



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

Test Number 1077
Booklet Number _____

Hospitality and Tourism Cluster Exam

HLM - Hotel and Lodging Management Series Event

HTDM - Hospitality Services Team Decision Making Event

HTPS – Hospitality and Tourism Professional Selling Event

QSRM - Quick Serve Restaurant Management Series Event

RFSM - Restaurant and Food Service Management Series Event

TTDM - Travel and Tourism Team Decision Making Event

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

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1. One of the main functions of the legal procedure is to
 - A. establish laws.
 - B. enact legislation.
 - C. resolve disputes.
 - D. dissolve businesses.
2. Jake wanted to run his own business but was unsure that he had adequate business skills to be successful. Which type of business would give Jake the help he needs?
 - A. Business-format franchise
 - B. Sole proprietorship
 - C. Private corporation
 - D. Product trade-name franchise
3. Because the regulations of various jurisdictions differ, tour-bus drivers must be aware of and follow specific _____ laws.
 - A. traffic
 - B. airspace
 - C. shipping
 - D. property

4. What action would you recommend a hotel restaurant's manager take when the following situation occurred?

The manager phoned a restaurant supply house to order new table linens and was told that she would also need to buy a case of wine and two-dozen wine glasses to get the table linens. The manager did not want the wine or the glasses.

- A. Report the restaurant supply house for antitrust violations
 - B. Buy the linens and the add-ons from the restaurant supply house
 - C. Report the restaurant supply house for fraud
 - D. Visit the restaurant supply house to verify the quality of the wine and the glasses
5. In relation to channel management, which of the following actions should the manufacturer take to effectively introduce a new product to the marketplace:
 - A. Establish ethics policies
 - B. Use appropriate promotional techniques to inform channel members
 - C. Improve communication with distributors or wholesalers
 - D. Apply for a line of credit
6. As an audience member, which of the following should you do to encourage a speaker during an oral presentation?
 - A. Smile.
 - B. Refrain from asking questions.
 - C. Keep a straight face to communicate that you are serious.
 - D. Quietly discuss the speech with the person sitting next to you.
7. When Dawn answered the front desk telephone at her property, a female caller who sounded very upset said, "My daughter, Susan Smith, is staying at your hotel, and I need to reach her immediately because of a family emergency. Would you please give me her room number?" Dawn quickly answered, "Ms. Smith is in room 224. I'll connect you." What did Dawn do wrong?
 - A. She told the caller that she would transfer the call quickly.
 - B. She didn't forward the caller to the guest's voicemail.
 - C. She gave out a guest's room number.
 - D. She didn't answer the caller with enough courtesy.
8. It is most appropriate to format a section of a document with a numbered list, when you are
 - A. including a testimonial in a promotional piece.
 - B. identifying the sequential steps of a process.
 - C. using charts to summarize information.
 - D. providing a detailed example to clarify a concept.

9. When developing persuasive business letters, it is most important for the writers to think about the readers'
 - A. possible objections.
 - B. personal images.
 - C. decision-making styles.
 - D. nonverbal cues.
10. When a memorandum format is used for a short report, it does not require a(n)
 - A. specific date.
 - B. businesslike tone.
 - C. identified subject.
 - D. handwritten signature.
11. What do employees within a retail business often use as a means of communicating informally with each other?
 - A. Grapevine
 - B. Memorandum
 - C. Internet
 - D. Newsletter
12. What do employees often obtain by solving customers' problems quickly and satisfactorily?
 - A. Individual priority
 - B. Repeat business
 - C. Personal service
 - D. Pleasant experience
13. Eva works at a hotel registration desk. When a customer was checking in tonight, Eva reminded him that checkout time would be 11:00 a.m. "No, it's not!" he exclaimed. "It's always at 11:30!" Eva's customer is a(n) _____ customer.
 - A. impatient
 - B. suspicious
 - C. argumentative
 - D. leave-me-alone
14. What can a cruise ship provide its customers to improve its service image and give itself a competitive advantage?
 - A. Personalized activity schedules
 - B. Room service
 - C. Standard products
 - D. Open-door policy
15. What economic activity is necessary for consumption to occur?
 - A. Production
 - B. Opportunity
 - C. Financing
 - D. Management
16. What do consumers, producers, and resource owners need to have in order to make economic decisions?
 - A. Economic incentives
 - B. Information about prices
 - C. Rationing skills
 - D. Limited liability
17. A person who locates workers for a business and monitors their work effort is performing which basic business activity?
 - A. Financial analysis
 - B. Human resources management
 - C. Marketing
 - D. Operations management
18. When employees are working faster or better, they are increasing their
 - A. efficiency.
 - B. wages.
 - C. benefits.
 - D. value.
19. Which of the following work situations would best demonstrate a job with high depth and high scope:
 - A. The manager evaluates employee performance according to the owner's standard.
 - B. The manager of a restaurant selects the monthly menu and designs a newspaper advertisement.
 - C. A manager is responsible for developing the monthly work schedule for employees.
 - D. The manager signs the employee time cards at the end of each work week.
20. Kyle is part of a group of employees who are close friends and like to spend their lunch hours together, eating or playing cards. This group is considered a(n)
 - A. organizational culture.
 - B. subculture.
 - C. religious committee.
 - D. collective.

