

# KEY

Test Number 912

## Hotel and Lodging Management

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

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1. B  
Willingness to assume risk. People who are risk-takers should consider sole proprietorships and partnerships, while those who are not risk-takers should opt for corporations. Location of the motel, size of the community, and stage of product's life cycle do not directly affect the form of ownership chosen.  
SOURCE: BL:003  
SOURCE: BA LAP 7—Own It Your Way
2. A  
Sex. The Equal Pay Act states that employees are entitled to equal pay for equal work and that hotels may not discriminate on the basis of sex. In other words, hotels may not pay men more than women for doing the same work, or vice versa. The Equal Pay Act does not address the issues of age, race, or color. These issues are covered by other federal regulations.  
SOURCE: BL:007  
SOURCE: Dessler, G. (2000). *Human resource management* (8th ed.) [p. 38]. Upper Saddle River, NJ: Prentice Hall.
3. A  
Possible objections. The purpose of a persuasive letter is to convey information that encourages the reader to take a specific course of action. For example, the purpose of a sales letter is to motivate a person to buy a particular product. An objection is a reason for not taking a specific course of action. When developing persuasive messages, it is important for the writers to think about the readers' possible objections and acknowledge them. By acknowledging the objections and providing a rationale that removes the objections, the writers better position themselves in persuading the readers to take specific actions. Because each reader has different personal images and decision-making styles, it is not feasible for the writer to consider these factors if the letter is going to a lot of people. The readers' nonverbal cues are not the most important factor when writing persuasive messages.  
SOURCE: CO:031  
SOURCE: Locker, K.O. (2000). *Business and administrative communication* (5th ed.) [pp. 222-223]. Boston: Irwin/McGraw-Hill.
4. A  
Everyone participates. A characteristic of an effective staff meeting is that everyone participates and provides input. When conducting a staff meeting, a manager should make everyone feel comfortable and encourage them to participate. A manager may even ask employees if they have comments or opinions in order to obtain their participation. Unless they are long, staff meetings usually do not include frequent breaks. Keeping the minutes and having all participants vote are not characteristics of an effective staff meeting.  
SOURCE: CO:140  
SOURCE: Locker, K.O. (2000). *Business and administrative communication* (5th ed.) [pp. 349-350]. Boston: Irwin/McGraw-Hill.
5. B  
Directing customers to other locations. A hotel's employees must often answer customers' questions about where to find certain meeting rooms or facilities within the hotel as well as how to find locations outside the hotel. Hotels expect employees to provide such directions even though the hotel would not include this task in a written job description. Writing letters to customers, answering the telephone, and keeping financial records are job tasks that would be included in a job description.  
SOURCE: CO:073  
SOURCE: Hyden, J.S., Jordan, A.K., Steinauer, M.H., & Jones, M.J. (1999). *Communicating for success* (2nd ed.) [pp. 112-114]. South-Western Educational Publishing.

6. C

True, products must be at the right place at the right time. Distribution methods are as important to the success of products as the products themselves. Even good products can fail if they are not where customers can purchase them or are not at the hotel gift shop when the customer needs them. Capital investment is not reduced by effective distribution. Distribution is one part of marketing, but it has become increasingly important, and its costs make up about half of total marketing costs.

SOURCE: DS:001

SOURCE: DS LAP 1—Distribution

7. C

Agents. Agents are intermediaries who assist in the sale and/or promotion of goods and services without owning them. Agents usually handle a limited number of noncompeting goods. Rack jobbers are wholesalers who take legal title to the goods they sell and usually furnish racks, displays, or shelves to the retailer. Retailers are businesses that buy consumer goods or services and sell them to ultimate consumers. Individuals who sell a particular product or line of products to the business are called specialty wholesalers.

SOURCE: DS:055

SOURCE: MB LAP 3—Channels of Distribution

8. D

15-minute oil change guaranteed. Customer-service policies can facilitate the distribution process by guaranteeing fast completion of automotive repairs and services. By guaranteeing a 15-minute oil change, an auto shop is promising customers a speedy delivery on their purchase. Many shops develop this type of policy because it attracts customers who are interested in obtaining a quality product and receiving fast service. Overnight rental car available, \$29.95 special on tire rotation, and free coffee while you wait are examples of promotional policies. These policies might attract customers, but they do not facilitate the distribution process by providing customer service.

