

KEY

Test Number 920

Travel and Tourism Marketing

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. D

Ground transportation. This component includes bus companies, car rental companies, railroads, taxis, and limousines. The hospitality industry includes accommodations, resorts, restaurants, and convention centers. The travel mart includes retail travel agencies, business travel departments, and travel clubs. The wholesale distribution component buys products from the other components and sells them through retail travel agencies.

SOURCE: BA:145

SOURCE: Goeldner, C.R., & Ritchie, J.R. (2003). *Tourism: Principles, practices, philosophies* (9th ed.) [pp. 132-141]. New York: John Wiley & Sons.

2. B

Corporation. Stockholders in corporations have limited liability; that is, their losses are limited to the amount of money that they have invested in the business. Partnerships and sole proprietorships have unlimited liability, meaning that the business owners are personally liable for debts incurred by the business. Joint proprietorship is not a form of business ownership.

SOURCE: BL:003

SOURCE: BA LAP 7—Own It Your Way

3. C

Medical exams. Federal regulations forbid tour companies from requiring job applicants to take medical exams during the employee selection process. Tour companies can require medical exams only between the time an applicant is offered a job and the applicant begins the job. Some tour companies offer applicants jobs and then require them to pass a medical exam to make sure they are able to perform the job requirements. The job offer may be retracted if the person is physically unfit to do the work. Many tour companies administer personality tests, written exams, and ability tests during the employee selection process.

SOURCE: BL:008

SOURCE: Dessler, G. (2000). *Human resource management* (8th ed.) [pp. 48-51]. Upper Saddle River, NJ: Prentice Hall.

4. A

Grapevine. The grapevine is an oral communication method in which information is passed around the company, but it is not formally announced or verified. Travel agency managers usually are unable to control the grapevine because employees tend to talk to each other and share whatever information they have—even if it is not accurate. The managers can sometimes use the grapevine by providing correct information to employees they know are involved in the grapevine. Downward communication moves from management to the lower-level employees. Formal communication is the official information provided by the business. An objective is a desired outcome rather than a channel of staff communication.

SOURCE: CO:014

SOURCE: Lehman, C.M., & DuFrene, D.D. (1999). *Business communication* (12th ed.) [pp. 67-69]. Cincinnati: South-Western College.

5. D

Priority. During the first part of a staff meeting, people usually have more energy and are more creative than they are at the end of the meeting. Therefore, the manager of the car-rental company should plan to first discuss the priority items that are important and require more thought. When people are clearheaded and alert, they are better able to address priority issues and reach agreement. Old business and routine matters can be discussed later in the meeting because these issues do not usually require a high level of energy or creativity. Controversial issues usually are discussed at the end of the meeting in order to resolve all other matters before handling topics that may need to be carried over to another meeting.

SOURCE: CO:140

SOURCE: Lehman, C.M., & DuFrene, D.D. (1999). *Business communication* (12th ed.) [pp. 291-293]. Cincinnati: South-Western College.

6. D

Local attractions. Most large cities have many visitors who shop at downtown businesses. Employees of downtown businesses (e.g., car rental companies) should be able to give these customers accurate directions to such local attractions as area restaurants, churches, government offices, libraries, historic sites, etc. It is not as likely that customers will ask for directions to neighborhood schools, suburban areas, or day-care facilities.

SOURCE: CO:073

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 184-186). New York: Glencoe/McGraw-Hill.

7. B

Describing the nation's culture, laws, and physical environment. Giving an overview of what the traveler may encounter, including customs, laws, and weather, can prepare a client for a trip into unfamiliar territory. Familiarization trips are taken by travel intermediaries, travel writers, or corporate clients to experience a travel offering before selling, writing about, or booking a product with a supplier. Trivia may prove interesting but probably won't help the traveler get along in the destination once s/he's there. A nation's largest industries are also irrelevant to travel. Travelers need practical details to help them in their day-to-day experience while visiting an unfamiliar location.

SOURCE: CO:080

SOURCE: Burke, J., & Resnick, B. (2000). *Marketing & selling the travel product* (2nd ed.) [p. 251]. Albany, NY: Delmar/Thomson Learning.

8. C

Consumers. A channel of distribution is the route that a product takes in moving from a producer to a consumer. Ultimate consumers are those who use goods and services for their own needs. Wholesalers, retailers, and sales agents are channel intermediaries that perform specific functions in the movement of goods.

SOURCE: DS:055

SOURCE: MB LAP 3—Channels of Distribution

9. A

Satellite tracking. Satellite tracking technology is based on the use of orbiting satellites, and enables businesses to monitor the location of delivery trucks. Once a shipment is placed on a truck, the shipment can be tracked by satellite so businesses know where the shipment is at all times. This technology makes it possible for businesses to tell customers exactly where the shipment is and when it will be delivered. Artificial intelligence is technology that is used to make computers perform functions that people perform. Data interchange involves the exchange of information between one business's computer system and another business's computer system. Electronic imaging makes it possible for businesses to scan or take electronic photographs of 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.

10. D

Promotion. Cruise companies usually coordinate the distribution of their products with the marketing activity of promotion in order to make sure that the goods and services are available when they are advertised. Businesses do not want to advertise special discounts or limited-time offers until those items are actually available. Management is not a marketing activity. Directing is a management activity that involves providing guidance to workers and work projects. Controlling is a management function that monitors the work effort.

SOURCE: DS:048

SOURCE: Evans, J.R., & Berman, B. (1997). *Marketing* (7th ed.) [pp. 431-432]. Upper Saddle River, NJ: Prentice Hall.

11. A

Long-term partnerships. Most tour planners want to develop long-term partnerships with channel members because it is more cost effective to maintain a relationship with an existing member than to locate new channel members. To accomplish this, tour planners often meet regularly with channel members to discuss problems and evaluate performance. This gives both the tour-planning business and the channel members an opportunity to discuss problems and decide on a mutually satisfactory solution. By working together, the tour planner and the channel members can improve performance and develop a long-term partnership. Tour planners and channel members do not meet regularly to develop transportation systems, cost-effective inventories, or routine buying procedures.

SOURCE: DS:051

SOURCE: Kotler, P. (2000). *Marketing management* (10th ed.) [pp. 501-502]. Upper Saddle River, NJ: Prentice Hall.

12. B

Place. In order for products to be made available where they are needed, it is often necessary to ship them to various parts of the country. 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. Credit is not a form of utility.

SOURCE: EC:004

SOURCE: EC LAP 13—Use It (Utility)

13. C

Equilibrium. Equilibrium price is also called market-clearing price because that is often the result of reaching the equilibrium point. Market price is the actual price that prevails in the marketplace at any particular moment. Unit price indicates the price of products by the ounce, pound, or other measurement to enable consumers to compare product values. Production price is the total amount of money spent on materials, labor, taxes, etc., to produce economic goods and services.