21. An important personality trait in hospitality and tourism is leadership, which is demonstrated by individuals when they
- A. analyze employee productivity.
 - B. feel what others are feeling.
 - C. plan and organize their work.
 - D. guide the actions of others.
22. Interest and enthusiasm are very important parts of a(n)
- A. business cycle.
 - B. positive attitude.
 - C. orderly environment.
 - D. partnership agreement.
23. A good indication that you may be making an unethical choice is if you
- A. maintain confidential information.
 - B. attempt to be objective.
 - C. make excuses to justify your behavior.
 - D. disagree with the rules.
24. In business, economic downturns and technological changes are likely to cause businesses to
- A. make changes of their own.
 - B. hire unskilled workers.
 - C. expand their operations.
 - D. resist beneficial changes.
25. Pat was listening to the training lecture, but there was a part of the lecture that he did not understand. Pat asked the teacher to clarify that point. Pat is practicing which kind of behavior?
- A. Avoidance
 - B. Offensive
 - C. Verbal, assertive
 - D. Nonverbal, assertive
26. People who value and appreciate the differences in others usually
- A. avoid each other.
 - B. argue about politics.
 - C. work well together.
 - D. live in the same area.
27. In every work environment, employees need to rely on one another for various reasons. This means that these workers are
- A. interdependent.
 - B. independent.
 - C. interrelated.
 - D. dependable.
28. After Mrs. Green provided the cashier with \$2.50 in cash and coins, she left the grocery store with a gallon of milk. In this situation, money is being used as a
- A. bartering mechanism.
 - B. store of wealth.
 - C. negotiating tool.
 - D. medium of exchange.
29. Which of the following is a type of credit card that can be used to make purchases from a variety of participating businesses:
- A. Hotel
 - B. Retail store
 - C. Bank
 - D. Petroleum
30. Individuals can verify the accuracy of their credit histories by reviewing a _____ that is obtained from a _____.
- A. credit certificate, credit union
 - B. bank statement, financial institution
 - C. lending statement, tax agency
 - D. credit report, credit bureau
31. Which of the following is a possible consequence of having one's identity stolen:
- A. Need for new identity
 - B. Damage to credit history
 - C. Unemployment
 - D. Homelessness
32. Which of the following is a way that businesses often use the information provided by the accounting department:
- A. To prepare work orders
 - B. To hire additional staff
 - C. To organize inventory
 - D. To monitor procedures

33. Which of the following is one of the main components of an income statement:
- A. Liabilities
 - B. Assets
 - C. Taxes
 - D. Revenue
34. Which of the following is a characteristic of groupthink that may hinder ethical decision making in relation to financial issues:
- A. Independence
 - B. Objectivity
 - C. Censorship
 - D. Empathy
35. An important function of human resources management in business is
- A. employee recruitment.
 - B. capital investment.
 - C. domain development.
 - D. social media.
36. Analyzing relevant marketing information can help a tour company make favorable business decisions, which may provide the tour company with
- A. guaranteed recognition.
 - B. quality assurance.
 - C. a balance of trade.
 - D. a competitive advantage.
37. The Majestic Resort and Conference Center sent an online survey to former guests to obtain feedback about their satisfaction levels with the facility and its services. What type of information did the resort collect?
- A. Secondary
 - B. Supportive
 - C. Preparatory
 - D. Primary
38. Which of the following is an example of a regulatory issue that may impact the hospitality and tourism industry:
- A. Natural disaster
 - B. Tax change
 - C. Unemployment rate
 - D. Terrorism alert
39. Determine the percentage of international visitors for a tourist destination's peak season if the total market is 750,500, and the number of domestic tourists who visit the destination during peak season is 562,875.
- A. 30%
 - B. 25%
 - C. 20%
 - D. 15%
40. A resort is conducting telephone interviews with former guests to determine how it can improve its services. How can the resort minimize interviewer bias and procedural errors during the interview process?
- A. Ask only close-ended questions
 - B. Provide the interviewers with training
 - C. Allow interviewers to develop their own sets of questions
 - D. Limit the length of the interview to five minutes
41. Which of the following is research information that might be included in a written report that will help business managers make decisions:
- A. Product announcements
 - B. Survey results
 - C. Brand names
 - D. Committee notes
42. What should you talk about first when presenting research findings orally?
- A. Description of participants and how they were selected
 - B. Overview of others' work on the research topic
 - C. Problem/issue being addressed
 - D. Graphs depicting main findings