SOURCE: DS:029

SOURCE: Evans, J.R., & Berman, B. (1997). *Marketing* (7th ed.) [pp. 430-431]. Upper Saddle River, NJ: Prentice Hall.

9. A

Purchase order. The original purchase order is matched with the invoice to make sure the quantity and price agree. Want slips are used to inform the buyer of merchandise requested by a customer but not in stock. A discrepancy report is a form used to record problems with a shipment, such as shortages of goods. A packing slip listing the contents of a shipment may be enclosed by the shipper. It should list the same items that are on the invoice.

SOURCE: DS:004

SOURCE: DS LAP 5—The Receiving Process

10. A

Inspecting the goods. Inspecting is the step in the receiving process in which shipments of goods are examined and checked for signs of damage. Hotel gift shops should not assume that all merchandise has arrived in good condition. Inspecting the goods received is important to make sure that the shop receives what it ordered and that those items are in condition to sell. Failure to inspect may result in the shop paying for goods it cannot sell. Once incoming merchandise has been processed, it might be stored or moved directly to shelves. Gift shops may open containers in the process of inspecting goods, but that is not an important step.

SOURCE: DS:085

SOURCE: Berman, B., & Evans, J.R. (2004). *Retail management: A strategic approach* (9th ed.) [pp. 372-373]. Upper Saddle River, NJ: Prentice Hall.

11. C

10. To determine inventory shrinkage, you use the following formula: previous stock count + units purchased = units handled ( $650 + 175 = 825$ ); units handled - sales = perpetual inventory ( $825 - 670 = 155$ ); perpetual inventory - periodic stock count = shrinkage ( $155 - 145 = 10$ ). Merchandise on order and on layaway do not enter into the shrinkage calculations.

SOURCE: DS:026

SOURCE: DS LAP 4—Inventory Shrinkage

12. A

Standard purchase specifications. These are standards of food quality established by the hotel restaurant that enable purchasers to determine the quantity to buy and when to buy it, as well as measure the quality of purchases. Standard recipe files are important to the food-preparation process and are considered in purchasing. Quality control guidelines focus on the quality of what the restaurant buys. Forecasting is done on an individual basis depending on such factors as seasonal patterns, long-term projections, and past records.

SOURCE: DS:067

SOURCE: Chon, K., & Sparrowe, R. (2000). *Welcome to hospitality: An introduction* (2nd ed.) [p. 266]. Mason, OH: South-Western.

13. B

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

SOURCE: DS:049

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

14. D

Working relationships. Working relationships include channel cooperation and are easiest to achieve if all parties agree on their functioning roles and performance standards prior to the business relationship. If channel conflict does arise, it can be settled according to the prearranged agreement. Financial concerns refer to profits and expenses in a particular channel. Ethical and legal issues arise, but are usually covered under a code of ethics or laws and regulations. Looking to the future requires the business to project future needs and to be continuously moving toward those goals.

SOURCE: DS:051

SOURCE: Bearden, W.O., Ingram, T.N., & LaForge, R.W. (2001). *Marketing: Principles and perspectives* (3rd ed.) [pp. 305-312]. Boston: Irwin.

15. A

Goods or services. Goods and/or services are the outputs of a hotel supply business's production system. Capital resources are the business's investment in its facilities and equipment. The means of production are all the resources required in the production of goods and services. Raw materials, items in their natural state or condition, might be part of the means of production.

SOURCE: EC:071

SOURCE: MB LAP 10—Business Activities

16. D

Monopolies. A monopoly exists when a market is controlled by one supplier, and there are no substitute products readily available. Some government laws ban or regulate monopolies in order to promote free competition. Government does not have laws that ban advertising or safety standards, although these activities are regulated to protect consumers. Price controls are a method of government regulation.