SOURCE: EC:006

SOURCE: EC LAP 12—Price

14. C

Wholesalers and retailers. Trade industries are businesses that buy and sell goods to others. Wholesalers sell goods to retailers, who sell them to the ultimate consumers. Manufacturers, or producers, are not part of the trade industry.

SOURCE: EC:070

SOURCE: MB LAP 6—Business and Society

15. D

Only one supplier of a certain good or service. In addition, there are no substitute products readily available, which means the seller can control the price of the product. In the United States, monopolies are allowed to exist under certain circumstances, but their activities are controlled by the government. The opposite of monopoly is competition—a rivalry between two or more businesses to attract customers.

SOURCE: EC:012

SOURCE: EC LAP 8—Ready, Set, Compete! (Competition)

16. C

Strengthen their bargaining power. Workers want better wages, working conditions, and hours, but they have no real power as individuals to bargain effectively with management for these things. Banding together in a union gives them this power.

SOURCE: EC:015

SOURCE: EC LAP 5—Organized Labor

17. C
Raise their prices. During the peak phase of the business cycle, the demand for goods and services begins to exceed the production capacities of the producers of travel and tour products. When this happens, the producers often raise their prices to offset the high demand. Producers begin to earn less profit, lay off workers, and lower their prices during the contraction phase of the business cycle.
SOURCE: EC:018
SOURCE: EC LAP 9—Business Cycles
18. D
Use the clients' names in conversations. Clients enjoy hearing their names, and they feel important when they realize that the travel agency employee has taken the time to learn them. Lee should maintain eye contact, not stare. Lee should speak at a comfortable volume—not too loudly or too softly. Lee should try, whenever possible, to resolve clients' problems without involving a supervisor.
SOURCE: EI:032
SOURCE: HR LAP 32—Customer-Service Mindset
19. C
Deliberately trying to confuse customers. Airlines are behaving unethically when they deliberately try to confuse customers by providing complex information that will be difficult to understand. Because customers may have trouble understanding the information, they may be misled about the airlines' services. Airlines have an obligation to behave ethically and provide customers with all the accurate information they need to make good buying decisions. Airlines are behaving ethically when they refuse to publicize confidential data. It is ethical to send e-mails to customers unless the customers ask to be removed from the mailing list. Providing detailed data in chart form often makes complex information easier to understand.
SOURCE: EI:038
SOURCE: Locker, K.O. (2000). *Business and administrative communication* (5th ed.) [pp. 17-19]. Boston: Irwin/McGraw-Hill.
20. D
Maintain eye contact. As an employee, you want to show customers that you want to listen. To do this, you should maintain eye contact, look and act interested, avoid doing other things, concentrate on what the customer is saying, and ask questions to clarify, when appropriate. You should strive to minimize your talking while maximizing your listening. You should not raise your voice; instead, talk softly and slowly. Remember, customers take their cues from you.
SOURCE: EI:013
SOURCE: EI LAP 1—Making Mad Glad (Handling Difficult Customers)
21. B
Understand the business's policies. Airline ticket agents must have a clear understanding of the business's policies in order to explain them to customers and to answer questions. Management is responsible for setting policies. Airline ticket agents are expected to interpret and to implement policies, and they do not need permission to do so. The ticket agent must follow the airline's business policy even if s/he disagrees with it.
SOURCE: EI:042
SOURCE: HR LAP 25—Interpreting Business Policies
22. D
Passengers should tip dining-room stewards and cabin stewards a certain amount per day, which can be prepaid for the client's convenience. This is standard practice on cruise ships, and these guidelines should be explained to passengers. Gratuities are not included in the cruise fare, and passengers should be prepared to bring money to tip various individuals who provide service. It would be difficult to determine a fair gratuity as meals are included in the cost of the cruise. Cabin stewards should receive tips. Bar and deck stewards are the only servers who are tipped at the time of service; others are given tips according to industry guidelines. Ship's officers do not receive gratuities.
SOURCE: EI:052
SOURCE: Todd, G., & Rice, S. (2002). *Travel perspectives: A guide to becoming a travel professional* (3rd ed.) [p. 438]. Albany, NY: Delmar/Thomson Learning.

23. A

Offer the passenger several alternatives. The best way to resolve disputes raised by customers is to try to solve the problem as quickly as possible by offering several alternatives. If a passenger's assigned seat has been accidentally given to another passenger, it might be possible to offer the passenger a comparable seat. If a comparable seat is not available, the passenger might be offered a free upgrade to a first-class seat or a voucher for future airline travel. Offering several alternatives allows the passenger to decide which option is best and can resolve the dispute quickly. Blaming the problem on the reservations agent or giving the passenger a complimentary beverage will not resolve the seating dispute. It is a good practice to agree that the airline is responsible for the error, but that will not resolve the dispute unless the passenger is offered alternatives.

SOURCE: EI:057

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 304-307]. Albany, NY: Delmar/Thomson Learning.

24. D

To be competitive. Travel and tourism businesses must compete with each other for customers. The convenience of being able to buy now and pay later is often the deciding factor for customers when they are selecting a company with which to do business. Extending credit to customers does not help the business to purchase necessary supplies. It may, in fact, make it more difficult since the business may not have as much cash on hand to pay for the supplies as it would if its customers paid in cash. Extending credit is an expense to the business, not a saving.

SOURCE: FI:002

SOURCE: FI LAP 2—Credit and Its Importance

25. C

Accounting. Accounting duties include the preparation of all financial records for the travel agency. Marketing involves satisfying the needs and wants of consumers through an exchange process. Purchasing is a marketing function that involves the planning and procedures necessary to obtain goods and services for use in the operation of a business or for resale. A human resources department is responsible for various areas of staffing and personnel.

SOURCE: FI:085

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

26. A

No, the consumer pays the sales tax. The sales tax is paid by the ultimate consumer rather than the business that buys goods to resell. If the cruise ship gift shop purchased the goods to use in the operation of the cruise line, then the invoice would include sales tax. The manufacturer does not pay the sales tax. The cruise ship gift shop does not claim the sales tax as a tax deduction.

SOURCE: FI:087

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [pp. 288-290]. Woodland Hills, CA: Glencoe/McGraw-Hill.

27. C

Yes, competitors' activities may affect the forecast. The tour operator needs to know whether the number of competitors is increasing or decreasing and whether there are new or different kinds of competitive activities that will affect the tour operator's sales. Competitors' activities do not always have a negative effect. For example, a decrease in competition should have a positive effect. Forecasters should study the market and the economy, but they should also study the competition even though it is an external factor that the tour operator can't control.

