

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

Test Number 1063
Booklet Number _____

Hospitality and Tourism Cluster Exam

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

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1. Torts relating to misrepresented facts about a business's goods or services may be subject to a lawsuit on the basis of
 - A. defamation.
 - B. assault.
 - C. intrusion.
 - D. fraud.
2. Aviation, taxation, and commerce are categories of _____ law.
 - A. judicial
 - B. legislative
 - C. administrative
 - D. executive
3. Which of the following is true regarding passenger rights in the air travel industry:
 - A. There is an international "Bill of Rights" to protect air travel consumers.
 - B. If baggage is lost, airlines pay a flat fee to reimburse the passenger.
 - C. It is legal for an airline to overbook a flight.
 - D. Airlines must provide monetary compensation if a flight is delayed due to bad weather.
4. Wal-Mart, Domino's Pizza, and Avis Rent-a-Car are examples of
 - A. retailers.
 - B. industrial distributors.
 - C. agents.
 - D. wholesalers.
5. Channel members of a supply chain should be familiar with antitrust laws so they do not engage in activities that
 - A. limit monopolies.
 - B. hinder competition.
 - C. restrict efficiency.
 - D. prohibit authority.
6. Before you can perform new tasks, you should first read the instruction manual so you can
 - A. use shortcuts to complete the tasks quickly.
 - B. apply the directions in reverse order.
 - C. perform the tasks in the order that you think works best.
 - D. follow the written directions in the proper sequence.
7. What two elements are necessary for effective two-way communication to take place?
 - A. Sharing and caring
 - B. Telling and informing
 - C. Sharing and understanding
 - D. Words and meaning
8. Once you know your group's purpose, what should you do next?
 - A. Find out what people know about the subject
 - B. Agree on ground rules
 - C. Volunteer a new idea
 - D. Contribute in a useful way
9. Which of the following actions is it important for a speaker to take when s/he makes an oral business presentation to a large group:
 - A. Relax the audience by swaying back and forth when speaking
 - B. Turn away from the audience when presenting visual aids
 - C. Avoid eye contact with anyone in the audience
 - D. Speak loudly enough for the audience to hear the message
10. What is a technique that often helps businesspeople to write effective business letters?
 - A. Developing charts
 - B. Consulting references
 - C. Preparing outlines
 - D. Asking questions
11. A persuasive message that asks a person to do something should be written in a way that makes it easy for the person to
 - A. respond positively.
 - B. organize logically.
 - C. answer politely.
 - D. read slowly.

12. Customer relations skills such as courtesy and friendliness should be emphasized during a business's
- A. facilities design.
 - B. market research.
 - C. hiring process.
 - D. technology planning.
13. A business improves its technology so it can better meet customer wants and needs. This results from a business activity known as
- A. continuous improvement.
 - B. employee training.
 - C. organizational structuring.
 - D. business process management.
14. Distribution channel members must keep in mind that customers tend to
- A. expect low service levels.
 - B. define service differently.
 - C. want immediate delivery.
 - D. refuse late shipments.
15. The things that people buy in order to satisfy their economic wants are known as
- A. free goods.
 - B. economic votes.
 - C. tangible objects.
 - D. economic goods and services.
16. Which of the following factors have provided businesses with more opportunities to buy and sell products at the international level:
- A. Protectionism
 - B. Free-trade agreements
 - C. Language barriers
 - D. Strict safety standards
17. What do businesses often need to do to adapt to today's markets?
- A. Remodel corporate facilities
 - B. Hire new management staff
 - C. Participate in international trade
 - D. Analyze organizational resources
18. A major characteristic of a market economy is _____ ownership of property.
- A. monopolistic
 - B. limited
 - C. government
 - D. private
19. A business that encourages its workers to give input on issues affecting the company is using
- A. quality of work life.
 - B. specialization.
 - C. motivation.
 - D. participative decision-making.
20. Which of the following factors characterizes the growth phase of business cycles:
- A. Demand for resources exceeds their availability.
 - B. Consumers and producers are borrowing more money.
 - C. Consumers are putting more money into savings.
 - D. Producers are reducing their purchases of new goods.
21. Refusing to do things you really don't want to do is _____ your self-esteem.
- A. of no help to
 - B. harmful to
 - C. good for
 - D. not good for
22. Which of the following is often one of the causes of discrimination:
- A. Harassment
 - B. Diversity
 - C. Stress
 - D. Prejudice
23. Christie's coworkers know that she won't repeat what they tell her if they ask her not to do so. This indicates that Christie is a(n) _____ coworker.
- A. tactful
 - B. straightforward
 - C. trustworthy
 - D. efficient