43. By involving customers on a personal level and creating a feeling of ownership, business employees often are able to motivate customers to
- A. participate in a demonstration.
 - B. decide to buy.
 - C. handle a product.
 - D. pay a higher price.
44. Which of the following is a characteristic of travel and tourism marketing:
- A. Precise
 - B. Controllable
 - C. Variable
 - D. Standard
45. A purpose of keeping a hotel's guest-history records up-to-date is to
- A. control expenses.
 - B. reduce advertising needs.
 - C. identify a target market.
 - D. improve housekeeping.
46. Which of the following is a true statement about a management information system (MIS):
- A. It includes people, processes, and practices.
 - B. It is the same thing as an information management program.
 - C. It does not assist with a business's information management program.
 - D. It may be one part of a business's overall information management program.
47. When a business uses computer technology to manage its money and move it among different accounts, it is taking advantage of
- A. electronic data interchange.
 - B. hardware.
 - C. expert systems.
 - D. electronic transfer of funds.
48. Which of the following types of software programs would an employee use to prepare a form letter informing the company's clients of a change in product pricing:
- A. Word processing
 - B. Spreadsheet
 - C. Presentation
 - D. Database
49. A benefit to a business that uses collaborative computer software is that it enables the employees to
- A. search the Web.
 - B. share information quickly.
 - C. prepare written reports.
 - D. develop keyboarding skills.
50. While conducting an environmental scan, a convention bureau obtained information revealing that consumer confidence was gaining strength in the nation. This is an example of a(n) _____ factor.
- A. technological
 - B. demographic
 - C. economic
 - D. political
51. What is a benefit to a tour operator who makes business decisions of analyzing statistical information?
- A. Lower outputs
 - B. Lower demand
 - C. Increased competition
 - D. Improved performance
52. A current trend is social networking sites. How are many businesses in the hospitality and tourism industry using their social networking sites?
- A. To notify travelers of flight cancellations
 - B. To match travelers with others who have similar interests
 - C. To book travelers' upcoming trips
 - D. To provide a way for travelers to share their experiences
53. Maintenance and repairs is an operations activity that includes
- A. product inspection.
 - B. production planning.
 - C. custodial work.
 - D. financial analysis.
54. Employees who witness noninjury accidents should _____ them.
- A. ignore
 - B. discuss
 - C. treat
 - D. report

55. One part of a project often needs to be completed before another part can begin, which makes it important for a project manager to
- A. seek input.
 - B. track deadlines.
 - C. recruit staff.
 - D. develop options.
56. What is the most important factor for a west-coast business to consider if it plans to use a supplier who is located in the same country on the east coast?
- A. Delivery timeliness
 - B. Personnel policies
 - C. Exchange rates
 - D. Return on sales
57. One of the benefits of production to consumers is that production
- A. provides a way to earn profits.
 - B. creates form utility.
 - C. makes use of automation.
 - D. provides a way to be competitive.
58. Housekeeping responsibilities in a business include making sure that the
- A. customer area is orderly.
 - B. employees come to work on time.
 - C. safety rules are obeyed.
 - D. records are properly kept.
59. When handling cleaning chemicals, hotel housekeeping attendants should
- A. complete a purchase order when inventory is low.
 - B. avoid direct skin contact and wear disposable gloves.
 - C. avoid using eye goggles or ventilation masks.
 - D. keep a log of ingredients found in the cleaning materials.
60. What procedure do many businesses tell their employees to follow during a robbery?
- A. Turn off the alarms
 - B. Call the police
 - C. Hide the cash
 - D. Obey the demands
61. Security considerations are important in the travel and tourism industry because tourists are often
- A. targets of crime.
 - B. looking for trouble.
 - C. prone to injury.
 - D. part of a group.
62. The relationship between recreation and good health is that recreation is
- A. of minimal benefit to health.
 - B. essential to good health.
 - C. considered a luxury.
 - D. unrelated to one's health.
63. Which of the following is considered a "stepping stone" toward achieving a specific objective:
- A. Subgoal
 - B. A want
 - C. Long-term goal
 - D. Unlimited resources
64. Most businesses today are looking for employees who have at least basic _____ skills.
- A. management
 - B. accounting
 - C. computer
 - D. legal
65. One way that an applicant can indicate a sincere interest in the job during an employment interview is to
- A. speak loudly.
 - B. talk constantly.
 - C. listen attentively.
 - D. answer quickly.
66. Does the hospitality and tourism industry offer career opportunities for entrepreneurs?
- A. No. Businesses in the hospitality and tourism industry are too large for start-up businesses.
 - B. No. Businesses in the hospitality and tourism industry are franchises.
 - C. Yes. Businesses in the hospitality and tourism industry can start small and expand.
 - D. Yes. Businesses in the hospitality and tourism industry are started with state funding.