SOURCE: FI:096

SOURCE: IM LAP 4—Forecasting Sales

28. B
Evaluating the efficiency of. An operating budget is often used as the basis for evaluating the efficiency of a department within a travel agency or of the travel agency itself. The budget specifies how much money each department has to spend on operating expenses. If the department spends more than was allotted in the budget, the manager knows that the department is operating inefficiently. The department is operating efficiently if it functions effectively within the limits of the budget. Operating budgets are not used as a basis for organizing personnel, preparing project deadlines, or supervising staff.
SOURCE: FI:098
SOURCE: Larson, K.D., Wild, J.J., & Chiappetta, B. (2005). *Fundamental accounting principles* (17th ed.) [pp. 904-913]. Boston: McGraw-Hill/Irwin.
29. B
Net profit. Profit-and-loss statements, or income statements, contain information about the business's income from sales, its returns and allowances, the cost of merchandise sold, gross margin, operating expenses, and net income, or net profit. The formula for calculating net profit is to subtract cost of goods sold and operating expenses from sales (\$50,000 - \$10,000 - \$30,000 = \$10,000 net profit).
SOURCE: FI:102
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 765-771). New York: Glencoe/McGraw-Hill.
30. A
Sales volume. Sales volume is the amount of a business's sales. The Fleetwood Rent-A-Car Company might analyze sales volume over a period of time to determine its future hiring needs. For example, if the company's sales have increased steadily over a period of time, the Fleetwood Rent-A-Car Company might decide to hire additional support staff to handle reservations and provide customer service. Merit pay is a salary increase based on performance. Job security is the assurance that employees will keep their jobs. Determining future hiring needs does not involve analyzing formal training.
SOURCE: HR:353
SOURCE: Dessler, G. (2000). *Human resource management* (8th ed.) [pp. 124-125]. Upper Saddle River, NJ: Prentice Hall.
31. A
What are your political beliefs? Interviewing is an important part of the new employee selection process, however, there are certain questions that are inappropriate for the interviewer to ask. Asking questions about an applicant's political beliefs is inappropriate because an individual's politics are personal, and they are not relevant to performance on the job. The alternatives are appropriate questions for a job interview because they relate to work qualifications.
SOURCE: HR:356
SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (p. 142). New York: Glencoe/McGraw-Hill.
32. D
Telling a story about the company. When beginning the presentation, you should try to catch the listeners' attention. Several techniques can be used, including telling a story about the company or its employees, making a shocking statement, and asking questions. You should review the agenda with speakers, greet employees, and check equipment prior to beginning the orientation session.
SOURCE: HR:361
SOURCE: MN LAP 44—Orienting New Employees
33. C
Reject the solutions and start over. Not all solutions are effective, and the problem may have been compounded by other factors. It is better to give up on the original solution and try another one than it is to waste more time on a solution that isn't working. Asking employees to work harder would not necessarily help to solve the problem. Employees should be informed of the consequences when the solution is initially implemented.
SOURCE: HR:366
SOURCE: MN LAP 45—Handling Employee Complaints

34. A

To establish a staffing guide. Cruise ships consider the number of cabins, as well as how long it takes to clean a cabin, in order to calculate the staffing ratio. In most cases, a cruise ship wants all the cabins cleaned by a certain time each day. Therefore, it needs a specific number of cabin attendants to perform that task. For example, if there are 750 cabins on the ship, it takes approximately one-half hour to clean each one, and there is a four-hour time frame in which to do this, the ship will be able to establish an appropriate staffing guide. Cruise ships purchase sheets and towels based on the total number of passengers that the ship can accommodate. Cruise ship employees do not schedule vacations during cruises. The staff is on board during the entire cruise. Calculating the time needed to clean a cabin is not an aspect of tracking attendance.

SOURCE: HR:381

SOURCE: Educational Institute of the American Hotel & Motel Association. (1999). *Lodging management program: Year one* (pp. 226-229). Lansing, MI: Author.

35. B

Predict and control risks. Marketing information is all of the marketing-related data available from inside and outside the travel agency. It includes information about past situations and about what is happening now. By obtaining and using marketing information, travel agency managers can predict the risks that might occur in the future and take steps to control those risks. For example, if current marketing information indicates that one travel product is losing popularity, the travel agency can work with vendors to modify the product or repackage it to make it more appealing. As a result, the travel agency might avoid losing clients, which is a future risk. Travel agency managers often use marketing information to prepare documents and reports, but that is not an advantage of obtaining and using the information. Travel agency managers do not obtain and use marketing information to train and direct employees, or to review and understand regulations.

SOURCE: IM:012

SOURCE: Zikmund, W., & d'Amico, M. (2001). *Marketing: Creating and keeping customers in an e-commerce world* (7th ed.) [p. 124]. Mason, OH: South-Western.

36. C

Data relevancy and application. Relevant information is data that has meaning and is useful to the prosperity of the tour operators. For example, keeping detailed customer records for defunct businesses for several years does not help a tour operator meet its current or projected sales objectives. The data are not relevant and have no use or application to the current business situation. Standards, mode, variables, range, sample size, and measurement are important considerations in the marketing-information collection process. However, these factors or concepts are not necessarily applicable to the overall, long-term marketing-information management process. These factors can change or differ for individual research projects. For example, the sample size for one survey is not necessarily the same for another project.

SOURCE: IM:182

SOURCE: Malhotra, N.K. (1999). *Marketing research: An applied orientation* (3rd ed.) [pp. 55, 57]. Upper Saddle River, NJ: Prentice Hall.

37. D

Activity. An activity report describes a sales representative's intended sales calls and routes and is submitted to management a week or month in advance. Businesses often use the information in these reports to make marketing decisions. A call report is a write-up of completed sales activities. Territory and quota reports do not include planned activities of individual sales representatives.

SOURCE: IM:184

SOURCE: Kotler, P. (2000). *Marketing management* (10th ed.) [pp. 633-634]. Upper Saddle River, NJ: Prentice Hall.

38. C

To determine whether it benefited the business. The business should evaluate whether the research clarified the business's actual situation. It should also determine whether the data gathered were useful to the business, how the data were used, and whether the business followed the recommendations of the researcher. The evaluation step does not compare methods of data collection or select the next marketing-research project.

