and unauthorized file sharing (e.g., of music) are costly to producers. To protect their ownership rights, these businesses often use encryption techniques to minimize these types of issues. Encryption is the process of transforming information into a secret code so that only the recipient can read it. If the recipient tries to pass along the information to others, the others will not be able to access the information. Virtualization involves running multiple operating systems on one machine. Multicasting transmits streaming media to multiple users simultaneously. Rerouting means changing course or direction.

SOURCE: NF:076 Explain legal issues associated with information management

SOURCE: Federal Trade Commission. (2023). *FTC safeguards rule: What your business needs to know.*

Retrieved August 3, 2023, from <https://www.ftc.gov/tips-advice/business-center/guidance/financial-institutions-customer-information-complying>

51. B

How they are manufactured. Customers are often interested in where products come from and how they are manufactured (e.g., if an item is made in the U.S. and if it's handcrafted). They are not likely to be interested in the names of manufacturing CEOs, the months and years products were invented, or how many the company has in its inventory.

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

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

52. D

Make a profit. Making a profit is the *main* goal of business. Profit is the monetary reward a business owner receives for taking the risk involved in investing in business. By providing the best products possible, business owners increase the likelihood of making a profit. Businesses also need to be socially responsible by helping save the environment and by providing a safe working environment.

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

SOURCE: LAP-EC-016—Regulate and Protect (Government and Business)

53. B

Rent payments. Fixed expenses are costs that stay relatively the same each month. Fixed expenses are generally costs that are required to maintain a decent standard of living, such as rent, car payments, internet service, and trash pickup. Grocery expenses, entertainment costs, and gasoline costs are considered variable expenses because they may vary significantly from month to month.

SOURCE: FI:066 Develop personal budget

SOURCE: Lake, R. (2022, October 19). *Budgets: Everything you need to know.* Retrieved August 3, 2023, from <https://www.thebalance.com/how-to-make-a-budget-1289587>

54. C

Review compliance requirements. Risk is the possibility of loss. Many internal and external factors affect the business's level of risk. Because risk affects the business's financial well-being, it must take steps to minimize risk. The government implements regulations, which are external factors that affect the business. It is important for the business to understand and keep up with the regulations that affect the way the business operates. If the business fails to comply with the regulations, it could be subject to penalties and fines, which can be very costly to the business. Updating customer data, maintaining intranet security, and implementing business policies are ways that the business controls its internal risks.

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

SOURCE: Kenton, W. (2023, May 4). *Risk control.* Retrieved August 4, 2023, from <https://www.investopedia.com/terms/r/risk-control.asp>

55. C

So that the information is readily accessible when it is needed. Companies should make inventories of their digital information so that it can be easily accessed when it is needed and so that no important data are lost. It is not necessarily true that employees don't use their computers wisely. Most employees use their computers appropriately and responsibly. Companies do not make inventories of their information to prevent IT professionals from stealing company data or to keep tabs on what employees are doing online.

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

SOURCE: Auditboard. (2021, June 9). *How to protect your digital assets in 2022*. Retrieved August 4, 2023, from <https://www.auditboard.com/blog/how-to-protect-your-digital-assets/>

56. A

Customers with reservations spend 25% more than other customers. Understanding the relationship between making reservations and spending can help a restaurant focus its sales and promotional efforts on dinner reservations in order to increase sales. Since the tipping of waitstaff, split plates, and payment methods do not increase sales, these data are less helpful.

SOURCE: NF:288 Monitor hospitality and tourism sales data

SOURCE: Andrews, R. (2023, June 14). *Restaurant analytics: 9 ways to grow your revenue with data*. Retrieved August 4, 2023, from <https://restaurant.eatapp.co/blog/restaurant-data-and-analytics-increase-revenue>

57. B

If the request jeopardizes the safety of others. In general, businesses should try to honor all special needs and specific requests of customers. However, if the request jeopardizes the safety of others (e.g., leaving a security checkpoint unattended), it might be impossible to honor that request. Requests should be honored even if the customer is impolite and demanding. Businesses should honor requests that are unrelated to health. Finally, whether or not a customer is new to the company is unrelated to whether or not their request should be honored.

