

KEY

Test Number 916

Restaurant and Food Service Management

This comprehensive exam was developed by the MarkED Resource Center. Items have been randomly selected from the MarkED Resource Center's Test-Item Bank and represent a variety of instructional areas. Competencies for this exam are at the prerequisite, career-sustaining, marketing specialist, marketing supervisor, and manager levels. A descriptive test key, including question sources and answer rationale, has been provided the state DECA advisor.

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1. B
Corporation. A corporation is a form of business ownership in which the business is owned by its stockholders. The owners may participate in managing the business, or it may be run by a board of directors. A cooperative is a business formed to benefit its members but not to make a profit as a business. A partnership is a form of business ownership in which the business is owned by two or more persons. A sole proprietorship is a business owned by one person.
SOURCE: BL:003
SOURCE: BA LAP 7—Own It Your Way
2. C
Medical conditions. There are certain types of questions that full-service restaurant chains should avoid asking job applicants. Full-service restaurant chains may not ask questions about prescription drug usage, specific diseases, treatment for mental health problems, medical histories, etc. Full-service restaurant chains are prohibited from asking these types of questions in order to protect job applicants from discrimination. It is illegal to discriminate against applicants who are qualified to do the job even if they have certain medical conditions or disabilities. Full-service restaurant chains routinely ask applicants about their previous experiences, academic achievements, and salary requirements when interviewing them for employment.
SOURCE: BL:008
SOURCE: Dessler, G. (2000). *Human resource management* (8th ed.) [pp. 48-51]. Upper Saddle River, NJ: Prentice Hall.
3. B
Easy to understand. Clarity is expressing thoughts in a clear manner. Clarity is very important in business communication because it prevents misunderstandings. The meaning of the message is clear rather than being open to interpretation. Having clarity does not ensure that communication will be impressive. The length of a report will depend upon the information that it presents, but having clarity is more likely to shorten the report than to lengthen it.
SOURCE: CO:016
SOURCE: Locker, K.O. (2000). *Business and administrative communication* (5th ed.) [pp. 88-89]. Boston: Irwin/McGraw-Hill.
4. A
Clear. Anyone giving directions or instructions to another person should try to express him/herself in as clear a manner as possible. Clarity helps to make directions/instructions understandable. Being wordy means to use more words than needed to communicate a message. This could be ineffective when giving directions. Being too brief might make it difficult for subordinates to understand because there is not enough information. Being formal, or dignified, would not necessarily make the information understandable.
SOURCE: CO:139
SOURCE: Hyden, J.S., Jordan, A.K., Steinauer, M.H., & Jones, M.J. (1999). *Communicating for success* (2nd ed.) [pp. 117-118]. Cincinnati: South-Western Educational.
5. C
Serving water, coffee, and tea. The restaurant busser is responsible for serving water, coffee, and tea. Representing the operation, taking orders, and using suggestive selling are responsibilities of either the server or the captain.
SOURCE: CO:044
SOURCE: Mill, R.C. (2001). *Restaurant management* (2nd ed.) [p. 160]. Upper Saddle River, NJ: Prentice Hall.
6. D
Trucks. Large restaurant supply businesses often own their own trucks that they use to transport goods to customers. Motorized carriers such as trucks are faster but more expensive to use than rail or water carriers. Even very large businesses do not own rail carriers. Cars are too small for use in transporting goods, and planes are too expensive to use on a regular basis.
SOURCE: DS:001
SOURCE: DS LAP 1—Distribution

7. B

Producer to agent to user. When the producer does not have its own sales force, it contracts with agents to sell and promote its goods. If goods have high unit costs, agents can afford to sell directly to industrial users. If the goods had low unit costs, the agent would sell the goods to industrial distributors who would then sell the goods to industrial users. In the other alternatives, the producer retains control of the selling activities.

SOURCE: DS:055

SOURCE: MB LAP 3—Channels of Distribution

8. B

To reorder inventory. The technology of electronic data interchange (EDI) allows for the exchange of information by way of computers. EDI makes it possible for restaurant supply distributors to use their computers to send information to another business's (e.g. supplier) computers. One way that restaurant supply distributors use this technology in the distribution function is to reorder inventory quickly and accurately. For example, when a restaurant supply distributor needs to place an order for pans, it can send the request through the computer system so the vendor receives the order instantly. The technology of satellite tracking is used to locate shipments. The purpose of EDI is to exchange information rather than update information. EDI is not used to digitize documents.

SOURCE: DS:054

SOURCE: Coyle, J.J., Bardi, E.J., & Langley, C.J. (2003). *The management of business logistics: A supply chain perspective* (7th ed.) [pp. 464-465]. Mason, OH: South-Western.

9. A

Receives the correct product. One of the functions of customer service in the distribution process is to make sure the customer receives the correct product. Customers order specific menu items that meet their wants and expect to receive those menu items. If they are not satisfied with their order, they may send the food back and ask for something else, or they decide not to go to the full-service restaurant again. Taking accurate orders, following up on delivery, and handling problems or complaints are ways that customer service can make sure the customer receives the correct food order. Customer service does not facilitate the distribution process by making sure the customer pays full price for the food products, accepts delivery of the products, or tells others about the food products.

SOURCE: DS:029

SOURCE: Everard, K.E., & Burrow, J.L. (2001). *Business principles and management* (11th ed.) [pp. 575-576]. Cincinnati: South-Western.

10. C

Inventory shrinkage. Processing perishable items in a timely manner prevents the items from becoming damaged and unsuitable to sell. If businesses cannot sell these items, their available inventory shrinks. Inventory shrinkage results in lower profits for businesses because they must pay for the items that they cannot resell. Processing perishable items quickly should create customer satisfaction. Excess supply exists when the supply of an item is greater than demand. Economic risk is the chance of loss due to changes in the market.

SOURCE: DS:085

SOURCE: Reece, B.L. (1990). *Food marketing* (2nd ed.) [p. 616]. Gregg/McGraw-Hill Publishing Co.

11. B

Customer. Customers expect to be able to purchase menu items when they want them. Therefore, full-service restaurants try to store enough food items (e.g., ingredients for menu items) to meet consumer demand. Full-service restaurants risk losing sales to competitors if they do not have the ingredients in stock to make menu items that customers want. Vendors and suppliers provide goods to full-service restaurants. Full-service restaurants do not store items to accommodate owner demand.

SOURCE: DS:013

SOURCE: DS LAP 7—Storage Considerations

12. C

Incoming products are placed behind items already there. FIFO is the method by which items that have been in the storage area the longest are used first. By placing the incoming products behind the items that are already in storage, the older items are more likely to be used first. Placing the items anywhere else—in front, next to, or far away—would not allow restaurant employees to follow FIFO.

