

# Hospitality Services

**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.

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. Tim and Dan want to start a hospitality business. Their main problem is accumulating enough money to pay start-up costs as well as initial operating expenses. What legal structure of business ownership is best for Tim and Dan?
  - A. Sole proprietorship
  - B. Corporation
  - C. Franchise
  - D. Partnership
2. One of the main goals of environmental regulations that affect hotel supply businesses is to
  - A. limit corporate profits.
  - B. publicize problems.
  - C. establish a code of ethics.
  - D. conserve natural resources.
3. Which of the following is a general guideline for answering the convention hotel telephone in a businesslike manner:
  - A. Record the correct spelling of each caller's name
  - B. Address the caller by his/her first name
  - C. Take immediate action on the caller's request
  - D. Identify the hotel or department and yourself
4. Written communication is not effective when readers must
  - A. find the information they need within the communication.
  - B. follow the writer's logical train of thought.
  - C. work to understand what the communication means.
  - D. spend a minimum amount of time reading the communication.
5. A guideline for those who conduct staff meetings is to
  - A. allow staff members to speak as long as they wish.
  - B. sit at the head of the meeting table.
  - C. prevent any disagreements from occurring.
  - D. assign someone to take notes during the meeting.
6. In which of the following situations would a hospitality business employee be expected to be able to give a customer directions to another location:
  - A. The employee is having great difficulty pleasing the customer.
  - B. The business does not have a telephone available to customers.
  - C. The customer indicates that the business's products are overpriced.
  - D. The customer has a destination that s/he does not know how to reach.
7. What would be the most cost effective and efficient means of distributing large quantities of small-sized supplies to motels throughout a geographic region?
  - A. Air carriers
  - B. Rail carriers
  - C. Water carriers
  - D. Motor carriers
8. Which of the following examples demonstrates the use of satellite tracking within a distribution channel:
  - A. A technological system creates an efficient routing plan for transportation companies.
  - B. A computer system performs warehouse functions that are usually executed by humans.
  - C. A dispatcher has current knowledge of a delivery truck's location and destination.
  - D. An inventory specialist enters product status information into a handheld electronic device.
9. Tying agreements between producers of hotel equipment and their distributors might be considered illegal if they substantially limit
  - A. competition.
  - B. profitability.
  - C. management.
  - D. technology.
10. Which of the following is not a valid reason for goods to be returned to the vendor:
  - A. Overage
  - B. Damage
  - C. Shortage
  - D. Substitution

11. Another name for perpetual inventory is
- A. book inventory.
  - B. ongoing control.
  - C. physical inventory.
  - D. transaction control.
12. Which of the following locking systems has reduced the need for hotels to track guest key inventories:
- A. Cordless
  - B. Mechanical
  - C. Electronic
  - D. Fail-safe
13. A hotel gift shop employee who sees a customer in the act of shoplifting, which is a cause of inventory shrinkage, should promptly
- A. follow company policy.
  - B. write a report.
  - C. call police.
  - D. ignore the problem.
14. The primary reason many hospitality managers develop food and beverage requisition procedures is to
- A. control costs.
  - B. decrease inventory.
  - C. identify storage needs.
  - D. evaluate grading standards.
15. Because of their strategic significance in providing place utility, it is usually easier to change price or promotional efforts than to change
- A. market strategies.
  - B. target markets.
  - C. distribution channels.
  - D. packaging.
16. When selecting a channel of distribution, a hotel supply business must consider where its customers are located. This consideration is part of which of the following categories of factors affecting channel selection:
- A. Producer
  - B. Product
  - C. Market
  - D. Intermediaries
17. Who owns a good if the good is used in performing a service for a motel guest?
- A. The producer of the good
  - B. The guest who buys the service
  - C. The motel performing the service
  - D. The supplier of the good to the motel
18. Which of the following is a function that is an important part of the management activities of a hospitality business:
- A. Promoting
  - B. Pricing
  - C. Selling
  - D. Staffing
19. What is one of the problems often associated with a communist command economy?
- A. Financial loss
  - B. No competition
  - C. Lack of growth
  - D. High tax burden
20. The difference between income from sales and the cost of goods sold is called \_\_\_\_\_ profit.
- A. intangible
  - B. true
  - C. net
  - D. gross
21. Which of the following is an example of a speculative business risk:
- A. A gift shop cashier gives unauthorized discounts to friends.
  - B. A supplier's shipment is lost in transit.
  - C. A special promotion fails to increase room sales.
  - D. A guest is injured at a hotel and sues the company.
22. A ski resort employee who follows strict guidelines and makes very few decisions has a job with
- A. high scope.
  - B. low depth.
  - C. low scope.
  - D. high depth.