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

SOURCE: University of Louisiana at Lafayette Office of Disability Services. (2019). *Reasonable vs. unreasonable accommodations*. Retrieved August 4, 2023, from <https://disability.louisiana.edu/content/faculty-information/reasonable-unreasonable-accommodations>

58. D

Technology. Many apps and websites allow customers to leave reviews and ratings about their experiences. Therefore, customer service has become even more important in hospitality and tourism. Businesses must provide top-notch service to make sure reviews are positive, which keeps business incoming. Lower prices, less frequent travel, and fewer consumer choices have not increased the importance of customer service in the hospitality and tourism industry.

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

SOURCE: ASK. (2022, September 7). *CX challenges in hospitality and travel industries*. Retrieved August 3, 2023, from <https://www.astutesolutions.com/industry-insights/hospitality-industry>

59. B

Psychographic. Psychographic segmentation is based on the lifestyles and personalities of customers. Because Alex demonstrated an interest in a travel show, marketers can deduce that traveling is a part of his lifestyle. Thus, Alex would be an appropriate market for a tropical resort. Behavioral segmentation occurs when customers are grouped based on what they are looking for in a product and why they buy the product. Demographic segmentation divides the market on the basis of physical and social characteristics. Geographic segmentation groups customers based on where they are located.

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

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

60. D

Observing, questioning, listening. The best way to determine customer needs is to learn more about the customer. Observing includes nonverbal communication that the salesperson can use to better know their customer. Questioning lets the salesperson ask what the customer needs through different types of questions (yes/no, clarifying, open-ended, etc.). Listening is crucial, because if the salesperson asks a question and doesn't listen to the response, the question is useless. Presenting, visualizing, and follow-up usually occur after a customer's needs have been determined. Greeting, modifying, and focusing, as well as canvassing, qualifying, and organizing will not provide as much information about the customer as observing, questioning, and listening.

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

SOURCE: Giannotti, F. (2023). *Top 10 hospitality and tourism soft skills*. Retrieved August 31, 2023, from <https://hospitalityinsights.ehl.edu/top-10-soft-skills-hospitality-tourism>

61. B

Ask a valet to help them with parking and luggage when they arrive. A guest speaker is an important part of a conference, so you should arrange to make their arrival as easy and stress-free as possible. They plan to eat something on the way to the hotel, so there's no need to keep their entrée warm. Cancelling their presentation or arranging for a video conference call would not be necessary because the speaker is planning to arrive on time for their speech.

SOURCE: CR:053 Anticipate unspoken customer needs

SOURCE: Social Tables. (2017, November 22). *Want to be a hotel event planner? Here's what you should know first*. Retrieved August 4, 2023, from <https://www.socialtables.com/blog/event-planning/hotel-event-planner/>

62. A

Desire for convenience. Travelers select certain lodging facilities for many reasons or for a combination of reasons. Ms. Woo staying in a hotel across the street from her client's office implies that one reason Ms. Woo selected the hotel was for the convenience of being near the office where she was planning to attend a business meeting. Because there is not enough information revealed about the location or Ms. Woo, it cannot be determined whether additional factors for her selection included relaxation, safety, or prestige.

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

SOURCE: Tas, G. (2022). *How do customers choose hotels?* Retrieved August 4, 2023, from <https://www.gourmetmarketing.net/blog/how-do-customers-choose-hotels>

63. A

Smiling. A smile conveys a positive message and reinforces good news. Poor posture sends the message that a person doesn't really care about what they are saying. Lack of eye contact, or looking elsewhere, sends a message that the speaker may not be telling the truth or may wish to be doing something else.

SOURCE: CO:059 Interpret others' nonverbal cues

SOURCE: Boose, G., Robinson, L., Segal, J., & Smith, M. (2020, October). *Nonverbal communication and body language*. Retrieved August 2, 2023, from <https://www.helpguide.org/articles/relationships-communication/nonverbal-communication.htm>

64. C

Remain patient. It may take some time and work to convince your coworkers that your idea is the best option, so it's important to remain patient. Becoming defensive and rejecting feedback will not help you be objective. Even though you don't want to become defensive, you also shouldn't go to the other extreme and accept defeat when people disagree with you.