SOURCE: DS:039

SOURCE: Ninemeier, J.D. (2000). *Management of food and beverage operations* (3rd ed.) [p. 173]. Weimar, TX: Culinary and Hospitality Industry Publications Services.

13. D

Physical. Most businesses take physical inventory at least once a year. Book, or perpetual inventory, is a method of inventory control that updates inventory information on a continuous basis as transactions occur. Tickler control is a rotating system of counting portions of stock at regular intervals.

SOURCE: DS:025

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 510-512). New York: Glencoe/McGraw-Hill.

14. D

\$300. In order to determine whether there is inventory shrinkage, most businesses compare perpetual inventory figures with a physical count of the inventory. The physical count is the accepted figure, and perpetual inventory is adjusted to correspond with physical inventory. Perpetual inventory is calculated as follows: Opening stock value \$4,000 + Purchases \$8,500 = Total dollar value \$12,500 - Total net sales \$7,800 = Perpetual inventory \$4,700 - Periodic stock count 4,400 = Inventory shrinkage \$300. Since the periodic stock count is less than the perpetual inventory, shrinkage has occurred (\$4,700 - \$4,400 = \$300 shrinkage).

SOURCE: DS:026

SOURCE: DS LAP 4—Inventory Shrinkage

15. A

Strong leadership. A channel of distribution that has strong leadership is often able to manage or avoid conflict because the leadership has the power to assign specific responsibilities to each channel member. Strong leadership has the authority to set goals for the entire channel and demand cooperation, which reduces the possibility of conflict. When a channel has strong leadership, channel members work for the good of the channel rather than for their individual goals. A channel of distribution does not need updated technology or limited competition to manage or avoid conflict within the channel. Equal authority might create conflict because there is no clear leader who has power and control over the channel.

SOURCE: DS:049

SOURCE: Boone, L.E., & Kurtz, D.L. (2004). *Contemporary marketing* (11th ed.) [pp. 444-445]. Mason, OH: Thomson/South-Western.

16. A

Training. There are a number of reasons that human resources might be limited even though the population of the world continues to grow steadily. One reason is a lack of training that prevents potential workers from filling certain jobs. Although jobs are available, there may be a shortage of trained workers to fill them. A lack of equipment, technology, and research often prevent countries from tapping their natural resources even if there are unlimited human resources to do the work.

SOURCE: EC:003

SOURCE: EC LAP 14—Economic Resources

17. C

Price at which customers will buy the same amount that producers supply. Market-clearing price is also called equilibrium price because the amount produced and the amount sold are equal. The price for which a product will sell in the competitive marketplace is the product's selling price, but that is not always the equilibrium price. The amount a seller must earn in order to make a profit refers to the revenues that a firm needs in order to pay its expenses and have funds left, or profit. Value is the amount of satisfaction a product will provide a consumer.

SOURCE: EC:006

SOURCE: EC LAP 12—Price

18. A

Monetary transactions. Accounting is the process of keeping financial records. Full-service restaurants use accounting to keep track of the things they own, the amounts owed to them, and the amounts owed to others. Promotional activities are those designed to influence consumers' purchasing behavior. Goals and objectives of a full-service restaurant are the aims of management. Safety policies are designed to prevent accidents and injuries.

SOURCE: EC:071

SOURCE: EC LAP 19—Strictly Business (Business Activities)

19. D

Net profit. Net profit is the money remaining after operating expenses are subtracted from gross profit. A full-service restaurant cannot determine its financial status until it calculates its net profit. Sales income is defined as the revenue that full-service restaurants take in from their sales. Markup percent is the amount added to the cost of goods in order to determine the selling price expressed as a percentage.

SOURCE: EC:010

SOURCE: EC LAP 2—Risk Rewarded (Profit)

20. C

Increased employee boredom. Boredom can occur when workers are responsible for completing one small portion of a job. This is a disadvantage of specialization by task, which often causes employee satisfaction to decrease and interdependency and skill levels to increase.

SOURCE: EC:014

SOURCE: EC LAP 7—Specialization of Labor

21. A

Open. This is a union security agreement that does not require employees to join the union or pay dues. If a closed shop is in effect, management may not employ nonunion personnel. In a union shop, all new employees are required to join the union and pay dues at the end of a probationary period. Affiliated is not a term commonly used to describe a type of shop.

SOURCE: EC:015

SOURCE: EC LAP 5—Organized Labor

22. D

Reduce its outputs. Inflation refers to the rise in prices within an economic system. When inflation levels are high, the economy often experiences a period of contraction. Consumer purchasing power decreases, which often reduces the demand for goods and services. To stay in business, the NOP Commercial Cookware Manufacturing Company might reduce outputs (e.g., production, personnel) because of a lower demand for its products by full-service restaurants. When outputs decrease, the inputs also decrease. Interest rates are often low during an economic expansion, which means it costs less to obtain loans for large purchases (e.g., equipment).

SOURCE: EC:083

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2006). *Marketing dynamics* (pp. 118-120). Tinley Park, IL: Goodheart-Willcox Company.

23. C

A full-service restaurant that offers call-ahead dinner reservations for customers. This situation best fits a customer-service mindset since it supports the belief that good service should be a top priority. A restaurant that is open during normal dinner hours is something generally expected of these types of businesses. A full-service restaurant that holds a seminar or pays overtime to its employees does not directly benefit customers.

SOURCE: EI:032

SOURCE: HR LAP 32—Customer-Service Mindset

24. B

Committed to. Team members must believe in the team's goals and be committed to working toward achieving them. They may even have to set aside their personal goals temporarily in order to focus on the team's goals. Team members should not be curious about the team's goals but thoroughly familiar with them. They should not be indifferent to or undecided about the goals.

SOURCE: EI:045

SOURCE: HR LAP 26—Teamwork

25. A

Responding to customers' requests with appropriate follow-up procedures. Most anyone who works in a full-service restaurant can come in contact with its customers. For example, a customer who was billed incorrectly for a food order might need to speak another employee (e.g., cashier, shift supervisor). For a full-service restaurant to possess a service orientation, each employee should be willing to help customers solve problems and answer questions directly or by connecting customers with the appropriate people. Employees who follow up with customers or with appropriate coworkers show customers that they care about them, which can create goodwill. Up-selling is a sales technique in which a higher priced product than the one originally requested by the customer is suggested. Up-selling does not always create goodwill. Although full-service restaurant employees can often anticipate customers' objections to business policies, the anticipation does not necessarily create goodwill. Goodwill is usually created when people engage in active listening rather than passive listening.

SOURCE: EI:039

SOURCE: Rokes, B. (2000). *Customer service: Business 2000* (pp. 134-137). Mason, OH: South-Western.