23. Which of the following is an example of a businessperson in the hospitality industry developing cultural sensitivity:
- A. Studying road maps of various countries
  - B. Practicing oral presentation skills
  - C. Taking a course in ancient history
  - D. Learning differences in body language
24. Motel employees who must rely on each other in order to carry out their jobs would be described as \_\_\_\_\_ workers.
- A. efficient
  - B. self-sufficient
  - C. ineffective
  - D. interdependent
25. What type of customer may be haughty or overbearing to a hotel gift shop employee?
- A. Slow/Methodical
  - B. Domineering/Superior
  - C. Dishonest
  - D. Suspicious
26. The hotel restaurant server asked Jamie whether he would like another beverage. Jamie responded, "I'll have a glass of iced tea." However, the server never brought the beverage. The main reason for Jamie to complain is the
- A. price.
  - B. business.
  - C. product.
  - D. personnel.
27. How can you differentiate hotel guests on a waiting list without risking alienating them?
- A. By guest temperament (angry vs. contented)
  - B. By the importance of the guest
  - C. By the nature of the transaction (simple vs. complex)
  - D. By appearance and nationality
28. An arrangement that allows customers to purchase and use hospitality goods or services and pay for them at a future time is referred to as a \_\_\_\_\_ sale.
- A. budget
  - B. credit
  - C. cash
  - D. layaway
29. Accounting records for a hospitality business show that the week's total sales revenues were \$125,000. Cash sales accounted for \$50,000 and credit sales, \$75,000. This is an example of
- A. the accrual method of accounting.
  - B. the cash accounting method.
  - C. an income statement.
  - D. classifying financial information.
30. What is often one of the largest sources of money flowing out of a beach resort?
- A. Accounts receivable
  - B. Payroll and benefits
  - C. Profit and loss
  - D. Goods and services
31. Which employees benefit the most from a payroll debit card?
- A. Those with direct deposit
  - B. Those without bank accounts
  - C. Those in management
  - D. Those with long employment histories
32. To project overall spending levels, a hotel gift shop should first analyze its
- A. want slips.
  - B. comparison shopping.
  - C. consumer surveys.
  - D. past sales records.
33. Which of the following do most hotel restaurants consider when determining the selling price of menu items in order to earn the desired amount of profit:
- A. Preparation cost
  - B. Customer income
  - C. Purchasing process
  - D. Advertising method
34. Which of the following is a report that hotels prepare that includes information about the hotel's accounts receivable:
- A. Cumulative Charges
  - B. Rate Analysis
  - C. Daily Revenue
  - D. Cashier's Shortage

35. Dan is a supervisor in a small motel. One of his employees has not been performing her job according to performance standards. Dan discussed the situation with the employee and issued a written warning when her performance did not improve. Dan has decided to fire the employee based on
- A. turnover.
  - B. misconduct.
  - C. performance.
  - D. cause.
36. The type of employee training in which the new hotel employee learns the job by working with an experienced worker is termed \_\_\_\_\_ training.
- A. on-the-job
  - B. role-play
  - C. executive
  - D. follow-up
37. Who is responsible for implementing the equity laws that apply to a particular hospitality business?
- A. The government
  - B. The management
  - C. The courts
  - D. The employees
38. Which of the following is responsible for proving that a hotel employee has violated company regulations:
- A. Company
  - B. Customer
  - C. Court
  - D. Union
39. Which characteristic of useful marketing information is represented by the statement, "The benefits of using information should be greater than the expense of gathering it"?
- A. Cost-effectiveness
  - B. Accessibility
  - C. Sufficiency
  - D. Timeliness
40. Obtaining information and data about activities, events, and occurrences in order to better understand problems and issues is an example of
- A. qualitative research.
  - B. quantitative research.
  - C. market analysis.
  - D. identifying a target market.
41. A hotel chain that publishes marketing information but ignores pertinent data and misuses statistics often compromises its
- A. confidentiality.
  - B. credibility.
  - C. elasticity.
  - D. availability.
42. What is the device that a hospitality business's employees use to obtain information about customers who access the business's web site?
- A. Browsers
  - B. Cookies
  - C. Spiders
  - D. Bookmarks
43. How can a hotel supply company use its sales force to determine the reasons for customer attrition?
- A. Increase advertising to attract new customers
  - B. Use an online database to track the activities of the sales representatives
  - C. Have sales representatives encourage customers to visit the company web site
  - D. Require sales representatives to submit lost-business reports on each lost customer
44. Which of the following methods of gathering primary marketing-research data involves asking consumers questions to learn their opinions:
- A. Sampling
  - B. Focus group
  - C. Observation
  - D. Survey
45. Changes that occur in the marketplace may cause an established hotel chain to \_\_\_\_\_ its marketing strategies.
- A. identify
  - B. redesign
  - C. implement
  - D. publicize