SOURCE: IM:010

SOURCE: IM LAP 5—Nature of Marketing Research

39. A

Plan of action. Businesses such as The Tanner Tour Company develop a plan of action in order to achieve their goals and objectives. This plan of action in marketing is known as a marketing strategy. In this example, the goal is to increase profitability, and the plan for achieving that goal is to open a new location. Marketing mix is the combination of the four elements of marketing. The plan of action is not a type of risk. Financial planning involves developing budgets, which includes predicting the company's sales and expenses for a specific period.

SOURCE: IM:194

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

40. C

Market segments. Dividing the market for products into segments is a form of target marketing that allows the airline to focus its marketing efforts on consumers who are most likely to buy its products. This includes both current and potential consumers. Demographics are characteristics by which people can be grouped, or segmented (e.g., age, income, education). Mass markets are the total markets for products.

SOURCE: IM:196

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

41. B

Pricing strategies. A marketing plan is a set of procedures or strategies for attracting the target customer to a business. An important part of a marketing plan is the pricing strategies that a business will use to attract those customers. Taxi companies want their prices to be low enough to appeal to customers but high enough to cover costs and earn a profit. Taxi companies analyze a variety of information about expenses, prices charged by competitors, and customers' wants in order to decide how to price their products. Taxi companies do not include information about billing methods, payroll systems, or accounting procedures in their marketing plans.

SOURCE: IM:197

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [p. 650]. Woodland Hills, CA: Glencoe/McGraw-Hill.

42. B

Financial resources. A SWOT analysis is the systematic evaluation of a business's (e.g., travel agency's) internal strengths and weaknesses and external opportunities and threats. SWOT stands for strengths, weaknesses, opportunities, and threats. One of the internal strengths that a SWOT analysis might identify is a business's financial resources. Having sufficient financial resources to develop new products and services is an internal strength that a travel agency can use to grow and prosper. Extensive regulation is an external threat, while limited competition is an external opportunity. Increased expenses is an internal weakness.

SOURCE: IM:141

SOURCE: Churchill, G.A., Jr., & Peter, J.P. (1998). *Marketing: Creating value for customers* (2nd ed.) [pp. 88-90]. Boston: Irwin/McGraw-Hill.

43. A

Number and type of complaints. Cruise ships try to measure the level of customer satisfaction in order to identify problem areas and make adjustments in their marketing efforts. One type of information that cruise ships collect involves the number and type of complaints that they receive from customers. This type of information helps cruise lines decide if customers are satisfied or if they have important complaints. If many customers complain about the same issue, a business knows that there is a significant problem and that adjustments need to be made. If businesses ignore complaints, they run the risk of losing customers. Cruise ships do not collect information about advertising, sales figures, and the performance of equipment to measure the level of customer satisfaction.

SOURCE: IM:145

SOURCE: Kotler, P. (2000). *Marketing management* (10th ed.) [pp. 700-701]. Upper Saddle River, NJ: Prentice Hall.

44. A

Increasing availability. Improving availability is generally the easiest adjustment a travel agency can make in its place strategy. Revising service policies is a change in product strategy. Reacting to market prices is a change in pricing strategy. Placing new advertisements is a change in promotional strategy.

SOURCE: IM:199

SOURCE: Meyer, E.C., & Allen, K.R. (2000). *Entrepreneurship and small business management: Teacher's manual* (2nd ed.) [p. 175]. New York: Glencoe/McGraw-Hill.

45. D

Plan corrective action. Conducting a marketing audit is worthwhile only if tour companies use the information obtained to develop a plan to correct problems. The purpose of a marketing audit is to identify problems or techniques that are working effectively with the intention of making adjustments to improve the tour company's marketing performance. Once tour companies have the information, they need to use it to improve or revise their marketing efforts. The information obtained as a result of conducting a marketing audit might suggest that a tour company revise or update its existing pricing strategy or change its advertising approach. Tour companies do not use marketing audits to organize current inventory.

SOURCE: IM:162

SOURCE: Kotler, P. (2000). *Marketing management* (10th ed.) [pp. 708-709]. Upper Saddle River, NJ: Prentice Hall.

46. B

Service. Walt Disney theme parks provide a product that is intangible and involves performing acts that satisfy customers' needs or wants. The park provides fun, amusement, and entertainment, which are not concrete or physical in nature. Service marketing has a high degree of perishability since it cannot be stored or warehoused for future use. The person is not promoting or marketing a cause, a lifestyle, or an intermediary.

SOURCE: MK:008

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 32-33]. Albany, NY: Delmar/Thomson Learning.

47. B

Can of soda. Nondurable goods are tangible items, such as a can of soda, that are consumed within a short time. A bus tour is classified as a service. Durable goods, such as televisions or pillows, are intended to last a relatively long period of time.

SOURCE: MK:001

SOURCE: BA LAP 11—Have It Your Way! (Marketing)

48. D

Product/Service management. This is a marketing function that involves obtaining, developing, maintaining, and improving a product or service mix in response to market opportunities. This includes selecting products (e.g., cruise destinations) that help to promote a certain image for The Fun Time Cruise Lines. Selling is a marketing function that involves determining the clients' needs and wants and responding through planned, personalized communication that influence purchase decisions and enhances future business opportunities. Promotion is a marketing function that communicates information about goods, services, images, and/or ideas to achieve a desired outcome.

SOURCE: MK:002

SOURCE: MK LAP 1—Work the Big Six (Marketing Functions)

49. D

Antirobbery systems. Since robbery is a violent crime involving the use of force, cruise ship gift shop managers train employees in how to cope with robbers and also install antirobbery defense systems intended to discourage and apprehend robbers. Panic buttons are hidden alarms that can silently alert security staff, while video systems are visible, closed-circuit TV monitors that are focused on the cruise ship gift shop's cash register. Cash-control devices, such as safes, make it more difficult, if not impossible, for a robber to get access to cash. Customer interactive systems may be a kiosk, which allows the customer to browse the cruise ship gift shop's merchandise by touching prompts on the screen. A trend is the general direction in which people or events are moving. PlayStation and Xbox are types of electronic games and do not include panic buttons, video systems, and cash-control devices.

SOURCE: OP:113

SOURCE: Lewison, D.M. (1997). *Retailing* (6th ed.) [p. 297]. Upper Saddle River, NJ: Prentice Hall.

50. C

Travelers with disabilities. Being able to respond to emergency situations is an important consideration in the travel and tourism industry. Many people travel throughout the world, which means that natural disasters and fires are potential dangers. Handling these situations effectively will save lives. Therefore, most emergency procedures include a plan for identifying travelers with disabilities who may need special help in escaping a dangerous situation. Emergency escape and evacuation procedures do not include plans for identifying relatives of passengers. Local authorities are usually responsible for identifying hazardous materials. Identifying suspicious activities is a security consideration.