SOURCE: CO:061 Defend ideas objectively

SOURCE: Haddock, P. (2022). *Defend your ideas without becoming defensive*. Retrieved August 2, 2023, from <https://gohighbrow.com/defend-your-ideas-without-becoming-defensive/>

65. A

Mining. Mining, exploration, and extractive industries are heavily regulated by environmental protection agencies to reduce potential air, soil, and water contamination. The education, finance, and merchandising industries are not as likely to be regulated by environmental laws since these industries pose little threat to the environment compared to other industries such as mining.

SOURCE: BL:073 Discuss the nature of environmental law

SOURCE: Cornell Law School. (2022, December). *Environmental law*. Retrieved August 2, 2023, from https://www.law.cornell.edu/wex/environmental_law

66. D

Identifying the need for future projects. After evaluating your project results, you might find that your project did not solve all of the problems that it intended to solve. In this case, your project might have created the need for more projects. Figuring out who is to blame for shortcomings, keeping stakeholders from knowing about mistakes, and eliminating the need for customer satisfaction are not benefits of evaluating project success.

SOURCE: OP:521 Evaluate project success

SOURCE: LAP-OP-521—Making the Grade (Evaluating Project Success)

67. B

Gift cards. Gift card sales are an important source of revenue for many types of hospitality businesses. Consumers purchase gift cards for others because the gift recipients can book a reservation where and when they want it, which provides them with flexibility. Hotel chains do not typically sell spa points, contest passes, or keyless cards.

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

SOURCE: Hochberg, E. (2020, December 7). *11 hotel and Airbnb gift cards to give now so they can use for future travel*. Retrieved August 4, 2023, from <https://www.businessinsider.com/best-hotel-airbnb-gift-cards>

68. B

Quickly. Communication is crucial to recovering a customer who has had a negative experience, and the sooner a business can try to resolve an issue, the less likely a customer will have time to 'stew' on the experience. The medium through which a customer is contacted does not have a direct effect on the likelihood of recovery. Financial compensation might help with guest recovery, but it is not always needed and can be a costly decision. Payment processes should not be a factor in reaching out to try to recover guests.

SOURCE: CR:045 Explain the nature of guest recovery

SOURCE: Beddow, B. (2019, February 5). *The LEARN method of guest recovery*. Retrieved August 4, 2023, from <https://bevsight.com/the-learn-method-of-guest-recovery/>

69. C

International. International law includes treaties and laws that are created and enforced by organizations such as the United Nations (UN) and the International Criminal Court (ICC). International law deals with agreements between nations and globally accepted standards of behavior in areas such as human rights, refugees, migration, and war. Federal, state, and local are all levels of law, but they are not related to treaties, migration, and war.

SOURCE: BL:163 Comply with the spirit and intent of laws and regulations

SOURCE: LAP-BL-163—Laying Down the Law (Complying With the Spirit and Intent of Laws and Regulations)

70. A

Accurate forecasts. Purchasing depends on other departments for information and expertise so it can do its job well. Purchasing needs to obtain accurate sales forecasts from the sales department before ordering goods and scheduling deliveries. Purchasing relies on sales forecasts, which are predictions of future sales over a specific period of time, to buy the right amount of goods. Pricing policies are guidelines regulating the range of prices for goods and services that businesses offer to customers. Information about production needs is provided by the production department. Information about operating expenses is provided by the finance department.

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

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

71. B

Positioning. Positioning is a strategy in which a business creates a certain image or impression of a product in the minds of consumers. By creating and promoting special entrees using local produce, the restaurant is positioning itself as supportive of the local farming community. Test marketing involves introducing the product to a limited market to see how it will be accepted. Licensing means buying permission from another person or company to sell a product. Commercialization is the point at which the product goes into full-scale production, a marketing plan is put in place, service and sales training are conducted, and the product's life cycle begins.

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)

72. B

Footers. A footer is a line of text appearing at the bottom of a presentation slide. A presenter may choose to include the name and date of their presentation in the footer to remind viewers of the focus of the presentation. Slide numbers are also often included in footers for the presenter's and viewers' reference. A header is a line of text or other data that appears at the top of a presentation slide or word processing document. The bibliography slide contains links and sources relevant to the presentation and does not typically have the name or date. Animations are movements added to objects (e.g., text, images) on presentation slides. Transitions are animations added to slides. Transitions dictate how one slide is removed from the screen and replaced with another. The presentation name and date are not typically included in animations or transitions.