26. C

Disagreeable. Disagreeable customers are unpleasant and hard to help, but they may be surprised and calmed by a waitstaff member who is composed, courteous, and efficient. Domineering/Superior customers should be made to feel important and in charge, which may help facilitate their order selections. Slow/Methodical customers may need more action on the waitstaff member's part so that the order can be placed within a reasonable length of time. Suspicious customers will often be customers for life, if the waitstaff member can gain their confidence and trust.

SOURCE: EI:013

SOURCE: EI LAP 1—Making Mad Glad (Handling Difficult Customers)

27. A

Product. The most important business policy affecting customers is the product policy. Management decides what kind of products to offer, and these products attract customers more than any other feature of the business. Service policies provide special features that other, similar businesses may not offer, such as delivery or installation. Credit policies are the arrangements by which customers can purchase now and pay later. Promotional policies are guidelines affecting the kinds of special activities, such as contests and prizes, that businesses use to attract customers and to increase sales.

SOURCE: EI:042

SOURCE: HR LAP 25—Interpreting Business Policies

28. D

Number of people in the party. This information is needed to seat the guests at an appropriate table, when available. The waitstaff will determine the menu preferences and dessert orders. The waitstaff or the cashier may handle the method of payment.

SOURCE: EI:054

SOURCE: Ramsey, A. (1997). *Owner's guide to successful restaurant and retail businesses* (p. 212). Prairie Village, KS: Leathers Publishing.

29. D
\$150.85. In order to prepare the invoice, the restaurant supply business first needs to calculate the extensions. In this case, the customer (Gino's Italian Restaurant) purchased two items at \$35.50 each, which totaled \$71.00 and three items at \$22.75 each, which totaled \$68.25 ($\$35.50 \times 2 = \71.00 ; $\$22.75 \times 3 = \68.25). Then, the restaurant supply business adds the totals of each extension plus the shipping charges of \$11.60 to determine the total invoice amount ($\$71.00 + \$68.25 + \$11.60 = \150.85).
SOURCE: FI:087
SOURCE: Stull, W.A. (1999). *Marketing and essential math skills: Teacher's edition* (pp. 71-73). Cincinnati: South-Western Educational.
30. A
\$8,450. A small full-service restaurant's monthly cash payments include all the money that it spends—its expenses. To calculate cash payments, add the various expenses for rent, utilities, salaries, cost of goods sold, and miscellaneous expenses ($\$600 + \$150 + \$2,400 + \$4,750 + \$550 = \$8,450$). The value of the current inventory is not included in monthly cash payments.
SOURCE: FI:092
SOURCE: Meyer, E.C., & Allen, K.R. (2000). *Entrepreneurship and small business management: Teacher's manual* (2nd ed.) [pp. 366-367]. New York: Glencoe/McGraw-Hill.
31. B
0.68. Michaela's Fine Dining Restaurant has a debt-to-assets ratio of 0.68. The formula for this calculation is Debt-to-Assets Ratio = Total Liabilities ÷ Total Assets. To calculate the ratio, divide \$255,700,000 by \$375,900,000 ($\$255,700,000 \div \$375,900,000 = 0.68$). The value of total inventory is not part of the calculation.
SOURCE: FI:097
SOURCE: Dahl, D., & Hirsch, C. (2004, October). Spot trouble in your financials. *Inc.*, 26 (10), p. 96.
32. C
Economic trends. Budgets should be flexible because they are estimates. Many factors can affect budget outcomes; therefore, full-service restaurants might need to adjust their budget figures. Economic trends are factors that might cause full-service restaurants to adjust their budgets. The way the economy is moving, either expanding or contracting, will affect a full-service restaurant's ability to meet its budget expectations. Local elections do not affect a full-service restaurant's budget. Sales procedures are the step-by-step processes that sales personnel follow in order to sell. Operating policies are general rules established by the full-service restaurant.
SOURCE: FI:106
SOURCE: FI LAP 3—Money Tracks (Nature of Budgets)
33. B
\$25,800. Net profit is determined by subtracting the cost of goods sold and expenses from net sales ($\$47,000 - [\$200 + \$21,000] = \$25,800$). Net profit is how much the full-service restaurant actually made.
SOURCE: FI:102
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 770-771). New York: Glencoe/McGraw-Hill.
34. A
Does the applicant have previous military experience? The interview is the actual dialogue between the candidate and the interviewer. During the interview, the interviewer asks a wide range of questions in order to verify information on the application form and learn more about the applicant's qualifications. It is acceptable to ask questions about an applicant's military history. However, interviewers may not ask an applicant's age, date of birth, marital status, children, or arrest record unless it is job related.
SOURCE: HR:356
SOURCE: MN LAP 51—Selecting New Employees

35. D
Employees may forget technical information without retraining. Employees also may have difficulty staying current with new trends in business operations without regular updating. Even though state and federal laws do not require a company to retrain and update employees, the full-service restaurant chain should care enough to do so. Retraining and updating can benefit employees, but that is not the reason it is important to the full-service restaurant chain. Training does not require constant practice.
SOURCE: HR:362
SOURCE: MN LAP 42—Training/Human Resource Development
36. A
Large restaurant is likely to have a more diverse workforce. This is true simply because the restaurant has more employees. However, the large restaurant also has more equity problems, more funds with which to hire equity experts to help it with equity issues, and more managers to carry the responsibility. The size of the full-service restaurant does not necessarily mean that it will have good communication.
SOURCE: HR:367
SOURCE: MN LAP 55—Managing Diversity in the Workplace
37. C
To determine what customers want. One way that full-service restaurants use marketing information is to determine what customers want and need in order to develop products that will be successful. Marketing information tells full-service restaurants about customers' habits, preferences, opinions, likes, and dislikes. Full-service restaurants use this information to determine what customers want so that the restaurant will develop appropriate menu items, rather than items that customers will not buy. Full-service restaurants obtain marketing information by gathering data about current trends and by sending questionnaires to customers. Full-service restaurants periodically evaluate their research techniques in order to make sure they are obtaining useful information.
SOURCE: IM:012
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [pp. 505-506]. Woodland Hills, CA: Glencoe/McGraw-Hill.
38. B
Information reporting. An important function of a marketing-information management system is handling the flow of information within the business. The system should make it easy for marketers to locate and retrieve information at any time. Information gathering deals with the collection of data, while information processing involves putting information in a useful format. Marketing research deals with gathering information for a specific problem.
SOURCE: IM:001
SOURCE: IM LAP 2—Marketing-Information Management
39. D
Statistical. Statistical data refers to information that is presented as numbers. For example, researchers can design a survey and assign numerical codes to measure responses. This information can be used to calculate the mean or mode of the responses as well as percentage values. Simulated means to copy or duplicate something. Interactive refers to two-way communication. Although a marketing-information management system can be interactive, it is not always used to analyze or compare numerical data. In business settings, internal is used to describe situations or factors within the full-service restaurant.
SOURCE: IM:163
SOURCE: Hair, J.F., Jr., Bush, R.P., & Ortinau, D.J. (2000). *Marketing research: A practical approach for the new millennium* (p. 192). Boston: Irwin/McGraw-Hill.