24. Showing your concern for another person by using appropriate facial expressions, gestures, and eye contact is one way of exhibiting
- A. self-understanding.
 - B. interdependency.
 - C. empathy.
 - D. verbal communication.
25. During a negotiation, Kara tells Jason that she will agree to help him with the department budget, if he agrees to help her finish a research project. This is an example of
- A. unfair collaboration.
 - B. bargaining.
 - C. peer pressure.
 - D. self-control.
26. Taking a couple of deep breaths and counting to 10 slowly are techniques that will help you to
- A. get what you want.
 - B. keep your self-control.
 - C. become more emotional.
 - D. feel superior to others.
27. When persuading others to go along with a proposed change, you should
- A. explain how the change will benefit them.
 - B. tell them that there's a better way of doing things.
 - C. minimize the amount of information you give.
 - D. reinforce your proposal with facts and statistics.
28. Which of the following is an example of processing a transaction with a debit card:
- A. Jayden purchased a new video game from Great Deal Electronics using a store-issued card given to him by his grandfather.
 - B. Tyler provided his card number and expiration date to the online-travel agency so he could obtain his airline tickets now and receive his bill for the tickets later.
 - C. After Ava finished her meal at an upscale restaurant, she presented the server with a card that provided Ava with a special discount off her bill.
 - D. When Naomi purchased office supplies, she presented the cashier with a card that automatically withdrew funds from her business's checking account.
29. If individuals are not self-employed, which of the following is a type of earned income they might receive:
- A. Vacation pay
 - B. Child support income
 - C. Interest and dividends
 - D. Trust disbursements
30. Insurance is a key element in lifelong financial planning that
- A. provides protection against financial losses.
 - B. protects a person from unethical salespeople.
 - C. guarantees a solid financial future.
 - D. is available only to property owners.
31. When Alana prepares a report so that all of the financial data is clearly disclosed, she is ensuring that the information is
- A. transparent.
 - B. relevant.
 - C. timely.
 - D. flexible.
32. Which of the following would a business use in order to know how much money is available to hire more staff:
- A. Accounting information
 - B. Profit-and-loss statement
 - C. Income statement
 - D. Journal
33. One reason why ethics is important in accounting is because financial records can be
- A. made available to the public.
 - B. interpreted in different ways.
 - C. reviewed by government agencies.
 - D. communicated in writing.
34. One of the roles of ethics in finance is to encourage business employees to
- A. make the right decisions.
 - B. increase company profits.
 - C. sell to customers.
 - D. prepare operating budgets.

35. One way that the use of computer technology benefits human resources management is by
- A. reducing the need to interview candidates.
 - B. electronically processing information.
 - C. quickly delegate work assignments.
 - D. analyzing valuable feedback.
36. Which of the following is an example of external secondary information that a hotel chain might use for marketing-research purposes:
- A. Suggestion cards collected from guests
 - B. Online industry reports
 - C. Guest-registration data
 - D. Occupancy forecasts
37. Which of the following is an example of primary hospitality and tourism market information:
- A. Financial statements provided in annual reports
 - B. Automated guest history records that can be shared by affiliated businesses
 - C. Reservation records and registration information
 - D. Free reception for frequent travelers in which feedback is collected
38. A restaurant wants to predict how their customers will react to a new menu. What type of relationship should the restaurant mine from blogs?
- A. Sequential patterns
 - B. Classes
 - C. Clusters
 - D. Associations
39. Calculate the mean using the following statistical table:

Numeric Value of Response	Number of Responses
6	8
5	12
4	16
3	14
2	9
1	6

- A. 2.9
 - B. 3.3
 - C. 3.7
 - D. 4.1
40. The research data indicate a correlation of $-1 > r > 0$. What does that tell you?
- A. The two variables tend to increase or decrease together.
 - B. One variable increases as the other variable decreases.
 - C. There is perfect correlation between the two variables.
 - D. The two variables do not vary together at all.
41. The purpose of using presentation software to prepare multimedia presentations often is to use those presentations to
- A. support report findings.
 - B. maintain customer files.
 - C. develop web sites.
 - D. access online resources.
42. When presenting research findings orally, you can help an audience of business professionals to better understand the findings if you
- A. designate a research team member to ask questions.
 - B. call on the audience to explain their understanding of the research.
 - C. use meaningful comparisons.
 - D. provide a bibliography of the resources cited.
43. A small, local restaurant has decided to advertise its elegant atmosphere and qualified wait staff. This approach is an example of _____ marketing.
- A. service
 - B. product
 - C. mass
 - D. target

44. A company wants the public to perceive it as a builder of luxury resorts. What goal does this illustrate?
- A. Projecting a certain image
 - B. Increasing sales
 - C. Increasing efficiency/productivity
 - D. Achieving stability
45. One of the benefits to a hotel of keeping a guest-history file is that the information in the file can help the hotel to
- A. advertise effectively.
 - B. stay within a budget.
 - C. hire well-trained workers.
 - D. register walk-in guests efficiently.
46. One way for a hospitality business to obtain current information in a cost-effective and efficient manner is by
- A. interviewing experts.
 - B. developing a survey.
 - C. reviewing archived journals.
 - D. accessing an Internet search engine.
47. Information management can be a challenge because
- A. there is only one "right" way to do it.
 - B. there is often not enough information to manage.
 - C. many people don't understand what it is.
 - D. no one wants to participate in it.
48. Mr. Edwards saved some confidential customer information from his employer's computer network onto a flash drive, so that he could work on a project from a different location. Without realizing it, Mr. Edwards dropped the flash drive in a parking lot on his way to a meeting. This situation is an example of a risk related to
- A. employee privacy.
 - B. patent protection.
 - C. information security.
 - D. data entry.
49. Which of the following is an example of the digital convergence occurring on the Internet:
- A. Internet companies increasing their bandwidth
 - B. Internet companies offering wireless service
 - C. Internet companies offering phone service
 - D. Internet companies increasing their use of WANs
50. Justin's company is keeping documents regarding the accidental death of an employee while on the job. In case the employee's family sues the company, the business should have _____ records on hand.
- A. promotional
 - B. payroll
 - C. asset
 - D. legal
51. A growing trend that is influencing the way that many companies do business is the concern for
- A. distributing the wealth.
 - B. protecting the environment.
 - C. monitoring the economy.
 - D. regulating the government.
52. A current trend in the hospitality industry is to build loyal customer relationships and enhance service levels by optimizing the use of
- A. independent travel agents.
 - B. satellite roving devices.
 - C. Internet web sites.
 - D. service rating advisors.
53. One way that businesses maintain the security of data that they send over the Internet to clients is by using a software program that prevents a(n)
- A. virus from being downloaded.
 - B. document from being forwarded.
 - C. attachment from being included.
 - D. search engine from being used.
54. Judy fell from a display platform and tore the ligaments in her ankle. Her injury is considered a(n)
- A. strain.
 - B. open wound.
 - C. hernia.
 - D. sprain.

55. What type of computer program helps protect digital business information from the negative effects of malware?
- A. Spyware
 - B. Firewalls
 - C. Cookies
 - D. Shareware
56. What should an event's project managers do before asking for contributions?
- A. Prepare a budget
 - B. Open an account
 - C. Arrange for credit
 - D. Hold a fund-raiser
57. Which of the following is NOT something you need to complete your project:
- A. Sponsors
 - B. Tools
 - C. Permission
 - D. Money
58. Some businesses use an automatic reorder system to maintain an adequate
- A. work environment.
 - B. inventory of supplies.
 - C. budget for expenses.
 - D. maintenance system.
59. What production activity establishes a timetable?
- A. Routing
 - B. Dispatching
 - C. Planning
 - D. Scheduling
60. When dealing with an actual robbery situation, it is important that employees remember to
- A. keep the business's safe locked.
 - B. keep as little cash on hand as possible.
 - C. discuss the situation with anyone who asks about it.
 - D. give the robbers what they want to avoid potential injury.
61. While an adventure tour guide is leading a white-water rafting group, a group member falls and breaks an ankle. What are the primary provisions the guide needs to help the injured group member?
- A. Medical kit and cellular phone
 - B. Toolbox and flashlight
 - C. Map and compass
 - D. Prescription pain medication
62. People who figure out what they need to do to obtain what they want are often able to
- A. compete with others.
 - B. act independently.
 - C. reach their goals.
 - D. achieve financial success.
63. Time management helps to reduce stress because it
- A. allows adequate time for personal and professional activities.
 - B. provides less time for rest and relaxation.
 - C. encourages procrastination in planning necessary activities.
 - D. increases feelings of pressure and tension.
64. The job interviewer told Elizabeth at the end of the interview that he couldn't offer her the job because she lacked a particular skill that the job required. Elizabeth's next step should be to
- A. look for another similar job opportunity.
 - B. write the interviewer a follow-up letter.
 - C. file a formal complaint with the EEOC.
 - D. look for training in the required job skill.
65. Why do many businesses provide opportunities for their employees to continue their education or receive additional training?
- A. To be able to promote from within
 - B. To provide financial assistance
 - C. To identify problems in the company
 - D. To support the local community college
66. One of the main benefits for companies participating in a trade show is the opportunity to
- A. meet with competitors.
 - B. obtain sales leads.
 - C. visit new cities.
 - D. hire new employees.