SOURCE: OP:120

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

51. D

Package. A package tour is sold for one price and may include transportation, lodging, meals, car rental, and admission to various attractions. Many tour operators put together packages to popular locations that usually are less expensive than if travelers made their own arrangements individually. For example, a family might purchase a package tour to Disney World that includes airfare, hotel accommodations, breakfast, and admissions to the park for three days. Travel agents sell package tours to customers who want the basic arrangements made for them and also the freedom to travel on their own. Escorted tours are for groups, include all travel arrangements, operate on a strict schedule, and have a guide. Hosted tours operate in many cities and usually are intended to show groups the sights of the area, such as a trolley ride through Washington D.C. Fly/Drive tours include airfare and a rental car but do not always include lodging.

SOURCE: OP:143

SOURCE: Todd, G., & Rice, S. (2002). *Travel perspectives: A guide to becoming a travel professional* (3rd ed.) [pp. 213-214]. Albany, NY: Delmar/Thomson Learning.

52. D

Keep the aisles clear. The aisle should be clear of boxes, protruding objects, or anything that might cause someone to trip or fall. It is not always possible to warn all clients of possible hazards. Proper lighting or the installation of signs would be the responsibility of the travel agency, not the employees.

SOURCE: OP:007

SOURCE: RM LAP 2—Following Safety Precautions

53. D

Tom checks the amount and date on all personal checks. To reduce the risk of identity theft, the cruise ship gift shop cashier should make sure that customers' checks are filled out correctly, and that each check includes the proper amounts and dates. In addition, the signature on the check should match that on another piece of identification such as a driver's license, and any information from the backup identification should be recorded on the check. To reduce the risk of robbery, the cash drawer change amounts are verified before the gift shop opens and after it closes rather than several times during the day. Chatting with customers is a distraction that can cause errors and promote point-of-sale fraud. Many gift shops do not permit personal belongings at the workstation in order to reduce the chance of theft.

SOURCE: OP:013

SOURCE: RM LAP 4—Security Precautions

54. A

Dispatching. Dispatching is issuing orders for production to start. These are usually written orders that tell employees what their job assignments are, when to move materials to the work area, or which items to assemble. Scheduling establishes the timetable to be followed in production. Routing is the production activity that determines the sequence for the steps in the production process. Follow-up makes sure that production was carried out according to plan and that the products met company standards.

SOURCE: OP:017

SOURCE: BA LAP 1—Nature of Production

55. C

Compensation. Operating expenses are the expenditures that a business requires so it can operate. A common operating expense is compensation, which includes employees' salaries, wages, and benefits. Any expenditure involved in paying employees for their work is considered an operating expense. Investment is voluntarily putting excess funds into a type of account that generates interest. Revenue is income. Capital is the assets of a business.

SOURCE: OP:024

SOURCE: MN LAP 57—Operating Expenses

56. D

By meeting deadlines. There are many ways that convention center employees can help to control business expenses. One is by managing their work, which often involves meeting deadlines so they don't hold up coworkers' projects or disappoint customers. Meeting deadlines helps employees accomplish as much as possible while they are on the job so the convention center gets full value for its payroll dollars. Employees who prolong tasks, wait for assignments, and disregard procedures often cost a convention center money rather than help control expenses.

SOURCE: OP:025

SOURCE: MN LAP 56—Employee Role in Expense Control

57. A

Attract and retain customers. People generally enjoy their experience more when the theme park is neat and clean and has a pleasant atmosphere. Theme parks keep their facilities in good condition in order to attract and retain customers. Theme parks are not well maintained in order to appeal to suppliers. A well-maintained theme park does not have an insurance division. Sales are a source of income rather than an expense.

SOURCE: OP:032

SOURCE: Educational Institute of the American Hotel & Motel Association. (1999). *Lodging management program: Year one* (pp. 258-259). Lansing, MI: Author.

58. C

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

SOURCE: PD:018

SOURCE: HR LAP 6—Goal Setting

59. C

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

SOURCE: PD:012

SOURCE: PD LAP 2—Creativity

60. D

Buyers. Trade shows are intended to display products and attract the attention of buyers who will purchase those products for resale. Exhibitors at trade shows try to display their products in such a way that they will appeal to buyers. Vendors and suppliers usually exhibit at trade shows. Sellers usually handle the products after they are purchased by the buyers.

SOURCE: PD:036

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [p. 305]. Woodland Hills, CA: Glencoe/McGraw-Hill.

61. C

The colder winter months. Colder weather is when snow is most likely to fall and accumulate. This is generally when avid snow skiers take to the slopes. The skiers need a place to stay, so the ski resort would be busiest during this time period. A snow skiing resort in the southern hemisphere might have high occupancy rates in June and July. Although late autumn might be cold enough for snow skiing, it is not generally considered the peak season for leisure snow skiing. Mountains are generally not affected by hurricanes. Hurricanes occur in warmer, tropical regions.

SOURCE: PD:104

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 319-320]. Albany, NY: Delmar/Thomson Learning.

62. C

Image. Image is the way in which businesses are viewed by others, including their customers. Pricing helps to project a specific image. Businesses that have low prices often are thought of as discount businesses. By setting low prices, these businesses project a specific image that attracts customers looking for bargains. Bias is prejudice. Trend is the direction in which something is moving. Worth is value.

SOURCE: PI:001

SOURCE: PI LAP 2—Pricing

63. D

Price fixing. Price fixing is an illegal business arrangement in which businesses agree on prices of their goods or services, resulting in little choice for the consumer. Airlines that agree to coordinate the discounts and credit terms that they offer their customers are guilty of fixing the price of those services. If all of the competing regional airlines in one area agree to offer the same discounts and credit terms, the customers have no choice in selecting an airline that offers a different price. In target pricing, prices are set to provide a certain rate of return on an investment. The decisions an airline makes concerning which prices to charge is price planning. Unit pricing is a pricing technique that gives the consumers the price per unit for products.

SOURCE: PI:015

SOURCE: Evans, J.R., & Berman, B. (1997). *Marketing* (7th ed.) [pp. 596-597]. Upper Saddle River, NJ: Prentice Hall.

64. C

Supplying and pricing airline tickets based on route, time period, and class of service. Demand and supply of airline seats to travelers is managed by offering a range of options to various customer segments. Cash-back savings, advertising, and additional luggage space could be used in the short term to stimulate demand, but these options are a small piece of the overall strategy of managing supply and meeting demand through pricing.

SOURCE: PI:039

SOURCE: Zeithaml, V.A., & Bitner, M.J. (2000). *Services marketing: Integrating customer focus across the firm* (2nd ed.) [pp. 376-382]. Boston: Irwin/McGraw-Hill.