SOURCE: EC:008

SOURCE: EC LAP 16—Government and Business

17. C  
People can buy anything they can afford that can legally be sold. The marketplace is any place where buying and/or selling of products takes place. In a private enterprise system, the markets are self-regulated and self-controlled. Government's role is limited. Owning things of value and deciding how to use those things are characteristics of private property. Freedom in the marketplace does not ensure that businesses will use resources efficiently.  
SOURCE: EC:009  
SOURCE: EC LAP 15—Private Enterprise
18. D  
Increases at a rate faster than population. A higher standard of living is the direct result of higher productivity. A decrease in productivity will lead to a lower standard of living. An increase in population, when combined with a similar increase in productivity, could actually lead to a lower standard of living. Similarly, when productivity remains the same while population increases, a lower standard of living will probably result.  
SOURCE: EC:013  
SOURCE: EC LAP 18—Productivity
19. C  
Accommodate differences. Businesspeople in the hotel industry must be culturally sensitive in order to be able to work successfully with people from other countries who often have different customs, habits, and traditions. Being culturally sensitive involves accommodating or adapting to the cultural differences. For example, people in some European countries take extended lunches and businesses close for several hours in the afternoon. American businesspeople should be aware of that custom and not expect to schedule appointments during those hours. It is not always necessary to learn another language in order to successfully work with people from other cultures. Businesspeople should accommodate the differences rather than promote uniformity. Cultural differences do not limit the expectation of success.  
SOURCE: EI:033  
SOURCE: Dlabay, L.R., & Scott, J.C. (1996). *Business in a global economy* (pp. 64-65). Cincinnati: South-Western Educational.
20. A  
Laissez-faire. The laissez-faire leader offers only general guidance and permits hotel employees to use their own initiative. Democratic leaders seek input from employees and exert moderate control. Authoritarian leaders rely on their own judgment and prefer total control. Subordinate is not a term widely used to describe a leadership style.  
SOURCE: EI:037  
SOURCE: HR LAP 9—Positive Working Relationships
21. C  
Argumentative. These customers are often insincere and quick-tempered. Dishonest customers intentionally attempt to avoid paying part or all of the price for a good or service. Domineering/Superior customers feel they know more and are better than the average person. Insulting customers make unpleasant remarks or use foul language.  
SOURCE: EI:013  
SOURCE: EI LAP 1—Making Mad Glad (Handling Difficult Customers)
22. B  
Sincere complaint. A sincere complaint is the hotel gift shop customer's way of saying that something is wrong with a good or service s/he purchased. A complaint should not be viewed as a personal attack on the salesperson. Customers are entitled to express complaints since they cannot return items without stating their reasons. Customers can respond to a good/service in positive as well as negative ways; a complaint is a negative response.  
SOURCE: EI:043  
SOURCE: HR LAP 23—Handling Customer Complaints

23. B

Valid identification. Credit bureaus must verify to whom they are giving credit reports because of the confidential nature of the information released. Each bureau has its own security system to protect the data. A written request for a credit report is not necessary although it may be used. The other alternatives have no influence on whether or not the information is released.

SOURCE: FI:044

SOURCE: Cole, R., & Mishler, L. (1998). *Consumer and business credit management* (11th ed.) [pp. 199-200]. Boston: Irwin/McGraw-Hill.

24. B

Are not as price-conscious as cash customers. Credit encourages customers to buy regardless of price because they know they don't need to worry about whether they have cash on hand to pay for their purchases. Credit customers are likely to buy impulse items that catch their attention, larger quantities, or more expensive models. Credit customers often have more chances to save money through advance notices of special sales, but that is an advantage to the customers, not to the hotel gift shops.

SOURCE: FI:002

SOURCE: FI LAP 2—Credit and Its Importance

25. B

\$94.20. The gross amount due on an invoice is the total due before shipping charges are added or discounts are deducted. In this case, \$94.20 is the gross amount due. Shipping charges are added to the gross amount due to arrive at the total net amount of \$100.95 ( $\$94.20 + \$6.75 = \$100.95$ ). Then, the discount is deducted from the total net amount to arrive at the total after discount of \$96.25 ( $\$100.95 - \$4.70 = \$96.25$ ).

SOURCE: FI:087

SOURCE: Stull, W.A. (1999). *Marketing and essential math skills: Teacher's edition* (pp. 71-73). Cincinnati: South-Western Educational.

26. D

Employees' salaries. Liabilities are debts that a hotel chain owes. Liabilities are classified as current, which means that the debts will be paid off during the year, or long-term, which means that they will be paid off over a period of time. Employees' salaries are current liabilities because the chain is expected to pay its employees for their work on a regular basis throughout the year. Mortgage loans are long-term liabilities because chains usually make mortgage payments for several years. Accounts receivable are assets because they are all the monies owed to the chain by its customers. Owner's equity is the amount an owner has invested in the chain plus or minus profits and losses.