46. The customers or potential customers for a hospitality good or service are known as a(n)  
A. corporate chain. C. economic system.  
B. market. D. cooperative.
47. Why should a hospitality business evaluate its internal environment when changes are occurring in its external environment?  
A. To remain competitive C. To revise pricing  
B. To update advertising D. To improve distribution
48. Which of the following is a marketing activity that hotel chains consider when conducting a competitive analysis:  
A. Promotion C. Purchasing  
B. Risk management D. Management research
49. Once a SWOT analysis identifies an internal strength, a hospitality business can use that strength to take advantage of a(n)  
A. external opportunity. C. marketing strategy.  
B. operating procedure. D. promotional technique.
50. A primary factor used to estimate hotel occupancy rates is the  
A. schedule of regional events. C. hotel property value.  
B. size and shape of guest rooms. D. hotel productivity standards.
51. One reason it is important for a convention hotel to develop a marketing plan is that the plan  
A. provides guidelines for personnel to meet the hotel's objectives.  
B. reduces the need to implement corrective action or contingency plans.  
C. increases the hotel's financial security in an unpredictable environment.  
D. allows the hotel to focus on short-term goals instead of long-term goals.
52. What do bed and breakfasts receive when they use an outside service to verify that a customer's personal check is valid and acceptable?  
A. Voucherless imprint C. Expiration date  
B. Account identification D. Authorization number
53. When Lin sends a business report to a customer by e-mail, the document is sent as a(n)  
A. fax. C. memo.  
B. postscript. D. attachment.
54. Based on the room status report, the first rooms that a hotel housekeeping manager would assign for the staff to clean are coded as  
A. stay-over. C. out-of-order.  
B. vacant and ready. D. checkout.
55. Why is a good waste management program essential to a resort's food safety?  
A. Garbage can attract pests and contaminate food.  
B. Controlling leftovers saves money.  
C. Recycling helps the environment.  
D. Solid waste disposal is the responsibility of everyone.
56. What information is necessary for a hotel staff member to know when delivering dry cleaning to a guest?  
A. The guest's name and room number  
B. The guest's arrival and departure dates  
C. The guest's name and folio reference code  
D. The guest's address and home telephone number

57. A golf resort chef has decided that 10 pounds of ground beef will be made into meat loaf, with each serving containing four ounces. How many orders should the meat loaf cover?
- A. 160
  - B. 30
  - C. 16
  - D. 40
58. Which of the following statements about practicing good safety habits is true:
- A. Thinking about safety distracts employees from their jobs.
  - B. Employees who take shortcuts are safety-conscious.
  - C. Employees should always be thinking about safety.
  - D. Everything employees need to know about safety is written down.
59. One technique hotel gift shop customers often use in order to commit point-of-sale fraud is
- A. aggression.
  - B. distraction.
  - C. silence.
  - D. nervousness.
60. Hotel supply businesses that make large quantities of products that are in constant demand often use a(n) \_\_\_\_\_ production process.
- A. continuous
  - B. unit
  - C. batch
  - D. intermittent
61. Hotel chain employees can manage their work in order to control expenses by
- A. meeting project deadlines.
  - B. arriving on time.
  - C. staying until closing.
  - D. following leave procedures.
62. Which of the following is a benefit to a motel of performing preventive maintenance:
- A. Reduces overtime
  - B. Occupies staff
  - C. Increases sales
  - D. Saves money
63. Pat, Jamie, Sheila, Karen, and Brent decided to work together as a group instead of separately to solve a problem. The group thought of several ideas that might help solve a particular problem. Which of the following is this group demonstrating:
- A. Mental exercises
  - B. Role-playing
  - C. Experimenting
  - D. Brainstorming
64. Which of the following is a source of career information that would best help people who are currently employed identify better paying careers that suit their skills:
- A. Career centers
  - B. Temporary employment agencies
  - C. School guidance offices
  - D. Occupational Outlook Handbook
65. Is the following statement true or false: Many professional organization/trade association members consider the opportunity to meet other business/professional leaders to be an important membership benefit.
- A. True, valuable business contacts can be made at organization/association functions.
  - B. True, most members have no other opportunity to meet business/professional leaders.
  - C. False, the business contacts made are already acquaintances of members.
  - D. False, most members have plenty of other opportunities to meet business/professional leaders.
66. Which of the following is an example of networking:
- A. Jackson is looking for a new job and asks his friends and relatives if they know of any openings.
  - B. Casey surfs the web sites of local companies to view the job opportunities that are available.
  - C. Jess meets with a group of peers to discuss a specific book that all group members have read.
  - D. Corey tells a neighbor about a class that she plans to take next year.
67. A primary reason hospitality employees and businesses join professional or trade organizations is to
- A. increase employee productivity.
  - B. develop promotional efforts and materials.
  - C. qualify for additional government funding.
  - D. obtain further education and certification.