SOURCE: NF:008 Demonstrate basic presentation applications

SOURCE: Microsoft. (2023). *Add page numbers, date and time, or footer text to all slides in powerpoint for Mac*. Retrieved August 3, 2023, from <https://support.office.com/en-us/article/Add-page-numbers-date-and-time-or-footer-text-to-all-slides-in-PowerPoint-for-Mac-abb23f0c-760a-46ef-940e-be5074d3f287>

73. A

Place. Place utility is usefulness created by making sure that goods or services are available at the place where they are needed or wanted by consumers. People at the beach would expect to find beach products at the store. Time utility is usefulness created when products are made available at the time they are needed or wanted by consumers. Possession utility is usefulness created when ownership of a product is transferred from the seller to the user. Form utility is usefulness created by altering or changing the form or shape of a good to make it more useful to the consumer.

SOURCE: EC:004 Determine economic utilities created by business activities

SOURCE: LAP-EC-013—Use It (Economic Utility)

74. D

Foreign customs, values, and languages. Launching a brand in other countries requires knowledge, understanding, and sensitivity toward foreign cultures and taboos. Frequently, what is acceptable in one culture is not in another. Product names, promotional approaches, and sometimes even product features themselves may have to be adapted to make them acceptable—and saleable—to foreign customers. The history of brands in foreign countries may provide helpful context but is not a central issue in launching a brand internationally. Understanding brand licensing laws and co-branding practices in foreign countries may provide some helpful context, but are not central issues in launching a brand internationally, unless you one day plan to enter into a specific brand licensing or co-branding arrangement.

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. D

The short term over the long term. It's human nature to prioritize the short term over the long term. That's why it's so important to consider the long-term consequences of your actions and make the right decisions. It's not necessarily human nature to prioritize school over work, adults over children, or others over yourself.

SOURCE: EI:137 Assess long-term value and impact of actions on others

SOURCE: LAP-EI-137—Choose for the Future (Assessing the Long-Term Value and Impact of Actions on Others)

76. A

Delete the other record. Customer records contain contact, billing, and purchasing information. If multiple records for one customer exist, each record may have incomplete or differing information. Having multiple records for one customer in a database can cause confusion for employees and may cause the business to ship goods or send bills to an incorrect address. When a business detects more than one record for a customer, it should place all of the most current information in one record and delete the other record(s) to prevent employees from accessing the wrong record in the future. Reformatting the other or second record, creating a new record, and reorganizing all of the customer records are not actions that prevent a business from having multiple records for one customer in its database.

SOURCE: NF:002 Maintain customer records

SOURCE: Teamleader Focus. (2023, April 27). *Customer data management: How to build a customer database*. Retrieved August 3, 2023, from <https://www.teamleader.eu/blog/customer-data-management-how-to>

77. C

Jiffy Parcel Service strives to provide the quickest, most reliable delivery service in the country. Organizational vision refers to the future a company's leaders desire to create. To achieve this vision, Jiffy's leaders and its employees must take specific actions (e.g., set goals, develop efficient processes). Management must communicate the organizational vision to employees so they understand their roles and perform their duties in ways that work toward achieving the organizational vision. Techno-Electronics set a specific sales goal. A project leader who tells their team that it is the most efficient project team in the firm is using positive reinforcement to maintain or boost morale. Departmental members working together to lower business costs are exhibiting teamwork.

SOURCE: EI:060 Enlist others in working toward a shared vision

SOURCE: LAP-EI-060—Vision Quest (Enlisting Others in Vision)

78. C

Analyzing financial transactions. The first step in the accounting cycle is to analyze financial transactions. The accounting process begins with the collection of source documents for the business's financial transactions, which can include sales, purchases, or returns. After collecting this documentation, the business analyzes each transaction, determines the transaction amount, and identifies the accounts that the transaction affects. After this, the transactions can be journalized and posted to ledgers. When the books have been balanced, the business can prepare financial statements.