40. B

Search. Full-service restaurant chains often use the search capabilities of the Internet to look for marketing information that would take a long time to find using conventional research techniques. The technology that makes the Internet possible allows full-service restaurant chains to quickly and inexpensively search for information throughout the world. Searching online is much faster and less expensive than conducting library research because the computer is able to locate large amounts of specific information in a matter of seconds. Once a full-service restaurant chain locates useful marketing information online, it can download the information to a disk and print hard copies. Various online search sites catalog web pages based on content. However, that is not a function that full-service restaurant chains use to quickly and inexpensively locate marketing information. Search engines display the results of a search, but that is not a way to locate information.

SOURCE: IM:183

SOURCE: Hair, J.F., Jr., Bush, R.P., & Ortinau, D.J. (2000). *Marketing research: A practical approach for the new millennium* (pp. 120-124). Boston: Irwin/McGraw-Hill.

41. A

To define the reason for the research. Exploratory research is marketing research that collects information to help the full-service restaurant chain define the reason for its research and to decide which direction to take to address it. Predictive research is used to help the full-service restaurant chain forecast future business developments. Causal research focuses on cause and effect and tests "what if" theories. Research that gathers specific information related to the full-service restaurant chain's identified situation, problem, or concern is called descriptive research.

SOURCE: IM:010

SOURCE: IM LAP 5—Nature of Marketing Research

42. B

3. Mode is the most common value in a set of responses to a question. It represents the answer that is most often given. In this example, 3 is the value given to the answer "Somewhat Satisfactory," and that is the answer given by the most respondents, 95. Marketers use mode to measure tendencies of response and group data into smaller categories such as which response is the most common.

SOURCE: IM:191

SOURCE: Hair, J.F., Jr., Bush, R.P., & Ortinau, D.J. (2000). *Marketing research: A practical approach for the new millennium* (pp. 525-527). Boston: Irwin/McGraw-Hill.

43. D

Other elements will need to be changed, too. The elements of the marketing mix are interrelated, and they depend on each other. This means that a change in one element will probably create a need for change in the others. At the very least, the other elements should be reviewed. The failure to change periodically is more likely to cause marketing problems than a well-thought-out change.

SOURCE: IM:194

SOURCE: IM LAP 7—Pick the Mix (Marketing Strategies)

44. B

Market. A market is a particular group of consumers who want or need a given good or service. A market cannot exist unless customers who have desires for products can also afford to buy them. A monopoly is a market situation in which there is only one supplier of a certain good or service, and no substitute is readily available. A society is a group of individuals who share an environment. A business is an organized effort to product and/or distribute goods and services.

SOURCE: IM:196

SOURCE: IM LAP 9—Have We Met? (Market Identification)

45. B
Customer profile. Customer profiles are used by full-service restaurants to create a clear picture of their target market for use in decision making. A customer profile contains a variety of information about customers, such as age, income level, ethnic background, occupation, etc. This type of record is not known as a preference list, a demographic breakdown, or a consumer composite.
SOURCE: IM:160
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [p. 525]. Woodland Hills, CA: Glencoe/McGraw-Hill.
46. B
Environmental factors. The purpose of a situational analysis is to examine and interpret the environmental factors that affect the full-service restaurant. The environmental factors may be internal, such as a full-service restaurant's distribution system or pricing strategy, as well as external, such as the state of the economy or the number of competitors. Full-service restaurants examine both types of environmental factors in order to adapt to change and make effective marketing decisions. For example, if the economy is slowing down, a full-service restaurant might decide to adjust its prices to remain competitive. Physical characteristics are personal traits such as age, height, weight, etc. Personal aptitudes are a person's natural talents. Geographical changes involve changes in natural features or climate.
SOURCE: IM:140
SOURCE: Zikmund, W., & d'Amico, M. (2001). *Marketing: Creating and keeping customers in an e-commerce world* (7th ed.) [pp. 40-41]. Mason, OH: South-Western.
47. D
Return on investment. The return on investment (ROI) is the profit that a full-service restaurant gains (e.g., sales revenue) from the implementation of a specific activity (e.g., advertisement) in relation to the initial investment of time, money, and personnel to carry out the activity. Depreciation refers to the reduction of value of goods occurring over time. Fixed costs are business costs that are not affected by changes in sales volume. Operating expenses are all of the expenses involved in running a full-service restaurant.
SOURCE: IM:199
SOURCE: Evans, J.R., & Berman, B. (1997). *Marketing* (7th ed.) [p. 69]. Upper Saddle River, NJ: Prentice Hall.
48. C
Marketing concept. The marketing concept is based on satisfying the needs and wants of customers. The production process is the activity of producing goods (e.g., menu items) and services. The promotional mix is the combination of communication channels a business uses. The promotional-mix concept does not result from providing previously discontinued products. Distribution involves moving, storing, locating, and/or transferring ownership of goods and services.
SOURCE: MK:001
SOURCE: BA LAP 11—Have It Your Way! (Marketing)
49. A
Dessert carts. Many full-service restaurants place a variety of attractive desserts on a cart that servers can take to customers at the end of their meals. The carts usually have several shelves and are on wheels, which makes it easy for servers to roll the carts to customers. The rolling display of appealing desserts is intended to encourage customers to purchase items they might otherwise not order. Condiment trays, beverage dispensers, and flatware caddies usually are kept in the side-service area.
SOURCE: NF:059
SOURCE: Kirkham, M., Weiss, P., & Crawford, B. (2000). *The waiting game: The ultimate guide to waiting tables* (p. 12). Austin, TX: Twenty Per Cent.

50. B

No longer needed. If a record isn't used for a long period of time and is no longer necessary, it is often destroyed. Full-service restaurants usually are unable to keep every record and systematically review and destroy those that are not vital to the operation. The fact that the record is no longer needed determines if it is destroyed, not its age or storage location. Many records are not required by law, but full-service restaurants keep them as long as they are needed.