SOURCE: FI:093

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [pp. 672-673]. Woodland Hills, CA: Glencoe/McGraw-Hill.

27. B

\$110,000. Determine the total forecast percent by adding the percentages of economic growth and increase in consumer trading to the business's percent of increase ( $3\% + 2\% + 5\% = 10\%$ ). Add 100% to the total percent, and multiply that percent by last year's sales ( $10\% + 100\% = 110\%$  or 1.10;  $\$100,000 \times 1.10 = \$110,000$ ).

SOURCE: FI:096

SOURCE: IM LAP 4—Forecasting Sales

28. C

Allocates a dollar amount. After a motel designates categories of expense in its budget, it allocates a dollar amount. When developing a budget, a motel organizes its budget information by creating categories for items such as rent, insurance, and utilities. Once the categories are designated, management allocates a dollar amount to each one. After designating expense categories, motels do not necessarily apply a formula, appoint an accountant, or attach a time limit to each category.

SOURCE: FI:106

SOURCE: FI LAP 3—Money Tracks (Nature of Budgets)

29. B  
Control expenses. Bed and breakfasts review their operating budgets on a regular basis in order to control expenses. A budget designates the amount of money to be spent over a period of time for operating expenses. By reviewing the budget, bed and breakfasts are able to detect excessive costs and make adjustments before they spend more than they expect to earn. Bed and breakfasts do not review their operating budgets in order to establish prices, process payments, or review procedures.  
SOURCE: FI:098  
SOURCE: Meyer, E.C., & Allen, K.R. (2000). *Entrepreneurship and small business management: Teacher's manual* (2nd ed.) [pp. 345-348]. New York: Glencoe/McGraw-Hill.
30. D  
\$1,441.31. The amount to be deposited is found by using the following formula: total cash received, minus the beginning cash fund, plus the cash over, minus the total cash paid out ( $\$1,762.51 - \$300.00 = \$1,462.51 + \$5.17 = \$1,467.68 - \$26.37 = \$1,441.31$ ).  
SOURCE: FI:298  
SOURCE: Schultheis, R.A., & Kaczmariski, R.M. (1997). *Applied business mathematics* (14th ed.) [p. 544]. Cincinnati: South-Western Educational.
31. C  
Proficiency. A proficiency test is designed to measure a person's current level of skill at a specific task or job. Proficiency tests are often used in the employee-selection process in order to determine which job applicant would best fulfill the job requirements. Polygraph tests are used to determine if an applicant is truthful. Psychological tests are designed to identify personality characteristics.  
SOURCE: HR:356  
SOURCE: Dessler, G. (2000). *Human resource management* (8th ed.) [pp. 182-186]. Upper Saddle River, NJ: Prentice Hall.
32. B  
Workers' position in the hotel. You should tailor the job orientation to the job needs of the audience. This will avoid frustrating or insulting individuals with presentations that are either too difficult or too simplistic. Instructional methods and facilities will be selected on the basis of the program content, not vice versa. The size of the group should affect the selection of the facility.  
SOURCE: HR:361  
SOURCE: MN LAP 44—Orienting New Employees
33. C  
Spread to other employees. When hotel managers fail to take action in resolving employee complaints, employees express their dissatisfaction to other employees and to customers. What was initially a minor problem can become a major controversy. Unresolved complaints can cost a hotel money, lower employee morale, and damage the hotel's image.  
SOURCE: HR:366  
SOURCE: MN LAP 45—Handling Employee Complaints
34. D  
Preventive. Preventive discipline is intended to prevent violations before they occur. Corrective discipline focuses on discouraging further rule or performance violations after infractions have occurred. Progressive discipline calls for administering progressively more severe penalties each time an offense is repeated. Constructive criticism involves providing feedback on workplace behavior to employees as a means of fostering improved performance.  
SOURCE: HR:369  
SOURCE: MN LAP 53—Remedial Action

35. D

12. Depending on the type of hotel restaurant, servers can effectively serve only a certain number of customers at one time. For example, servers at upscale hotel restaurants usually need to spend more time serving individual customers than servers at a hotel sandwich shop. In this example, servers can effectively serve 20 customers at one time. To determine the number of servers needed, the restaurant first calculates the total number of potential customers by multiplying the number of tables by the size of the tables ( $60 \times 4 = 240$ ). Then, divide that number by the number of customers one server can serve ( $240 \div 20 = 12$ ). The restaurant needs to schedule 12 servers to effectively serve all customers.