SOURCE: FI:085 Explain the concept of accounting

SOURCE: LAP-FI-085—Show Me the Money (Nature of Accounting)

79. A

Price. Price is the marketing element requiring marketers to determine the amount of money they will ask in exchange for their products. In the travel and tourism industry, price is closely associated with customers' perceptions of value and worth. If customers think the travel product has value and worth, they are often willing to pay for it. Also, value and worth differ from customer to customer, so what is value to one customer might not be value to another. For example, some people prefer economy hotels because saving money is a value to them. To other people, receiving many services is a value that they are willing to pay for. Profit is the monetary reward a business owner receives for taking the risk involved in investing in a business. Place is the marketing element focusing on considerations in getting a selected product in the right place at the right time. Promotion is a marketing function needed to communicate information about goods, services, images, and ideas to achieve a desired outcome.

SOURCE: PI:029 Explain the concept of price in the hospitality and tourism industry

SOURCE: Wharton, D. (2022, November 13). *12 tourism pricing problems and how to avoid them*. Retrieved August 31, 2023, from <https://www.travellifemedia.com/12-tourism-pricing-problems-how-to-avoid>

80. D

Provide employees with specialized training. Businesses can help prevent computer fraud by making sure employees understand how to operate their hardware and software and how to use and protect their own identification codes or passwords. Employees also should be trained not to allow unauthorized individuals to see the computer screen, and to exit a confidential file or turn off the computer if they need to leave their terminals. Using closed-circuit television monitors, hiring professional security guards, and installing electronic sensing systems are ways of preventing shoplifting rather than computer fraud.

SOURCE: OP:013 Explain routine security precautions

SOURCE: TowneBank. (2023). *Training employees to prevent fraud*. Retrieved August 3, 2023, from <https://www.townebank.com/business/resources/security/training-employees/>

81. C

Open rate. The open rate of an email campaign is the percentage of campaign recipients who opened an email. The click-to-open rate is the percentage of email viewers (those who opened an email) who clicked on a link. An email's bounce rate represents the number of emails that bounced, or could not be delivered. An unsubscribe rate represents the number of campaign recipients who opted out of receiving more emails. Because Iseabail wants to know how many recipients opened and read the most recent email, and is not yet concerned with clicks, she needs the campaign's open rate.

SOURCE: NF:205 Use analytical tracking tools

SOURCE: Campaign Monitor. (2023). *Ultimate email marketing benchmarks for 2022: By industry and day*. Retrieved August 4, 2023, from <https://www.campaignmonitor.com/resources/guides/email-marketing-benchmarks/>

82. C

Businesses must look for updated technology all the time. Because new technology is being introduced all the time, businesses must constantly be on the lookout for updated technological tools that will help them be more efficient. All businesses are affected by technology in one way or another. Technology is just one way for a business to compete—it might also compete through pricing strategies, promotional campaigns, etc. Though some target markets may use technology more than others, all target markets are affected by and use technology.

SOURCE: EC:105 Describe factors that affect the business environment

SOURCE: LAP-EC-105—What's Shakin'? (Factors Affecting the Business Environment)

83. B

Herd mentality. A person who decides to wear a certain style of clothing because everyone else is wearing it is demonstrating herd mentality. Groupthink refers to a process that occurs when bad decisions are made by a group because the group's members fear expressing opinions or suggesting ideas that others may disagree with. Status quo bias refers to a preference to maintain the status quo. Acceptance refers to a conscious decision to personally agree with a practice instead of simply following the crowd.

SOURCE: EI:134 Challenge the status quo

SOURCE: LAP-EI-134—Unfollow the Crowd (Challenging the Status Quo)

84. D

Developing attractive displays. The purpose of the promotion function of marketing is to communicate information about goods, services, images, or ideas to achieve a desired outcome. One way that businesses promote their products is by developing displays that will attract the attention of customers and encourage them to buy. Organizing storage shelves and processing recent shipments are distribution activities. Creating product assortments is a product/service planning activity.

SOURCE: MK:002 Describe marketing functions and related activities

SOURCE: LAP-MK-002—Work the Big Seven (Marketing Functions)

85. D

Offer training and professional development. Seasonal employees are usually either new or have not worked in several months, so their customer service skills might be out of practice. The Elegance Pointe resort should train these employees well, as well as offer professional development opportunities so employees can offer excellent service. Seeking out recruiting pools such as college job fairs and expanding full-time roles to take on more responsibility are good ways to handle peaks in demand, but they are not necessarily related to improving seasonal employees' customer service skills. Enforcing a strict termination policy for bad service will not necessarily encourage the employees to provide high-quality service; rather, it might create a culture of fear.