68. A pricing tactic used by some hospitality businesses that might be unethical is one that
- A. offers rebates.
  - B. advertises discounts.
  - C. confuses customers.
  - D. is competitive.
69. During periods when employment is high and the nation's outlook is optimistic, selling prices of hospitality services tend to increase. This is an example of selling prices affected by
- A. supply and demand.
  - B. economic conditions.
  - C. competition.
  - D. government regulation.
70. What process do hospitality businesses follow in order to direct and control all phases in the life of a good or service?
- A. Idea positioning
  - B. Product managing
  - C. Concept testing
  - D. Growth marketing
71. One way that advances in technology help hospitality businesses to keep existing products on the market and extend their life cycle is by
- A. attracting attention.
  - B. minimizing inventory.
  - C. improving performance.
  - D. demonstrating creativity.
72. During the process of generating product ideas, hotel supply businesses often bring together groups of employees to
- A. screen the possibilities.
  - B. organize production.
  - C. review marketing techniques.
  - D. arrange distribution.
73. Which of the following is an example of a dairy product used in hotel restaurants that is graded:
- A. Butter
  - B. Milk
  - C. Cheese
  - D. Cream
74. A resort gift shop that adds expensive lines to its regular-priced product mix is an example of
- A. alteration.
  - B. expansion.
  - C. trading-up.
  - D. contraction.
75. Which of the following is an example of a hospitality company extending its product line:
- A. The Reliance Inn in Centerville is remodeling its swimming pool and adding a sauna.
  - B. MNO Corporation owns a chain of upscale hotels and opens a chain of economy motels.
  - C. The United Hotel implements wireless technology in each of its 1,000 units.
  - D. The Liberty Conference Center hires additional sales staff to accommodate sales increases.
76. One reason why many hospitality businesses use product bundling is to
- A. increase the cost of production.
  - B. make products more expensive to customers.
  - C. satisfy all of the customer's needs with one purchase.
  - D. urge customers to tell their friends about the product.
77. A hospitality business uses a strategy that positions a new product directly against a similar item made by another company. To be successful in the marketplace, the business must first
- A. identify potential items to include in line extensions.
  - B. create brand awareness outside the target market.
  - C. understand customer needs better than the competition.
  - D. implement a marketing plan that is similar to the competition.
78. Determine which of the following is a true statement:
- A. Long brand names are more graphically pleasing.
  - B. A good brand name creates an appealing image.
  - C. The more common the brand name, the better it is.
  - D. Brand names belonging to other firms are available free.