SOURCE: HR:381

SOURCE: Educational Institute of the American Hotel & Motel Association. (1999). *Lodging management program: Year one* (pp. 226-227). Lansing, MI: Author.

36. A

To learn about customers. One of the most important reasons for a hotel supply business to obtain marketing information is to learn as much as it can about customers. The more a business knows about its customers, the better able it is to meet their needs and successfully sell to them. By continually obtaining marketing information, businesses are able to keep up-to-date on what their customers want and then develop appropriate products. Businesses do not obtain marketing information in order to prepare research reports. Sampling select groups is one way of obtaining marketing information. Businesses might use marketing information to analyze current trends in order to learn about customers.

SOURCE: IM:012

SOURCE: Kotler, P., & Armstrong, G. (1997). *Marketing: An introduction* (4th ed.) [p.104]. Upper Saddle River, NJ: Prentice Hall.

37. A

Primary. Primary data are facts collected for use in one particular situation. They are gathered in a systematic manner to solve a problem, explore an opportunity, or for any other purpose useful to the business. Some ways in which primary data are gathered include questioning salespeople, customers, or competitors; or hiring a marketing-research company to obtain the primary data. All of these activities can be expensive. Secondary data are less expensive to gather because they have already been collected for some other purpose. Internal data are facts collected within the business through normal record-keeping procedures. External data are facts collected outside the business.

SOURCE: IM:001

SOURCE: IM LAP 2—Marketing-Information Management

38. C

Who has access to the system. When developing a marketing-information management system, a motel chain should consider who will have access to the information in the system. Some chains accumulate confidential information that they do not want to be accessible to all employees. These chains might restrict access to specific employees who compile the information or to managers who use the information. Other chains gather information that is not confidential or secret and is accessible to all employees. Where the system is located, the hours the system will operate, and the type of system used by competitors are not important factors that a chain considers when developing a marketing-information management system.

SOURCE: IM:163

SOURCE: Sudman, S., & Blair, E. (1998). *Marketing research: A problem solving approach* (p. 34). Boston: Irwin/McGraw-Hill.



39. C

Why customers no longer buy. Hotel supply businesses usually require salespeople to complete a variety of sales reports including lost-business reports. Businesses monitor lost-business reports because they usually contain an explanation of why customers no longer buy from the business. The reports might indicate that customers are dissatisfied with the product, dissatisfied with the business's credit policies, or are getting better prices and more service from competitors. A business might use this information to make changes to its marketing strategy in an attempt to regain customers or to prevent other customers from taking their business elsewhere. The more information a business obtains from lost-business reports, the better able it is to make useful and effective marketing decisions. Lost-business reports do not include information about the design of competitors' products, reasons for local unemployment, or quality of promotional materials.

SOURCE: IM:184

SOURCE: Kotler, P. (2000). *Marketing management* (10th ed.) [pp. 47, 633-634]. Upper Saddle River, NJ: Prentice Hall.

40. B

Marriott — Dallas/Ft. Worth Airport. Businesses often analyze the features of various properties when deciding where to hold meetings. In this situation, the Marriott would be the best choice because it is a full-service hotel property. It would be convenient for the managers arriving for a one-day meeting and would provide senior staff members with pleasant accommodations and adequate meeting space. Because the property is located at the airport, additional transportation is not required. The Crowne Plaza Downtown would require transporting a large number of people from the airport to the downtown facility. America's Extended Stay is a suite-style facility designed for extended stays and is not located at the airport, thereby requiring additional transportation. Rodeway Inn is an economy class, limited-service facility and would not be appropriate for this meeting.

SOURCE: IM:208

SOURCE: Reid, R., & Bojanic, D. (2001). *Hospitality marketing* (3rd ed.) [pp. 343-344]. New York: John Wiley & Sons.

41. C

Coding. Coding is the process of assigning a numeric value to the various responses on a marketing questionnaire or survey. Once the responses are coded, researchers are able to tabulate the responses, rate the agreement to each answer, and compute a total score. Coding helps researchers to determine the importance of various responses or types of data. Editing, interpreting, and formulating do not involve assigning numeric value to marketing information.