SOURCE: CR:039 Maintain service standards during peaks in demand

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

86. A

Ask the department manager about the policy. If employees are not sure if they can or should work overtime, they should ask their department managers. Generally, department managers can authorize overtime for their subordinates. Departmental policies are not usually posted on the company's website. Overtime policies often vary by department, so asking an employee who works in another department is not an appropriate action to take. If the department manager is unavailable, the employee might ask the human resources manager about overtime policies.

SOURCE: CO:057 Analyze company resources to ascertain policies and procedures

SOURCE: Nichols, J. (2017, September 26). *Labor laws on too much overtime*. Retrieved August 2, 2023, from <https://bizfluent.com/how-2076457-create-overtime-policy.html>

87. A

Questioning and listening. The salesperson must develop their skills in both these areas if they are to be successful. Watching and waiting would be a passive approach to the customer—not likely to result in a sale. While some talking on the part of the salesperson is necessary, coaxing, arguing, persuading, and manipulating should be avoided as forms of high-pressure sales tactics.

SOURCE: SE:048 Explain the selling process

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

88. C

A product extension. A product extension is an additional product related to, but different than, the main product. In the example, Fun-Tastic's primary product is a form of entertainment—an amusement park with rides and shows. A water park is also a form of entertainment, but differs from an amusement park because it involves water and swimming activities. A merger occurs when two individual businesses combine to form one organization. Product positioning refers to the consumer's image or impression of a product as compared to that of competitive products. A joint venture is an arrangement that involves two or more businesses entering into a relationship by combining complementary resources such as technology, skills, capital, or distribution channels for the benefit of all parties. A joint-venture relationship is usually short-term or for a single project/transaction.

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

SOURCE: Odjick, D. (2021, June 24). *Product line extensions: What they are, examples, and tips for forming your strategy*. Retrieved August 4, 2023, from <https://www.shopify.com/blog/product-line-extensions>

89. A

Create demand for. Promotion, which is one function of marketing, includes advertising, selling, publicity, and events, such as giveaways and trade shows. Promoting a hospitality and tourism product through these methods stimulates interest, helping create demand. Distribution channels are outlets through which a product is available to customers, such as wholesale tour operators or retail travel agents. Determining a price is an important marketing decision that should take place before promoting a product. Branding is the aspect of marketing that deals with developing a recognizable name or image for a product or company.

SOURCE: PR:121 Describe the concept of promotion in the hospitality and tourism industry

SOURCE: Kerkola, H., & Iarygina, E. (2019, January 10). *The importance of advertising tourism services on the internet*. Retrieved August 31, 2023, from <https://unlimited.hamk.fi/teknologia-ja-liikenne/advertising-tourism-services/>

90. C

His company's intranet. An intranet is an internal network similar to the internet that is accessible only by authorized personnel. It is used to access information and communicate with others within an organization. A company intranet often consists of internal databases, which provide computerized storage for information and facts. Businesses typically maintain information in their databases that are relevant to their operations—product specifications, inventory levels, vendor contact information, customer sales records, etc. When an employee needs information, such as the model number of a customer's printer, they can quickly obtain the customer's sales records by accessing data stored on the intranet, which will ensure that the employee orders the correct printer cartridge for their customer. The manufacturer's accounting department, its production manager, and the company's contact directory are unlikely to have the information needed.

SOURCE: NF:078 Obtain needed information efficiently

SOURCE: Sociabble. (2023, May 31). *What is an intranet and does your company need one?* Retrieved August 3, 2023, from <https://www.sociabble.com/blog/employee-communications/what-is-an-intranet/>

91. A

To appeal to the target market. Core values represent the underlying worth of products and the image those products project. Products have value beyond price, and these values often are more important to customers than the price. For example, the core values of one product might include quality construction and a respected reputation. These are the values that appeal to the target market and encourage the target market to buy the products. A business does not communicate the core values of its products to justify the price, develop appropriate advertising, or analyze market research.