SOURCE: NF:001

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

51. A

Waste materials. Disposing of waste is an important consideration for full-service restaurants. Some full-service restaurants are relatively small and do not have room to handle large amounts of waste materials. As a result, some full-service restaurants use compaction, which allows them to compress large volumes of material into smaller packages. The smaller units are easier to handle and dispose of. Paper products might be compacted once they have been used and are considered waste materials. Full-service restaurants do not use compaction to handle large amounts of cleaning supplies or fresh produce.

SOURCE: OP:147

SOURCE: Mill, R.C. (1998). *Restaurant management: Customers, operations, and employees* (pp. 214-215). Upper Saddle River, NJ: Prentice Hall.

52. A

Observant. Observant full-service restaurant employees can provide the authorities with information about robbers because these employees are alert and remember details. Conscientious full-service restaurant employees are those who do their work to the best of their ability. Being friendly with others and sensitive to their needs are good traits, but they are not applicable in a robbery situation.

SOURCE: OP:113

SOURCE: Educational Institute of the American Hotel & Motel Association. (1999). *Lodging management program: Year one* (pp. 94-95). Lansing, MI: Author.

53. D

Accident prevention. A full-service restaurant is often able to prevent accidents by keeping service and work areas clean and organized. Poor housekeeping can increase safety hazards, which may result in accidents and injury of employees and customers. Poor housekeeping can increase safety hazards resulting in accidents and injury of employees and customers. It gives customers a bad impression of the business and poses security risks by providing opportunities for shoplifting and pilferage.

SOURCE: OP:082

SOURCE: RM LAP 2—Following Security Precautions

54. A

Table setup. The term for the way pieces of tableware are arranged on the table is referred to as the table setup. The type of table setup varies depending on the meal. Serving style refers to the way the meals are served. Cover plates are plates used to decorate a table but are removed when the dinner plate is served.

SOURCE: OP:081

SOURCE: Kirkham, M., Weiss, P., & Crawford, B. (2000). *The waiting game: The ultimate guide to waiting tables* (pp. 6-7). Austin, TX: Twenty Per Cent.

55. D

Purchasing. As a marketing function, purchasing involves planning, establishing and following procedures in order to obtain goods and services for use in the business (e.g., equipment, ingredients) or for resale (e.g., menu items). Full-service restaurants must buy things that enable them to operate successfully. All businesses in our society engage in purchasing. Selling is a marketing function that involves responding to consumer needs and wants through planned, personalized communication in order to influence purchase decisions. Promotion is a marketing function that communicates information about goods, services, images, or ideas to customers or clients. Risk management is a marketing function that involves the procedures management uses to limit business losses and to optimize the relationship of potential loss to gain.

SOURCE: OP:015

SOURCE: PU LAP 1—Purchasing

56. D

Unit. Unit production is the production of one item at a time or items in small quantities, used for such items as individual dinner salads. Batch production is the production of items in specific amounts. Mass production is the production of a few products in large quantities. Mass production is likely to use robotics in which robots carry out repetitive tasks that workers would find boring.

SOURCE: OP:017

SOURCE: BA LAP 1—Nature of Production

57. A

Contingency plan. A contingency plan is often known as "Plan B," or the backup in the event that the original plan will not work for some reason. Full-service restaurants often develop contingency plans along with original project plans in order to be prepared for the unexpected. There's no way to know when a crisis will occur, and having a contingency plan often helps a full-service restaurant to be successful even under adverse conditions. Full-service restaurants do not develop an escape mechanism, which is a way out of a situation. Suggestion programs are usually intended to encourage employees to share ideas. A modified schedule might be a part of a contingency plan.

SOURCE: OP:001

SOURCE: DuBrin, A. J. (2003). *Essentials of management* (6th ed.) [pp. 116-117]. Mason, OH: South-Western.

58. C

Gross profit. Gross profit results from the subtraction of cost of goods sold from total revenue. In this case, $\$40,800 - \$12,400 = \$28,400$ gross profit. Net profit results from subtracting operating expenses from the gross profit. Revenue is the money generated by a company through the sale of goods and services. Cost of goods sold is the money that a full-service restaurant pays for goods it sells or raw materials from which it makes goods to sell.

SOURCE: OP:024

SOURCE: MN LAP 57—Operating Expenses

59. C

Hiring an outside payroll processing company. Finding ways to control expenses is important to full-service restaurant chains. Sometimes, restaurants that prepare their own payrolls may forget to deposit the withheld payroll taxes on time and be charged a costly penalty by the Internal Revenue Service. If this situation occurs frequently, the full-service restaurant chain may end up paying a significant amount in penalties. One way to eliminate the problem and control expenses is to hire an outside payroll processing company which will prepare all the federal and state payroll tax deposits and make sure the full-service restaurant chain pays them on time. The cost of hiring an outside payroll processing company is less than continually paying costly penalties to the IRS. Preparing payroll expenses, creating a budget plan of equal payments, and making balloon payments will not help to control a full-service restaurant's expenses if it frequently pays costly penalties to the IRS.

SOURCE: OP:029

SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). *Business and personal finance* (pp. 607-618). New York: Glencoe/McGraw-Hill.

60. C

Customers get an impression of the restaurant from its dining room. Customers judge a restaurant not only for the food it serves but also on the basis of the cleanliness of the dining room. No matter how good the food may be, if the dining room is obviously not being kept clean, most customers will not return. They believe if the dining room is not being kept clean, the kitchen isn't either, and the food may be contaminated. There is no federal law covering restaurant maintenance and operation. It is easier for servers to move around in a clean and orderly room, but that is not an important reason to do regular housekeeping.

SOURCE: OP:032

SOURCE: Educational Institute of the American Hotel & Motel Association. (1999). *Lodging management program: Year one* (p. 216). Lansing, MI: Author.

61. B

Take ability assessment tests. Ability assessment tests help individuals to identify their skills and their capacity to perform certain tasks. These tests will help them to decide what type of career would be of interest to them based on their skills. For example, a person with good communication skills might be interested in a career in sales or marketing. People cannot identify tentative career interests by finding out which majors are popular or by locating high-income occupations. Counselors may be able to suggest specific occupations based on the results of an ability assessment test.

SOURCE: PD:023

SOURCE: Daggett, W.R., & Miles, J.E. (1998). *The dynamics of work: Introduction to occupations* (2nd ed.) [pp. 117-118]. Cincinnati: South-Western Educational.

62. D

To obtain up-to-date information. Trade publications contain information about new products, available resources, particular successes of other full-service restaurants, research, current trends, and legislation. They do not, however, determine product quantities for purchase, appeal to the general public, or help the full-service restaurant set up an operating budget.