SOURCE: IM:062

SOURCE: Zikmund, W. (1997). *Business research and methods* (5th ed.) [pp. 508-513]. Cincinnati: Thomson Learning.

42. A

3.7. The mean is the arithmetic average of a statistical sample. To calculate the mean, first multiply the value of each response by the number of responses ( $6 \times 6 = 36$ ;  $5 \times 10 = 50$ ;  $4 \times 15 = 60$ ;  $3 \times 12 = 36$ ;  $2 \times 7 = 14$ ;  $1 \times 4 = 4$ ). Then, add the totals ( $36 + 50 + 60 + 36 + 14 + 4 = 200$ ). Next, tabulate the total number of responses ( $6 + 10 + 15 + 12 + 7 + 4 = 54$ ). Divide the total by the number of responses to determine the mean ( $200 \div 54 = 3.703$  or 3.7).

SOURCE: IM:191

SOURCE: Hair, J.F., Jr., Bush, R.P., & Ortinau, D.J. (2000). *Marketing research: A practical approach for the new millennium* (p. 526). Boston: Irwin/McGraw-Hill.

43. A

Behavior. Behavior is the division of a market based on consumers' responses to a product. A type of behavioral segmentation is the loyalty response, which involves those guests who purchase from one hotel chain regardless of price or availability of other hotel chains. Demographics is the division of a market based on its physical and social characteristics. Psychographics is the division of a market based on consumers' lifestyles and personalities. Geographics is the division of a market based on where the consumers are located.

SOURCE: IM:196

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

44. C

Stage of economic development. Countries throughout the world are in various stages of economic development. Some countries are highly developed, have strong economies, and have a population that is financially able to buy products. Other countries are undeveloped or underdeveloped which means their citizens are struggling to survive and do not have extra income to spend. Some countries are on the verge of becoming economically stable so there is opportunity for businesses to grow and prosper. Hotel chains consider a country's stage of economic development to identify opportunities and market potential. The type of physical geography, ability to access the Internet, and reputation in the marketplace are not factors that chains consider when assessing global trends and opportunities.

SOURCE: IM:244

SOURCE: Boone, L.E., & Kurtz, D.L. (2004). *Contemporary marketing* (11th ed.) [pp. 102-104]. Mason, OH: Thomson/South-Western.

45. A

What information is available to use? To determine whether to use quantitative or qualitative forecasting methods, a motel should ask how much the forecasting method will cost, how accurate the method will be, and what information is available to use. After a forecasting method is chosen, the motel should examine its internal changes that could affect the sales forecast. Past sales records are an excellent source of internal information that can be used in forecasting sales; however, the amount of previous sales is not needed in order to select a forecasting method. The motel's operating expenses might affect the nature of the sales projection but would not influence the choice of forecasting method.

SOURCE: IM:003

SOURCE: IM LAP 3—Nature of Sales Forecasts

46. B

Provides guidelines for personnel to meet the hotel's objectives. A marketing plan is a set of procedures or strategies designed to attract target customers to a hotel. A comprehensive marketing plan identifies the specific actions and activities that a hotel will use to attract its target customers. Therefore, the marketing plan provides guidance for employees who are carrying out the marketing activities. Because internal and external factors change, a marketing plan does not reduce the need for a hotel to develop corrective action or contingency plans, nor does it increase its financial security. Marketing plans contain both short-term and long-term goals.

SOURCE: IM:198

SOURCE: Boone, L.E., & Kurtz, D.L. (2002). *Contemporary marketing* (p. 202). Mason, OH: South-Western.

47. A

Eliminate certain items from the product mix. A profitability analysis measures whether a hotel supply business is making an acceptable profit on the sale of goods and services. After conducting a profitability analysis, a business will be able to decide whether to make adjustments to its marketing plan. For example, if the profitability analysis indicates that certain items are not generating enough profit, the business might decide to eliminate those items from its product mix. By deciding not to market certain products, the business will be able to concentrate on promoting those items that generate the desired amount of profit. Reducing the number of employees in the accounting department, buying more equipment for the warehouse, and increasing the compensation and benefit package are not adjustments a business would make to its marketing plan.

SOURCE: IM:145

SOURCE: Kotler, P. (2000). *Marketing management* (10th ed.) [pp. 701-702]. Upper Saddle River, NJ: Prentice Hall.