67. A primary reason hospitality employees and businesses join professional or trade organizations is to
- A. increase employee productivity.
 - B. develop promotional efforts and materials.
 - C. qualify for additional government funding.
 - D. obtain further education and certification.
68. What is the typical effect of an economic slowdown on the hospitality industry?
- A. An increase in the number of guests and a decrease in the number of rooms available
 - B. A decrease in the number of guests and an increase in the number of rooms available
 - C. A decrease in the number of guests and a decrease in the number of rooms available
 - D. An increase in the number of guests and an increase in the number of rooms available
69. In the travel and tourism industry, customers' perceptions of value and worth are often associated with
- A. price.
 - B. profit.
 - C. place.
 - D. promotion.
70. Which of the following would be the best option for restaurant managers to do to encourage the identification of new product ideas:
- A. Encourage family members to generate new product suggestions and ideas
 - B. Encourage competitors to recommend new product ideas
 - C. Encourage employees to report new product ideas from other restaurants they visit
 - D. Encourage their trade association to regularly submit new product ideas to local restaurants
71. Several clients indicate an interest in products that the business does not currently offer. These requests can be given to buyers to help them to
- A. forecast sales.
 - B. determine what to buy.
 - C. select vendors.
 - D. research the market.
72. How does a product's peak selling season affect a business's purchasing efforts?
- A. Businesses usually buy small quantities of the item on a more frequent basis.
 - B. Businesses generally need less lead time for large quantity orders.
 - C. Businesses usually base order size on the competition's buying behavior.
 - D. Businesses generally buy the item in larger quantities.
73. Which of the following is an example of a product in the travel and tourism industry:
- A. A brochure explaining cruise options
 - B. A fly-drive vacation package
 - C. An inquiry about flight schedules
 - D. A confirmation letter to a customer
74. A large company that owns a chain of economy hotels recently developed plans to start a chain of upscale hotels. This is an example of
- A. multicorporate franchising.
 - B. market potential.
 - C. product extensions.
 - D. property management systems.
75. Which of the following is a service that might influence a business owner's decision to select a certain vendor:
- A. Budgeting
 - B. Forecasting
 - C. Regulating
 - D. Advertising
76. Four Seasons Hotels and Resorts, which prides itself on its extensive collection of art and artifacts, has created a series of audio programs featuring discussions with art experts about works of art found at Four Season Hotels and Resorts around the country. These recordings, available in several different formats, are available for download at the company's web site. Which of the following terms best describes these audio programs:
- A. Podcasts
 - B. Social media
 - C. Blogs
 - D. Ad serving
77. Which of the following is an example of a social bookmarking web site:
- A. Del.icio.us
 - B. Google
 - C. Bing
 - D. Facebook