SOURCE: PD:036

SOURCE: CD LAP 1—Trade Associations/Professional Organizations

63. D

Networking. Networking involves communicating with all of the people an individual knows who might be able to help with career opportunities. Research indicates that more people get jobs and advance in their careers through networking than through any other way of finding employment. Individuals who network regularly often are able to obtain the positions they want and move up the career ladder. Counseling is an oral communication method in which a supervisor and an employee discuss the employee's problem, and the supervisor tries to motivate the employee to find a solution. Interviewing involves meeting with a prospective employer in the anticipation of being offered a position. Mentoring involves an experienced worker acting as a guide to new employees.

SOURCE: PD:037

SOURCE: Kimbrell, G., & Vineyard, B.S. (1998). *Succeeding in the world of work: Teacher's wraparound edition* (6th ed.) [pp. 112-114]. New York: Glencoe/McGraw-Hill.

64. C

To remain competitive. Full-service restaurants need to be aware of the prices being charged by similar restaurants in the area. One full-service restaurant would not want to charge significantly more than its local competitors are charging for similar goods and services. If a full-service restaurant does not monitor what others are charging and it sets high prices, it might lose customers because it is not competitive. Full-service restaurants do not keep track of the prices that similar restaurants are charging in order to improve their advertising, offer new services, or promote an image. However, full-service restaurants may follow the lead of their competitors when developing advertising, offering new services, and promoting an image.

SOURCE: PI:001

SOURCE: PI LAP 2—Pricing

65. B

Internet. More than a new way to take orders and deliver products, the Internet has proven valuable to consumers as a source of information and a new way to compare prices and products. The Internet provides customers with more information about more products in less time than they can obtain from making telephone calls or by reading the newspaper or a catalog.

SOURCE: PI:016

SOURCE: Czinkota, M.R., & Kotabe, M. (2001). *Marketing management* (2nd ed.) [p. 305]. Mason, OH: South-Western Publishing Co.

66. C

Industry standards. In some instances, the restaurant industry offers resources that might provide guidance (standards) as a full-service restaurant establishes pricing objectives. Full-service restaurants that price their goods and services at the same level as those charged by other comparable restaurants are not setting prices based on product life cycles, channel members, or target markets.

SOURCE: PI:002

SOURCE: PI LAP 3—Factors Affecting Selling Price

67. B

Cost-based. Full-service restaurant owners who apply the cost-based approach when setting prices usually consider their actual costs to purchase or make the items as a basis for the selling price. Break-even, markup, and target-profit approaches are categories of cost-based pricing. When a restaurant owner establishes specific profit objective, s/he is using the target-profit approach to cost-based pricing. When full-service restaurant owners use the competition-based pricing approach, they set prices by evaluating the prices that their competitors establish for similar products. Going-rate and sealed-bid pricing approaches are forms of the competition-based pricing approach.

SOURCE: PI:018

SOURCE: Kotler, P., & Armstrong, G. (1999). *Principles of marketing* (8th ed.) [pp. 313-318]. Upper Saddle River, NJ: Prentice Hall.

68. A

Product life cycle. Product life cycle stages consist of introduction, growth, maturity, and decline. Promotional mix is the combination of communication channels that a business uses to send its message. Marketing mix is the combination of activities used to market a product. The path a product takes from producer to consumer is the channel of distribution.

SOURCE: PM:001

SOURCE: PP LAP 5—Product/Service Planning

69. A

Environment. When a business makes its products from recyclable goods, or items that can be used again (e.g., paper), it is exhibiting responsible and ethical behavior. The business is taking steps to save and protect the earth's natural resources by creating something out of used or discarded items. Although governments have laws to protect the environment, recycling is not always legislated. If a government does have recycling regulations for businesses, the businesses are following the law rather than protecting the law. Making products from recyclable goods does not directly protect the distribution channel or the market segment.

SOURCE: PM:040

SOURCE: Evans, J.R., & Berman, B. (1997). *Marketing* (7th ed.) [pp. 119-120]. Upper Saddle River, NJ: Prentice Hall.

70. C

Emotions, feelings, and intuition. The Six Thinking Hats technique is a creative-thinking method that utilizes different ways of approaching a problem. Each of the six hats represents one aspect of the situation. The red hat focuses on the emotional and intuitive aspects of the situation. The white hat looks at the available facts and data. The green hat is used in relation to creating new ideas. The black hat looks at all of the negative aspects of the situation.

SOURCE: PM:127

SOURCE: PM LAP 11—Unleash Your Oh! Zone

71. C

Grade. Once uniform standards have been established, they often are used to grade products. Grading rates products according to certain established standards or characteristics such as size or quality. Grading has become an accepted practice throughout the country, although it is not required by law. Uniform standards are not used to market, order, or price products.

SOURCE: PM:019

SOURCE: PM LAP 8—Grades and Standards

72. D

Financial loss. Businesses that fail to provide adequate consumer protection may experience financial loss caused by consumer lawsuits, government fines, defective products that cannot be sold, and unsafe products that must be removed from the market. Businesses that do not protect consumers also do not protect themselves and, as a result, may lose a significant amount of money or even go out of business. Customers may experience personal injury, property damage, or physical harm if businesses fail to provide adequate consumer protection.

SOURCE: PM:017

SOURCE: PP LAP 7—Consumer Protection in Product Planning

73. D

Objectives. Objectives are goals or desired outcomes. Product mix is the particular assortment of goods and services that a full-service restaurant offers in order to meet its market's needs and its goals. The strategies are the plans of action for achieving its product mix goals. To initiate appropriate strategies, the full-service restaurant must know its goals and must also consider its resources (e.g., time, money, personnel). Application is defined as how something functions. Staff refers to a full-service restaurant's personnel. Staff is considered a business's resource. Credit is the arrangement by which businesses or individuals can purchase now and pay later.

SOURCE: PM:006

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (p. 636). New York: Glencoe/McGraw-Hill.

74. C

Revenue benefits. Full-service restaurants consider many factors when determining the services they will offer their customers. In addition to considering their customers' needs and wants, full-service restaurants consider the amount of money they will make by offering the service. Interest rates are the percentage figures used in calculating interest charges. Fixed expenses are the business costs that are not affected by changes in sales volume. Inventory costs are the monies spent for goods intended for resale. Interest rates, fixed expenses, and inventory costs are not generally considered primary factors that full-service restaurants evaluate when determining services options for their customers.

SOURCE: PM:036

SOURCE: Gronroos, C. (2000). *Service management and marketing: A customer relationship management approach* (p. 143). New York: John Wiley & Sons.

75. A

Loyalty. When customers get into the habit of buying certain brands, known as brand loyalty, they automatically make repeat purchases of that brand. This reduces the amount of time needed to make a sale. Experience with a brand does not always generate sales. Customers who have developed resistance to a brand or object to it for some reason are not likely to buy it repeatedly.