67. Which of the following is one of the main reasons why businesses participate in trade shows:
- A. To visit new locations
 - B. To attend social functions
 - C. To promote community events
 - D. To exhibit their products
68. Lisa is opening a new bed and breakfast and might benefit from joining a hospitality trade association because she can
- A. network with others who have expertise in the industry.
 - B. earn a college degree and become a certified hotelier.
 - C. obtain credit to purchase equipment for the business.
 - D. discuss personal business with her colleagues.
69. Which of the following statements is true about price in the hospitality industry:
- A. Rates are consistent and do not vary more than five percent from those of a property's direct competitors.
 - B. Hotel room prices vary and depend on many factors, such as supply and demand.
 - C. Most hotels provide conventions the same discounted room rates regardless of group size.
 - D. Lodging businesses often base price on operating costs, which requires minimal management.
70. Which of the following is an example of developing new products:
- A. Marketing specialty products
 - B. Modifying existing products
 - C. Manufacturing convenience goods
 - D. Merchandising retail goods
71. When people think of Disney World, they know that it's the happiest place on earth; a place where dreams really do come true. The place that Disney World's image occupies in people's minds is known as its
- A. trade character.
 - B. product position.
 - C. brand name.
 - D. touch points.
72. What is one way that a gift shop can identify the goods that its customers want and need?
- A. Ask salespeople
 - B. Analyze economy
 - C. Monitor spending
 - D. Interview management
73. Which of the following is a factor that cruise lines consider when deciding when to buy new linens and towels:
- A. Annual rate of consumption
 - B. Relationship with vendors
 - C. Style of passenger cabin
 - D. Preferences of passengers
74. What characteristic of the hospitality and tourism product is described in the following scenario:
- If an airline sells 150 of 200 seats on an airplane, the airline cannot inventory the seats until the next flight and sell 250 seats.
- A. Perishability
 - B. Seasonality
 - C. Standardization
 - D. Inseparability
75. Which of the following is an example of a travel agent providing a product extension to customers:
- A. Booking an all-inclusive trip to Mexico
 - B. Making reservations with a scheduled airline
 - C. Selling a cruise and a city tour before departure
 - D. Arranging a motor-coach tour through the mountains
76. Which of the following best enables marketers to target specific groups of customers so that the marketers can focus their promotional efforts to get the best results:
- A. Advertising
 - B. Direct marketing
 - C. Publicity
 - D. Sales promotion

77. Which of the following is an example of how businesses are using advergames:
- A. Showing a product being used in a movie scene
 - B. Featuring products on billboards in online games
 - C. Running advertisements during a national sports game
 - D. Using pop-up ads on a competitor's website
78. One of the disadvantages to marketers of using streaming video e-mail is that it requires the recipient to have a(n)
- A. complicated operating system.
 - B. sophisticated computer keyboard.
 - C. high-speed Internet connection.
 - D. cloud computing.
79. To generate excitement about its newly remodeled facilities, Wilmer's Hotel plans to send advertising messages to past guests via their cell phones. Each message will contain a brief video showcasing new features and services that the hotel offers. Which type of mobile messaging service should Wilmer's use?
- A. Digitized messaging services (DMS)
 - B. Short messaging services (SMS)
 - C. Complex messaging services (CMS)
 - D. Multimedia messaging services (MMS)
80. What type of illustrations often are used to create a sense of realism in advertisements?
- A. Sketches
 - B. Diagrams
 - C. Photographs
 - D. Trademarks
81. The type styles used in advertisements often are selected because they are
- A. condensed.
 - B. distinctive.
 - C. lowercase.
 - D. italicized.
82. Which of the following is an impact of color harmonies on the composition of a print ad:
- A. Emphasizes the advertiser's logo
 - B. Creates informal balance
 - C. Develops logical sequence
 - D. Highlights specific element
83. What is a good tip to follow when developing effective copy for mobile advertisements?
- A. Keep it short
 - B. Make it vague
 - C. Use symbols
 - D. Include coupons
84. Which of the following Internet promotional messages for hair-care products would best appeal to men in the 20-30-year-old age group:
- A. "Don't suffer from another bad-hair day when our hair-care products are available."
 - B. "Cover the gray and look years younger in minutes with our shampoo."
 - C. "Only your barber will know it's a toupee that makes you look younger."
 - D. "Get a free sample of Maxim Conditioner to maximize your hair's potential."
85. A business manager who made no changes on the advertising proof should write which of the following on the proof:
- A. Send another proof.
 - B. Print as is.
 - C. Print as corrected.
 - D. Return to designer.
86. Over the years, the Mayberry Theme Park has worked to develop its image as a safe place for kids. So, which of the following community issues should you propose to an amusement park's public relations director:
- A. An evening for fifth graders while their parents shop at the mall
 - B. A block party for the surrounding neighborhood that will be held after the park closes at midnight
 - C. A workshop to teach English to the community's non-English speaking new residents
 - D. A wine-tasting event whose funds will support the local community college
87. Tony owns a charter fishing boat business on the Outer Banks of North Carolina. Which of the following web sites would you recommend for Tony to place a pay-per-click advertisement:
- A. www.whitewater rafting.net
 - B. www.surfboardsusa.net
 - C. www.redlobster.com
 - D. www.obxbaitandtackle.com