65. B

Venture teams. A venture team is a small group composed of representatives from different areas of the company for the purpose of seeking new ventures, or opportunities, for the business. Venture teams often are made up of personnel from such departments as engineering, production, finance, and market research. Their goal is usually to enter a new market in a profitable manner. Groups such as research crews, financial panels, and survey compilers may be a part of a venture team, but they would not be the only members.

SOURCE: PM:001

SOURCE: PP LAP 5—Product/Service Planning

66. C

Complementary. Complementary products are those products that go along with something else such as lamps and light bulbs, and CDs and CD cases. One way to recognize market opportunities is to look for goods or services that could go along with products that already exist. A business that generates an idea for a new product that goes along with an existing product is creating a complementary product rather than a strategic product, a generic product, or a diversified product.

SOURCE: PM:127

SOURCE: PM LAP 11—Unleash Your Oh! Zone

67. C

Fair Debt Collection Act. The Fair Debt Collection Act is a federal law passed in 1980 prohibiting businesses from harassing or abusing consumers who owe them money. It is one of several laws that relate to consumer credit protection. The Equal Credit Opportunity Act prohibits businesses from engaging in discrimination practices when granting credit to consumers. The Consumer Credit Protection Act requires businesses to disclose their annual interest rates to consumers. The Federal Trade Commission Act established the Federal Trade Commission.

SOURCE: PM:017

SOURCE: PP LAP 7—Consumer Protection in Product Planning

68. C

Product mix. The product mix includes all the different goods and services that a travel agency makes or sells. A product line is a group of closely related products that a travel agency sells. Promotional mix is the combination of the different types of promotion that a travel agency uses. A product item is a specific model or brand of a product.

SOURCE: PM:003

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [p. 547]. Woodland Hills, CA: Glencoe/McGraw-Hill.

69. B

False, all elements of the marketing mix should complement the intended position. One or two elements of the marketing mix may be primary, but all need to be coordinated for successful product/service positioning.

SOURCE: PM:042

SOURCE: Etzel, M.J., Walker, B.J., & Stanton, W.J. (2001). *Marketing* (12th ed.) [pp. 167-169]. Boston: Irwin.

70. B

Brand strategy. Businesses use brand strategies to achieve business objectives. They may use individual or family branding strategies, brand extensions, brand licensing, or co-branding strategies. Brand extension occurs when a business introduces a new or improved product line under an established brand name, so it can capitalize on the equity in the previously existing brand. A corporate brand is a type of brand rather than a brand strategy, and it is usually a brand for a large company or corporation. A brand promise is a way to deliver brand values in a consistent manner rather than a brand strategy. A family brand is a type of brand strategy, which involves a group of products owned by the same company that all carry the same brand name.

SOURCE: PM:021

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

71. A

Goodwill and passenger satisfaction. Passenger services are provided to make cruise lines more attractive to customers. They cannot increase inventories or decrease markup.

SOURCE: PM:013

SOURCE: PM LAP 1—Customer Service Supersized!

72. D

Quantity of data collected. Comment cards allow cruise ships to obtain the answers to a wide variety of questions related to guest satisfaction levels, including how passengers feel about the cleanliness of their rooms and the courtesy of the staff. In some cases, comment cards may have low response rates because many passengers do not take the time to fill them out. However, if cards are in all of the passengers' cabins, the cruise ship will still collect a large quantity of data. The data is not necessarily an accurate representation of how most passengers feel about the cruise ship. Some passengers may respond in the way that they think the cruise ship wants them to, rather than how they truly feel, and they also tend to primarily use them to make complaints. Although cruise ships would like to have complete control of how comment cards are handled, it isn't always possible because personnel sometimes throw away cards that reflect poorly on them or on the cruise ship.

SOURCE: PM:104

SOURCE: Vallen, G.K., & Vallen, J.J. (2000). *Check-in: Check-out* (6th ed.) [pp. 225-227]. Upper Saddle River, NJ: Prentice Hall.

73. D

Create a particular image. Positioning strategies refer to the activities an airline uses to create an image or impression of a product in the minds of consumers. Positioning strategies are not developed to determine advertising needs, to increase employee productivity, or to 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.

74. D

Performance of tour director. The tour director has a significant impact on how clients feel about the tour. An effective tour director can make or break a tour. Clients usually have a good experience if the tour director is knowledgeable, capable of handling unexpected problems, friendly, and positive. If tour directors perform their jobs as expected, clients will rate the tour as effective. On the other hand, an unprepared or negligent tour director can ruin what should have been a positive experience. The amount of deposit required is not a factor in evaluating the effectiveness of a tour. Different types of travel companies offer different types of tours and often specialize in certain types of travel. The background of tour participants has an effect on the type of tour they choose.

SOURCE: PM:110

SOURCE: Reid, R., & Bojanic, D. (2001). *Hospitality marketing* (3rd ed.) [pp. 331, 340-341]. New York: John Wiley & Sons.

75. C

An important function of promotion. One role of promotion in the travel and tourism industry is to provide an effective means of communication between buyer and seller. In most cases, the communication is established and maintained by the seller. Communication links may require effort, but they are not impossible to achieve.

SOURCE: PR:001

SOURCE: PR LAP 2—Promotion

76. C

To influence clients to purchase. Travel agencies combine or mix the different forms or elements of promotion in order to create the promotional mix that will be the most effective for them. Their ultimate goal is to sell their own product(s), rather than reduce competitors' sales, simply list their products, or try to provide complete travel product information.

SOURCE: PR:003

SOURCE: PR LAP 1—Promotional Mix

77. B

A television station runs several beer commercials during prime-time viewing hours. Prime-time viewing hours on television are considered time slots that are geared to families. As a result, offensive, violent, and sexual content are often limited at these times. Some might find promoting beer to families and/or minors during this time unethical. The examples consisting of a sweepstakes promotion, advertisement placements, and public-service announcements do not provide enough information to determine if unethical behavior has been exhibited.

SOURCE: PR:099

SOURCE: Semenik, R.J. (2002). *Promotion and integrated marketing communications* (pp. 216-217). Mason, OH: South-Western.

78. A

Promotional. Promotion is the marketing element that involves the various types of communications that marketers use to inform, persuade, or remind customers of their products. Advertising is a nonpersonal, paid form of promotion. To protect consumers from misleading or deceptive advertising, governments develop and enforce laws that regulate how businesses, such as those in the travel and tourism industry, can promote their products. Distribution refers to the activities that involve moving or transferring ownership of products from producers to consumers. Financial activities involve the allocation of funds to operate a business. Research activities involve collecting and analyzing data.