SOURCE: PM:021

SOURCE: PM LAP 6—It's a Brand, Brand, Brand World!

76. A

Create a particular image. Product positioning strategies refer to the activities a full-service restaurant chain uses to create an image or impression of a product in the minds of consumers. Positioning strategies are not developed to determine advertising needs, increase employee productivity, or appeal to unknown markets.

SOURCE: PM:043

SOURCE: Boone, L.E., & Kurtz, D.L. (2004). *Contemporary marketing* (11th ed.) [pp. 245-246]. Mason, OH: Thomson/South-Western.

77. A

Incandescent. The beams of incandescent lights can be narrowed to concentrate light on a particular area or to spotlight an object within an area. The use of incandescent lights is one way to create a certain type of interior environment (e.g., warm, personal). Today's incandescent lights are low voltage, which means they are less expensive to maintain. Neon is used more for special effect than as a source of light. Halogen lights are often used to light entire walls. Fluorescent lights usually are used to light large areas.

SOURCE: PM:010

SOURCE: Diamond, J., & Diamond, E. (1999). *Contemporary visual merchandising* (pp. 148-151). Upper Saddle River, NJ: Prentice Hall.

78. A

Merchandising budget. A merchandising budget is an estimate of the amount of products expected to be sold to customers. An important function of the merchandising budget is to plan the dollar amount of inventory that needs to be in stock in order to meet expected demand. Full-service restaurants need to know the amount of money they should invest in inventory in order to obtain the food products and ingredients for entrees that the restaurant's sales forecast estimate the customers will buy. An operating plan is concerned with a full-service restaurant's day-to-day activities. A cash flow analysis considers how much money will flow into and out of the full-service restaurant. Purchasing procedures are the procedures that the full-service restaurant uses to buy food products.

SOURCE: PM:061

SOURCE: Lewison, D.M. (1997). *Retailing* (6th ed.) [pp. 392-393]. Upper Saddle River, NJ: Prentice Hall.

79. D

Right price. Part of planning purchases involves dealing with appropriate vendors who offer the right price. Restaurants want to purchase the proper variety and quality of food, but they also want to obtain the best price. Because many vendors sell the same type of products, price often becomes the most important factor when planning purchases. Rebates are offered by the manufacturer rather than the vendor. Income is revenue. Restaurants do not pay tax on the food items they buy from vendors.

SOURCE: PM:064

SOURCE: Berman, B., & Evans, J.R. (2004). *Retail management: A strategic approach* (9th ed.) [pp. 407-411]. Upper Saddle River, NJ: Prentice Hall.

80. C

Advertising. Advertising is any paid form of presentation of ideas, images, goods, or services. It is an effective tool used by full-service restaurants to promote their products. Motivating, persuading, and repeating are characteristics of effective promotional communication.

SOURCE: PR:001

SOURCE: PR LAP 2—Promotion

81. D

Personal selling. Products sold to industrial consumers are usually technical, expensive, and require demonstration. Because of these characteristics, personal selling should be emphasized. Sales promotion, publicity, and advertising could be used to support personal selling.

SOURCE: PR:003

SOURCE: PR LAP 1—Promotional Mix

82. D

Baseball stadium. Large arenas or stadiums that attract thousands of people to a sporting or entertainment event often house electronic display panels. The panels can be used for fans to keep score during a sporting event, view entertainers during a performance, and advertise a wide assortment of products that range from restaurants to soft drinks. Parking meters and transit shelters are examples of outdoor advertising formats. Parking meters and transit shelters often display advertisements in a printed (e.g. poster) form. In addition, the audience for these media is limited. Airplane hangers are storage units for aircraft. Electronic display panels are often found in airport terminals where thousands of people pass through them each day.

SOURCE: PR:100

SOURCE: Arens, W.F. (1999). *Contemporary advertising* (7th ed.) [p. 550]. Boston: Irwin/McGraw-Hill.

83. A

Headline, copy, illustration, and business identification. The elements of a print ad include the headline (attention-getting phrase), the selling message (copy), the illustration (art), and identification of the sponsor (logotype or signature). Each element of the ad contributes to the overall objectives for the ad. Typeface is the style or size of type. Layout is the way in which the elements are arranged. White space is blank space in a print ad. Standing detail is not an element of a print ad.

SOURCE: PR:014

SOURCE: PR LAP 7—Parts of Print Ads

84. A

Does not tell the restaurant what other products customers may want to buy. As a result, a database is of limited use when a full-service restaurant is preparing to develop and promote new menu items. Careful planning should allow owners to choose a database that will expand with their full-service restaurants. While a full-service restaurant chain may eventually have a database custom built, off-the-shelf databases can be used in most small full-service restaurants. Setting up a new database may require a certain amount of time, but then does not require a large amount of time to operate and maintain.

SOURCE: PR:091

SOURCE: Lane, W.R., King, K.W., & Russell, J.T. (2005). *Kleppner's advertising procedure* (16th ed.) [p. 401]. Upper Saddle River, NJ: Pearson/Prentice Hall.

85. B

Promotional. Full-service restaurants create a variety of promotional signs to introduce new products and services to customers. Some promotional signs are designed to be placed in restaurant windows to attract the attention of customers as they walk by the building. Many of these promotional signs are two-sided and can be seen and read by customers both inside and outside the full-service restaurant. Departmental signs identify specific areas within a particular facility, such as loan department or credit department. Structural signs are usually located on the exterior of a building. Directional signs direct customers to specific locations within the building.

SOURCE: PR:109

SOURCE: Diamond, J., & Diamond, E. (1999). *Contemporary visual merchandising* (pp. 186-196). Upper Saddle River, NJ: Prentice Hall.

86. C

Setting up displays of new menu items that are being promoted on TV. Displays are part of visual merchandising, a form of promotion. Using displays to help sell items that are being promoted on television is a way to coordinate the two promotional activities. All of the other alternatives are activities that would help to sell products, but they are not examples of coordinating promotional activities.

SOURCE: PR:076

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [pp. 302-304]. Woodland Hills, CA: Glencoe/McGraw-Hill.

87. D

Lawn care. Lawn care is a productive activity that consumers can pay someone else to perform. The service is considered intangible because it cannot be detected through the senses. Computers, automated machinery, and delivery trucks are all tangible products.

SOURCE: SE:017

SOURCE: SE LAP 117—Selling

88. D

Working with key people in the organization. Restaurant-supply salespeople need to understand the needs and problems of key people in the full-service restaurant chain in order to provide quality service. Salespeople will be able to gain information about how the full-service restaurant chain operates by contacting and working with these people. When salespeople are knowledgeable about the full-service restaurant chain's needs, they are able to satisfy those needs and provide quality service. The result usually is a successful relationship that benefits both the salesperson and the full-service restaurant chain. Restaurant-supply salespeople should not make unannounced sales visits, criticize competitors' products, or make idle conversation during sales calls.