79. What is the primary factor to consider when deciding to increase the shelf space in a ski resort gift shop for sunscreen beginning in November?
- A. Extent of the product line
  - B. Rate of stock turnover
  - C. Price of the item
  - D. Physical size of the items
80. A vision statement can provide helpful insight into a hotel chain's brand because it describes what the chain
- A. has done in the past.
  - B. is doing.
  - C. is becoming.
  - D. has learned from its competitors.
81. A convention hotel's sponsorship of a free cholesterol test for the community is an example of \_\_\_\_\_ promotion.
- A. product
  - B. corporate
  - C. primary
  - D. secondary
82. Which of the following is often the message of sexist advertising:
- A. The product will make you attractive to the opposite sex.
  - B. Only men will be interested in the product.
  - C. Only women will be interested in the product.
  - D. You must be young and beautiful to be loved.
83. Which of the following is a print promotional medium:
- A. Television
  - B. Participation show
  - C. Shoppers' guide
  - D. Radio
84. The part of a printed advertisement that carries the name of a motel, or an illustration/design symbolizing the motel, is called the
- A. white space.
  - B. copy.
  - C. headline.
  - D. logotype.
85. What is an excellent source for locating good mailing lists to use in a direct advertising campaign?
- A. The Yellow Pages
  - B. An SRDS directory
  - C. Postal service
  - D. Thomas Register
86. A golf resort pro shop that is advertising a special sales event should coordinate that promotional activity with
- A. visual merchandising.
  - B. comparison shopping.
  - C. price forecasting.
  - D. specification buying.
87. Why do hotel supply businesses improve their existing products?
- A. To increase sales
  - B. To create jobs
  - C. To enlarge product lines
  - D. To justify research efforts
88. What do hotel supply salespeople need to possess in order to provide customer service that will increase sales?
- A. Product knowledge
  - B. Dominant personality
  - C. Technical background
  - D. Carefree attitude
89. Several manufacturers of electronic equipment for hotels were found guilty of conspiring to control the prices of their products. Which of the following federal laws were they violating:
- A. Robinson-Patman Act
  - B. Taft-Hartley Act
  - C. Clayton Act
  - D. Sherman Act

90. Which of the following examples demonstrates ethical responsibility to the company:
- A. The Broadview Bed and Breakfast gives money to a law enforcement agency to sponsor a child at Christmas.
  - B. The local Pepsi plant operates an aluminum-recycling center and donates the proceeds to the local homeless shelter.
  - C. In comparing his company's luggage to the competition, Mitch relies on factual information that can be substantiated.
  - D. When Mary's friends ask her how much the resort shop she works for marks up its clothing items, she does not divulge that information.
91. Which of the following is a sales practice that may be considered illegal:
- A. Noncompete clauses
  - B. Executive contracts
  - C. Competitive bids
  - D. Tying arrangements
92. Determine whether the following statement is true or false: Customers are sometimes a good source of hospitality product information.
- A. True, customers can provide information about product usage and performance.
  - B. False, customers are not a source of product information.
  - C. True, customers have more product information than most salespersons.
  - D. False, customers' opinions are biased and unfair.
93. When using the inquiry method for handling objections, the salesperson for the golf resort pro shop is doing which of the following:
- A. Acknowledging the objections tactfully
  - B. Offering the customer a superior point
  - C. Turning objections into a valid reason for buying
  - D. Allowing customers to answer their own objections
94. That point in a sales presentation at which the hotel supply salesperson gains the desired agreement from the customer is the sales
- A. demonstration.
  - B. close.
  - C. talk.
  - D. presentation.
95. What is one way to establish credibility at the beginning of a sales presentation to a group of buyers for a hotel chain?
- A. Summarize major features
  - B. Make proper introductions
  - C. Describe previous successes
  - D. Explain substitute products
96. A guest claims s/he has made a reservation, but you cannot find it. Which of the following should be done first:
- A. Send a follow-up letter of apology.
  - B. Inform the guest there are no available rooms.
  - C. Encourage the guest to return to the hotel at a future time.
  - D. Check the spelling of the guest's name and the reservation date.
97. When starting a shift, a hotel gift shop cashier should always verify that the opening change fund is
- A. current.
  - B. over.
  - C. short.
  - D. equal.
98. Which of the following is an example of a special service that a hospitality business might provide free of charge for its valued customers:
- A. Laundry and dry cleaning
  - B. Overnight shipping and handling
  - C. Waiting lounges and amenities
  - D. Personal health and beauty care

99. On which of the following dates would a room occupancy forecast that was prepared on March 13 be the most accurate:
- A. June 13
  - B. March 16
  - C. April 1
  - D. April 15
100. The health of the economy is an external factor affecting the hospitality industry. One of the indicators of the economy's health is the
- A. amount of indirect competition.
  - B. number of orders for durable goods.
  - C. level of government regulation.
  - D. changes created by technology.