SOURCE: PR:101

SOURCE: Semenik, R.J. (2002). *Promotion and integrated marketing communications* (pp. 192-195). Mason, OH: South-Western.

79. D

Radio. Among local media, radio is the least expensive medium per contact. Because it attracts a select market with its programming format, radio has targeting ability that newspapers may not have. Television and direct mail are more expensive per contact.

SOURCE: PR:007

SOURCE: PR LAP 3—Ad-quipping Your Business (Types of Promotional Media)

80. B

Production. The development or production of the direct advertising campaign might include the layout and printing costs of a brochure or catalog. Production needs are often outsourced to other companies and can be very expensive. Therefore, production costs are primary considerations when developing a direct advertising campaign. Inventory refers to the product that a company has available in stock. Research is the act of collecting information. Although research may cost a travel agency money in terms of locating vendors (e.g., printers), this is not usually as costly as production. Therefore, research is not a primary cost. Follow-up is the determination of a customer's satisfaction with a good or service after a sales presentation regardless of whether or not a sale was made.

SOURCE: PR:089

SOURCE: Arens, W.F. (1999). *Contemporary advertising* (7th ed.) [p. 529]. Boston: Irwin/McGraw-Hill.

81. B

To achieve their goals. Coordinating news releases with other promotional activities, such as advertising, often helps airlines to achieve their goals. Airlines usually establish goals for their promotions and coordinate all the promotional activities in order to achieve those goals. For example, an airline might develop advertising and organize a contest to promote new or additional services. At the same time, it might issue a news release about creating more jobs in the community. The news release reinforces the business's good image and ties in with the advertising and sales promotions. Airlines often evaluate advertising to determine if they have achieved their goals. A budget is developed before a promotional campaign is designed. Sales incentives are given to employees who meet their goals or quotas.

SOURCE: PR:138

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

82. C

Build customer loyalty. A frequency marketing program is an ongoing, well-organized promotional effort in which an airline offers its customers certain rewards (e.g., discounts, free products). Reward distribution is generally based on the frequency of the customer's purchases. By offering customers incentives (e.g., frequent flyer miles) for their repeat business, airlines hope to establish and build customer loyalty. The cost of the frequency program must be included in the budget. Therefore, a frequency marketing program is usually not designed to justify the promotional budget. In addition, the primary purpose of frequency marketing programs is not to advocate community service or identify sales referrals.

SOURCE: PR:105

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2003). *Advertising and integrated brand promotion* (3rd ed.) [p. 356]. Mason, OH: South-Western.

83. C

Promotional plan. A promotional plan is a framework for the promotional activities of a business. A cruise line must identify its target market, the group of customers it wants to attract, before it can begin to develop a promotional plan to effectively reach those customers. For example, the promotional plan that a business develops to appeal to senior citizens might be very different from the type of plan it designs to appeal to young adults. A distribution channel is the path a product takes from producer to consumer. A production schedule establishes the timetable to be followed in production. The receiving process is all of the activities involved in accepting delivery of goods and preparing them for sale to customers.

SOURCE: PR:073

SOURCE: Burrow, J.L. (2002). *Marketing* (pp. 419-420). Mason, OH: South-Western.

84. C

Focus groups and recall testing. Focus groups can be used to learn whether the advertisement appealed to the target audience and how clearly the message was conveyed. Recall testing can be used to determine whether customers recognize advertising that they have seen. Observation might be an evaluation method, but handling objections is not. Cold canvassing and blind prospecting are synonyms that refer to approaching customers whose demographic, psychographic, and behavioral characteristics are not known. Test-marketing is done before an advertisement or product is released, not afterward.

SOURCE: PR:159

SOURCE: Burrow, J.L. (2002). *Marketing* (pp. 444-445). Mason, OH: South-Western.

85. D

Terms-of-sale. Selling policies dealing with pricing, product availability, and discounts are categorized as terms-of-sale policies. These are the policies about which customers are usually the most concerned and are at the heart of a sale. Service policies are designed to govern the support a company provides to customers after the sale, while selling-activity policies focus on providing salespeople with guidelines for activities involving interaction with customers. Delivery policies are an example of terms-of-sale policies.

SOURCE: SE:932

SOURCE: SE LAP 121—Selling Policies

86. A

Interactive training software. Interactive software allows computer users to learn information and practice a skill or activity. Since the user is in control of the function, the software can be used on an individual basis at anytime. Videoconferencing refers to the ability to exchange information via satellite from various locations. Although videoconferencing is interactive, it is generally a scheduled event; therefore, a computer user cannot proceed at her/his own pace. Database software programs are computer-based programs that store various information and data. They are not necessarily interactive. Customized training specialists are individuals or companies that develop and provide training materials for others. Training specialists are not necessarily computer-based or interactive in nature.

SOURCE: SE:107

SOURCE: Stanton, W.J., & Spiro, R. (1999). *Management of a sales force* (10th ed.) [p. 239]. Boston: Irwin/McGraw-Hill.

87. B

Sales representatives. Tour operators develop the tour packages and sell them to tourists, most often through travel agencies or group travel coordinators. Employee training programs are conducted by a company to educate its own staff. Marketing research is an expensive way to learn about a product and how it is being used. Focus groups are one technique for conducting marketing research.

SOURCE: SE:062

SOURCE: Marketing. Burrow, J. (2002). *Marketing* (pp. 465-466). Mason, OH: South-Western.

88. D

Make one or more stops. Direct flights do not require passengers to change planes even though the flight makes one or more stops before arriving at the final destination. If passengers are booked on a direct flight from Miami to Boston, the plane's final destination is Boston, but it may stop in Atlanta or New York along the way. A nonstop flight from Miami to Boston will not stop along the way. First class is a category of service rather than a classification of flights.

SOURCE: SE:204

SOURCE: Todd, G., & Rice, S. (2002). *Travel perspectives: A guide to becoming a travel professional* (3rd ed.) [p. 58]. Albany, NY: Delmar/Thomson Learning.

89. A

Talking with clients who have taken the tour. By talking with clients who have taken a specific tour, travel consultants can learn the advantages and disadvantages of the tour. The travel consultant can draw on the information obtained from clients who have taken the tour and use it to help new clients make appropriate buying decisions based on their wants and needs. Service and cancellation information will not generally provide details regarding a product's benefits. Although surfing the Internet for testimonials is possible, it may not be a reliable information source. Conducting a focus group consisting of clients might generate discussion about product benefits and features. However, competitors would not generally be included in the process.