SOURCE: SE:076

SOURCE: Futrell, C.M. (1999). *Fundamentals of selling: Customers for life* (6th ed.) [pp. 406-412]. Boston: Irwin/McGraw-Hill.

89. D

Selling policies ensure that customers are treated fairly and consistently. They establish uniform operating procedures for all salespeople to follow. Selling policies apply to a wide range of business activities, maybe either written or simply understood by employees, and are developed by management.

SOURCE: SE:932

SOURCE: SE LAP 121—Selling Policies

90. C

A sales manager sets extremely high sales goals for the sales staff to lower bonus payouts. Ethical issues can occur within a buyer-seller relationship or within the internal structure of an organization. By setting unrealistic sales goals, the sales manager is setting up sales representatives for failure. Failing to meet sales goals makes obtaining a bonus more difficult. By using unreasonable sales quotas to lower company overhead, the sales manager is treating the sales staff unfairly. Treating people unfairly is considered unethical behavior by many people. Advising customers of standard pricing discounts is not unethical behavior. Unless stated otherwise, most companies reimburse salespeople for travel expenses, therefore, it does not depict an unethical situation. If restructuring sales territories and sales quotas benefits all sales personnel, an ethical dilemma is not established.

SOURCE: SE:106

SOURCE: Futrell, C.M. (2001). *Sales management: Teamwork, leadership, and technology* (6th ed.) [pp. 31-32]. Mason, OH: South-Western.

91. D

Salesperson says the product is safe. Misrepresentation involves exaggerating the capabilities of a product or promising more than a product can provide. To avoid misrepresenting a product, salespeople should understand the difference between making factual statements and simply praising a product. Saying that a product is safe is usually considered a factual statement. If that proves to be incorrect, a full-service restaurant might take legal action against a supplier and the salesperson for misrepresentation. It would be better for the salesperson to say the product is safe in most situations when used correctly, or that studies have found the product to be safe most of the time. Then, the salesperson has not promised that the product is always safe. It is not misrepresentation to offer a standard discount, point out a feature of a product, or describe an obvious benefit.

SOURCE: SE:108

SOURCE: Futrell, C.M. (1999). *Fundamentals of selling: Customers for life* (6th ed.) [pp. 92-93]. Boston: Irwin/McGraw-Hill.

92. B

Durability. Customers who have used a product often are a good source of information concerning the product's durability. Restaurant-supply salespeople can find out from full-service restaurants how the product performs, how well it wears, if it meets expected quality, and if it lasts a long time under normal operating conditions. Full-service salespeople can use this information when selling to other full-service restaurants. Customers usually do not have specific information about a product's design or construction, or about the technology needed to manufacture it.

SOURCE: SE:062

SOURCE: Manning, G.L., & Reece, B.L. (1998). *Selling today: Building quality partnerships* (p.108). Upper Saddle River, NJ: Prentice Hall.

93. A
Product knowledge. In order for restaurant-supply salespeople to point out the features and benefits of their products, they must know the products they are presenting as well as the originally requested goods and services. Customers, such as full-service restaurant owners will not have any confidence in the salespeople, the restaurant supply company, or the products, if the salespeople are unable to answer questions about the products and explain their products' features and benefits. Restaurant-supply salespeople do not need shipping information, lists of vendors, or inventory control data in order to point out product features and benefits.
SOURCE: SE:114
SOURCE: SE LAP 111—Using Substitute Selling
94. D
Offer customers items that they need and want. By offering customers items that they need and want, the salesperson shows a sincere effort to be of service to the customer and encourages future business. Customers should only be encouraged to purchase high-priced items when the salesperson feels that the high-priced item will better meet the customers' needs. Product warranties are not offered on all goods. Customers should not be asked to fill out request forms as a part of suggestion selling because suggestion selling is an initiative by the salesperson based on the customer's purchasing decision.
SOURCE: SE:875
SOURCE: SE LAP 110—Using Suggestion Selling
95. A
Chef's. A chef's salad is made with a variety of salad greens and vegetables to which strips of ham, cheese, chicken, or turkey have been added. Waldorf salad contains apples, celery, and walnuts in a dressing. Pasta salad may be made from any kind of pasta, such as macaroni, to which other ingredients and seasonings are added. A side salad is not a main-dish salad but an individual serving of any salad.
SOURCE: SE:146
SOURCE: Wikipedia. (n.d.). *Salad*. Retrieved October 27, 2006, from <http://en.wikipedia.org/wiki/Salad>
96. B
Gratuuity charge. Some restaurants add a gratuity charge to a large table's check. This is because it takes more time to service a large group. Extra services that many businesses offer are not subject to any special taxes other than the usual sales or excise tax. Interest rate is the percentage figure used in calculating interest charges. Annual fee is an amount of money charged on a yearly basis for the privilege of using certain kinds of credit.
SOURCE: SE:116
SOURCE: MA LAP 52—Calculating Miscellaneous Charges
97. D
Customer's signature. The customer's signature verifies his/her obligation to pay for the purchase. The server's signature or identification would only indicate that the sale was handled by that person. The customer's address is not essential when a charge account number has been used.
SOURCE: SE:151
SOURCE: MA LAP 49—Completing Charge Sales Checks
98. C
Behind the change, on the right-hand side. The usual way that change is placed in a cash drawer is lowest to highest, right to left, change in front, currency in back.
SOURCE: SE:156
SOURCE: Stull, W.A. (1999). *Marketing and essential math skills: Teacher's edition* (pp. 129-131). Cincinnati: South-Western Educational.

99. D

Number of people in the party. The restaurant needs to know the number of people in the party so that the correct size of table can be assigned. Guests advise the server of their entree and dessert selections after they arrive at the restaurant. It is not necessary to know the names of all those in the party to successfully take the reservation.

SOURCE: SE:163

SOURCE: Ninemeier, J.D. (2000). *Management of food and beverage operations* (3rd ed.) [p. 218].
Weimar, TX: Culinary and Hospitality Industry Publications Services.

100. A

Economic trends affect consumer spending. Studying economic trends helps full-service restaurant chains predict how willing consumers will be to spend their money. For example, consumers tend to eat out at restaurants less often when the economy is in the contraction phase because they have less disposable income to spend. Upturns in the economy cannot always be predicted. A slow economy reduces investor confidence. The fact that full-service restaurant chains must meet licensing requirements is not related to economic trends.

SOURCE: SM:011

SOURCE: MN LAP 43—External Planning Considerations