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

SOURCE: Bourn, J. (2019, October 3). *How to identify and define your core brand values*. Retrieved August 4, 2023, from <https://jenniferbourn.com/brand-core-values/>

92. B

A cafe develops a logo illustrating its core value of using natural ingredients. Branding refers to tactics that establish and promote the identity and unique values of a company and distinguish it from other businesses. Illustrating the use of natural ingredients helps communicate a core business value that distinguishes the cafe from others. Advertising products and selling tickets for special events are examples of a business using promotion. Printing a company logo on disposable paper products helps identify a company, but it does not necessarily help promote its unique values.

SOURCE: PM:206 Explain the nature of corporate branding

SOURCE: Sisk, A. (2018, June 11). *What is the definition of corporate branding?* Retrieved August 4, 2023, from <https://bizfluent.com/info-7794760-definition-corporate-branding.html>

93. C

Discourage time theft. One of the reasons a business may monitor technology is to discourage time theft, or employees wasting time on personal tasks (emails, games, etc.) instead of being productive in their job tasks. A business would not use technology monitoring to delete unnecessary files, check employees' work, or measure electricity usage.

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

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

94. D

Accurate interpretations. Businesses obtain a variety of information that must be analyzed to make it useful. While manipulating the data for information analysis, businesses should try to interpret them accurately to obtain information that will answer specific marketing questions. Many times, businesses can manipulate the data to obtain the answers they want. This practice will not help them solve problems or make good decisions if they interpret the data inaccurately. Exploratory research is a method of obtaining information. Secondary information is information that has already been collected for another purpose. Businesses develop a research program before interpreting data.

SOURCE: NF:185 Use database for information analysis

SOURCE: Spacey, J. (2018, August 27). *10 types of information analysis*. Retrieved August 4, 2023, from <https://simplicable.com/new/information-analysis>

95. B

Away from the competition. One category of buying motives is known as patronage motives and includes such reasons as customer service and quality of merchandise. Because of patronage motives, a customer makes purchases in one store rather than in another. Information was not provided about lower prices, seasonal sales, or advertised specials.

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

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

96. D

Demographics from a census report. Secondary research is research that already exists. An example is a governmental census report that can provide demographic information about certain areas. This research can help the restaurant owner figure out if a certain city is an appropriate target market for expansion. A survey about the eating habits of people in the city, a focus group with other restaurant owners in the city, and interviews with current employees are examples of primary research, not secondary research.

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

SOURCE: Destination BC. (2018, July). *Research guide for tourism operators*. Retrieved August 4, 2023, from <https://www.destinationbc.ca/content/uploads/2018/07/TBE-Guide-Research-Guide-For-Tourism-Operators-Mar-2015.pdf>

97. B

Higher inflation rates. Environmental scanning is the process of collecting information about the environment surrounding your business. Higher inflation rates are an economic factor that might be identified as part of an environmental scan. Increased general competition is a competition trend that may be identified during an environmental scan. Changing state and local laws are a political/governmental factor that might be identified. Companies going green is a society and culture trend.

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. C

Guide the actions of others. Individuals who are leaders not only have the ability to decide what needs to be done, but they can guide the actions of others to do the work. Good leaders generally plan and organize their work, but that is not what makes them good leaders. Analyzing employee productivity is often a responsibility of leaders rather than a personality trait. Displaying empathy by feeling what others are feeling is a desirable personality trait but does not indicate leadership.

SOURCE: EI:018 Identify desirable personality traits important to business

SOURCE: LAP-EI-009—You've Got Personality (Personality Traits in Business)

99. C

Scheduled. Mike has made a time plan for the week, listing the days when planned activities are to be performed. Classifying is determining the frequency of performance. Prioritizing is listing the importance of each activity. Performing is carrying out the actual activity.

SOURCE: PD:019 Use time-management skills

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

100. C

Cut costs. In some cases, the amount of money you think you will need will not be possible to obtain. When this happens, the most realistic approach is to look for ways to cut costs. If your ideal budget is based on getting everything you want or would like to have, consider substituting inexpensive materials for costly ones or making do without some supplies. By cutting costs, you will be able to proceed with the project. It is not necessary to lower your expectations because, in most cases, you will be able to complete the project by making some substitutions. Decreasing the amount of time that is allotted for the project will not necessarily make up for a lack of funding. Eliminating the project is not a good choice, either.

SOURCE: OP:003 Identify resources needed for project

SOURCE: LAP-OP-003—Get What You Need (Identifying Project Resources)