SOURCE: SE:109

SOURCE: SE LAP 113—Feature-Benefit Selling

90. C

Agency offers services online. Today, many travel agencies are selling their services online as well as at a physical location. This is a reason why people might select a certain agency. People often like the convenience of making simple travel arrangements, such as booking a hotel room, through an agency's web site. Then, if they want assistance with planning a vacation or deciding on which cruise to take, they can visit the agency's office. The ability to do both, depending on the situation, is often a factor that motivates people to select an agency. A travel wholesaler sells to travel agencies rather than to the public. People are not concerned with an agency's commission arrangement with its suppliers or the type of ownership, such as sole proprietorship.

SOURCE: SE:232

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 342-344]. Albany, NY: Delmar/Thomson Learning.

91. C

Desired length of trip. Before travel agents can determine clients' travel preferences, they need to find out the length of the trip that clients want to take. There is a significant difference between booking a three-day trip and a 14-day trip. For example, if a client wants to take a three-day trip, a travel agent might recommend a long weekend getaway to a resort or major city. However, if the client wants to take a 14-day trip, a travel agent might suggest a Caribbean cruise or a European tour. The client's travel preferences are based on time constraints. The travel agent does not need to know the client's travel budget or the possibility of upgrading until later in the conversation, after possible destinations have been identified. Barriers to selling are reasons why clients do not buy.

SOURCE: SE:234

SOURCE: Burke, J., & Resnick, B. (2000). *Marketing & selling the travel product* (2nd ed.) [p. 228]. Albany, NY: Delmar/Thomson Learning.

92. A

To determine length of time needed to tour the site. It is important for tour operators to walk through tour sites before adding the sites to a tour itinerary in order to determine the length of time that will be needed to tour the site. By walking through the site, a tour operator will find out firsthand how long it takes to see the site. Tour operators want to allow a sufficient amount of time at each site, but not more than is necessary. Tour operators do not need to walk through a site to calculate total cost. If tour operators decide to add a site to a tour itinerary, they probably will locate suitable dining facilities nearby and may arrange overnight accommodations in the area.

SOURCE: SE:222

SOURCE: Todd, G., & Rice, S. (2002). *Travel perspectives: A guide to becoming a travel professional* (3rd ed.) [pp. 212-218]. Albany, NY: Delmar/Thomson Learning.

93. A

Assigning a room. An important step in the process of checking in hotel guests is assigning a room. Guests may have preferences for rooms with certain bed arrangements or for rooms in specific locations such as on lower floors. Front desk clerks should try to accommodate guests' room requests whenever possible and assign rooms that meet guests' needs. Issuing a receipt is a step in the process of checking out a hotel guest. Cashing a check is not a step in the process of checking in a hotel guest. Charges that aren't covered by the tour are posted to a guest's account throughout the guest's stay at the hotel.

SOURCE: SE:226

SOURCE: Vallen, G.K., & Vallen, J.J. (2000). *Check-in: Check-out* (6th ed.) [pp. 240, 246, 251-253]. Upper Saddle River, NJ: Prentice Hall.

94. B

Checks are cashed. Purchasers of traveler's checks sign them at the time of purchase in the presence of the individual from whom they are buying the checks. In order to cash the checks, purchasers must sign them in the presence of the individual who is accepting the checks as cash. The second signature is compared to the first as verification of ownership. Traveler's checks should not be signed in advance as they will not be accepted by a business. In addition, if the checks are stolen, someone might be able to imitate the original signature and cash them. Traveler's checks are not discarded since they have cash value.

SOURCE: SE:246

SOURCE: Vallen, G.K., & Vallen, J.J. (2000). *Check-in: Check-out* (6th ed.) [pp. 388-389]. Upper Saddle River, NJ: Prentice Hall.

95. B

Event. An event package refers to an annual, one-time, or special event. All-inclusive refers to an element of any package, which includes all or most things the traveler needs for the trip (e.g., food, transportation, lodging, taxes, gratuities, attraction tickets, etc.). An incentive package is one that is developed as a bonus or reward for a particular behavior. Convention packages generally have a focus or program to educate the attendees about a particular subject.

SOURCE: SE:269

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 327-328]. Albany, NY: Delmar/Thomson Learning.

96. A

\$68.08. The total amount due is calculated by changing the tax rate to a decimal ($4\% = .04$) and then multiplying by the subtotal ($.04 \times \$65.46 = \2.62 , rounded to the nearest cent). The tax is then added to the subtotal ($\$65.46 + \$2.62 = \$68.08$).

SOURCE: SE:117

SOURCE: MA LAP 48—Completing Sales Checks

97. B

Tour order. A tour order is a form that is used to document the final payments for land, air, or sea packages, including cruise tickets. An exchange notice (form) is a manual documentation that records ticket transfers and exchange transactions. A boarding pass is a ticket that allows a traveler to enter a train, bus, or airplane. Surcharge report is not a term widely used to describe a form of documentation that is needed to process a client's tickets for a cruise.

SOURCE: SE:271

SOURCE: Semer-Purzycki, J. (2001). *A practical guide to fares and ticketing* (3rd ed.) [pp. 160-161]. Albany, NY: Delmar.

98. D

Leading. Sales managers are responsible for all of the aspects of the selling process in a business. As a leader, the travel agency's sales manager influences the behavior of the sales staff. Motivating the sales staff to meet the travel agency's sales goals is a primary responsibility of the management function of leading. Planning is the management function that involves making decisions about the sales department's future activities and goals. The staffing function involves hiring, developing, and maintaining members of the sales team. Training is the management function that involves teaching the sales staff about the travel agency's product. Training also involves teaching and enhancing the sales staff's selling skills.

SOURCE: SE:079

SOURCE: Futrell, C.M. (2001). *Sales management: Teamwork, leadership, and technology* (6th ed.) [pp. 6-7]. Mason, OH: South-Western.

99. D

Revealing confidential information. An ethical manager does not discuss an employee's confidential information (e.g., health issues, personal problems, performance reviews, salary) with other employees. Discussing an employee's personal matters with others usually leads to distrust and morale problems among the company's employees. Linda is not necessarily expressing favoritism toward Ken if she gives other employees higher salary increases than she gives Ken. There is not enough information to determine if Linda is misusing company funds or if she is refusing to be objective in her decision making.

SOURCE: SM:002

SOURCE: DuBrin, A.J. (2003). *Essentials of management* (6th ed.) [p. 82]. Mason, OH: South-Western.

100. B

The expanded use of computers. Computers are part of technology, and the fact that they are being used in more and more business operations is a current technological trend. The rising median age of the population is a demographic factor that affects many businesses. Government subsidies are part of government support of business, and the enforcement of safety rules is part of government regulation of business.

SOURCE: SM:011

SOURCE: MN LAP 43—External Planning Considerations