78. Which of the following computer programs prevents e-mail messages containing the word "free" in the subject header from entering the inbox:
- A. Queues
 - B. Gophers
 - C. Filters
 - D. Servers
79. Using the color yellow in an advertisement would help to create a(n)
- A. appropriate ad for St. Patrick's Day.
 - B. feeling of cheerfulness and warmth.
 - C. very legible advertisement.
 - D. feeling of coolness and quiet.
80. Which of the following has a significant impact on the composition of a print ad:
- A. Production costs
 - B. Storyboard
 - C. Color harmonies
 - D. Dialogue
81. One way to use the concept of digital color is to prepare
- A. publicity plans.
 - B. accurate proofs.
 - C. marketing programs.
 - D. sales procedures.
82. At the Clara's Pizza Parlor web site, customers are encouraged to send electronic postcards advertising the restaurant to friends and families. This is an example of _____ word-of-mouth marketing.
- A. amplified
 - B. organic
 - C. celebrity
 - D. inconspicuous
83. Advertising copy that explains the features of a product and how those features benefit consumers is using a(n) _____ strategy.
- A. irrational
 - B. imaginative
 - C. emotional
 - D. factual
84. Which of the following is effective mobile ad copy for a teenage target market:
- A. Psst. Are you hungry? Then stop by Pete's Pizza for a free slice of cheese pizza. Today only. Tell all your friends. See you soon.
 - B. RU hngry? thN stop by Pete's <) 4 a fre slice. 2day 1ly. CU sn.
 - C. Pete's Pizza. Free slice.
 - D. When was the last time that you ate? Aren't you getting hungry? Then you've got to stop by. We'd love to see you. Bye.
85. The purpose of checking an advertising proof is to
- A. check the ad's style.
 - B. correct any errors.
 - C. finalize the copy.
 - D. choose the ad's placement.
86. When identifying community issues for company involvement, most businesses consider participating in ones that
- A. contribute to the social good.
 - B. earn a reasonable profit.
 - C. support controversial issues.
 - D. boost employee loyalty.
87. Which of the following is a guideline for writing a news release:
- A. Close with a summary of the main points
 - B. Be objective in presenting facts
 - C. Use several pages to tell the complete story
 - D. Allow the media to correct spelling and grammar
88. What do many businesses plan to attract customers and encourage them to visit their facilities?
- A. Market trips
 - B. Trade shows
 - C. Press kits
 - D. Special events
89. Putting out seasonal merchandise and creating festive displays are activities that are part of a
- A. liquidation sale.
 - B. holiday open house.
 - C. staff party.
 - D. customer appreciation day.

90. Which of the following is an important part of display maintenance:
- A. Selecting proper lighting
 - B. Choosing an effective principle of design
 - C. Selecting an arrangement pattern
 - D. Replacing missing items immediately
91. One way of tracking marketing-communications activities is through the use of
- A. questionnaires.
 - B. databases.
 - C. surveys.
 - D. interviews.
92. Which of the following is an example of a sales promotion that hotels often use to attract customers:
- A. Public relations campaign
 - B. Local newspaper advertisement
 - C. Weekend discount package
 - D. Cable television commercial
93. What might a travel agency include in a display to graphically show people enjoying a destination or participating in a tour of exotic places?
- A. Videos
 - B. Testimonials
 - C. Facts
 - D. Souvenirs
94. What type of selling question is the following: "What color of car do you want?"
- A. Open-ended
 - B. Assumptive
 - C. Impersonal
 - D. Interpretive
95. Salespersons who use the products they sell are able to suggest appropriate substitute products to customers because of their own personal
- A. experience.
 - B. preference.
 - C. feelings.
 - D. opinion.
96. Which of the following is an example of a salesperson empathizing with a customer's objection:
- A. "I understand how you feel."
 - B. "You think the price is too high."
 - C. "Everyone is buying this item."
 - D. "This is the best deal in town."
97. A salesperson should answer a customer's questions and fully explain the benefits of products so that the customer will
- A. feel good about the buying decision.
 - B. think about making a decision.
 - C. be left in a state of indecision.
 - D. make a quick decision.
98. What type of technique might be effective if a business is trying to sell a large, complex product to another business?
- A. Retail selling
 - B. Mass marketing
 - C. Sale pricing
 - D. Team selling
99. A circumstance that often motivates people to select one lodging facility over another is the
- A. food and beverage tax rate.
 - B. seller's personal preferences.
 - C. use of positioning strategies.
 - D. location of the property.
100. Which of the following is the main purpose of management:
- A. To create a pleasant working atmosphere
 - B. To reach a specific level of productivity
 - C. To obtain the needed resources
 - D. To accomplish the business's goals