88. A travel agent who prepares a factual announcement and asks the media to present it free of charge to the public is
- A. setting up an advertising campaign.
 - B. advertising the business.
 - C. using a public relations agency.
 - D. using a news release.
89. The best type of display for a hotel coffee shop to use to protect freshly baked desserts while still promoting their sales is a(n) _____ display.
- A. closed
 - B. island
 - C. open
 - D. end cap
90. Since displays are a valuable selling tool, it is important that they should be
- A. kept clean and well maintained.
 - B. filled with informative signs.
 - C. pointed out to customers.
 - D. kept up as long as possible.
91. Why should a marketing specialist at a convention and visitors bureau want to track its promotional activities?
- A. To determine the best time for shows to begin
 - B. To determine the best ticket price to offer
 - C. To determine its target market
 - D. To determine their impact on sales
92. In order to obtain positive publicity in the community, a local motor lodge might sponsor a(n)
- A. employee orientation.
 - B. advertising campaign.
 - C. television show.
 - D. charitable event.
93. Which of the following items would a travel agency display to promote travel to a Mexican beach destination:
- A. Sailboat model, sunscreen, Eiffel Tower poster, and sombrero
 - B. Sunglasses, maracas, poster of Athens, and beach towel
 - C. Sunscreen, brochures of the Bahamas, sunglasses, and maracas
 - D. Sombrero, poster of Cancun, beach towel, and sunglasses
94. Which of the following is a true statement about customers' buying decisions:
- A. Only business customers use rational reasons for buying.
 - B. Buying decisions are often a combination of emotional and rational reasons.
 - C. Salespeople don't have the ability to influence buying decisions.
 - D. Customers make the buying decision within the first minute of the sales presentation.
95. When answering customers' objections, which of the following should the salesperson avoid:
- A. Empathizing with customers' objections
 - B. Listening carefully to the objection
 - C. Turning objections into selling points
 - D. Answering as quickly as possible
96. After a party of six has finished the main course at a resort restaurant, the server brings over a tray of pastries and asks which ones they would like for dessert. This is an example of which of the following sales techniques:
- A. Suggestion selling
 - B. Feature-benefit selling
 - C. Prospecting
 - D. Follow-up
97. Which of the following factors might make it difficult for a salesperson to sell a new product to a customer who has been buying a competing product for many years:
- A. Training
 - B. Ethics
 - C. Attitude
 - D. Complaints
98. When is the best time for a front-desk hotel employee to recommend hospitality services, such as dining and exercise facilities, to a hotel guest:
- A. After posting charges
 - B. After posting credits
 - C. During check-in
 - D. During check-out

99. A hotel restaurant is offering lobster dinners for a special price of \$22.99 for one week only. If a table of four orders the dinners and two customers have coupons for a 15% discount on their dinners, calculate the total cost for the table.
- | | |
|------------|------------|
| A. \$91.96 | C. \$87.26 |
| B. \$78.16 | D. \$85.06 |
100. Dean makes sure that each new worker assigned to him receives the necessary guidance, training in specific tasks, and a reward for hard work. Dean's techniques are used in his management function of
- | | |
|----------------|-----------------|
| A. directing. | C. planning. |
| B. organizing. | D. controlling. |