48. A

Economic conditions change. When a hotel takes corrective action, it is implementing activities to improve unexpected or unfavorable circumstances. For example, a hotel might need to change its promotional activities if the economy enters a recession. A hotel that is meeting or slightly exceeding its sales goals does not generally need to initiate corrective action. In addition, corrective action is generally not needed when market trends remain consistent, and customers are satisfied with the hotel's service levels.

SOURCE: IM:199

SOURCE: Evans, J.R., & Berman, B. (1997). *Marketing* (7th ed.) [p. 69]. Upper Saddle River, NJ: Prentice Hall.

49. D

Strategies. Marketing strategies are the plans of action for achieving marketing goals and objectives. Examining the existing marketing strategies is an important part of a marketing audit because a motel needs to know if its strategies are effectively achieving its goals. If the motel finds that its strategies are unclear or not appropriate based on the state of the economy, it can plan corrective action. Marketing research is the systematic gathering, recording, and analyzing of data about a specific issue, situation, or concern. The marketing concept is a philosophy of conducting business that is based on the belief that all business activities should be aimed toward satisfying consumer wants and needs while achieving company goals. Motels do not consider technology when conducting marketing audits.

SOURCE: IM:162

SOURCE: Kotler, P. (2000). *Marketing management* (10th ed.) [pp. 709-711]. Upper Saddle River, NJ: Prentice Hall.

50. A

V/R. V/R stands for vacant and ready. C/O stands for checkout. S/O stands for stay over, and OOO stands for out-of-order.

SOURCE: NF:071

SOURCE: Vallen, G.K., & Vallen, J.J. (2000). *Check-in: Check-out* (6th ed.) [pp. 443-446]. Upper Saddle River, NJ: Prentice Hall.

51. D

Forwarding the message to the coworker's e-mail address. Many hotels have e-mail systems that allow employees to communicate with each other. The e-mail forward option allows an e-mail message to be sent to e-mail users other than the sender. The reply option is used when the e-mail recipient responds to the message sender. Posting a message in a secured e-mail folder does not ensure that the coworker will read the message. Although the message can be printed and handed to the coworker, it is not the most efficient way to communicate the information.

SOURCE: NF:004

SOURCE: Locker, K.O. (2000). *Business and administrative communication* (5th ed.) [p.165]. Boston: Irwin/McGraw-Hill.

52. D

Item description. Since hotels can have several items in the lost and found department, the employee should first request a detailed description of the item from the guest. It is also helpful for the employee to find out approximately when and where the item was lost. Once the employee has an item description and the approximate time and place of the loss, the employee can try to locate the item. The employee can try to find the item by either checking a lost item list (log), or the lost item storage area. Since employees cannot determine if an item is in the hotel's lost and found department until an item description has been provided, the guest's shipping address, telephone number, or confirmation code are not types of information that the employee requests first.

SOURCE: OP:137

SOURCE: Educational Institute of the American Hotel & Motel Association (1999). *Lodging management program: Year one* (pp. 93-94). Lansing, MI: Author.

53. C

So they do not put themselves or others in additional danger. The most important thing to do is to try to stay calm and not do anything that might anger the robber. By angering the robber, the event may escalate into a situation where someone gets hurt. For example, attempting to write down the description of the robber, refusing to cooperate or follow instructions, or attempting to distract or overtake the robber while the robbery is in process might anger the robber and result in serious injury. When the robber leaves the premises, the police should be called and a physical description of the robber should be detailed in a written format. Many motels have hidden or quiet alarm systems located on the premises. Employees should be carefully trained to use the silent alarm system in the event of a robbery.

SOURCE: OP:113

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

54. D

Wet mopping. Cleaning the floors is an important part of cleaning the kitchen and dining areas of a hotel restaurant. The recommended method is a method that does not create dust such as wet mopping tile floors or vacuuming carpeted floors. Wet mopping effectively cleans and sanitizes floors without creating dust that might settle on other areas or pieces of equipment. Restaurants usually do not wash the floors by hand. Dry dusting and sweeping with a broom are not recommended because those methods do not sanitize and also create dust.

SOURCE: OP:082

SOURCE: Ninemeier, J.D. (2000). *Management of food and beverage operations* (3rd ed.) [pp. 267-268]. Weimar, TX: Culinary and Hospitality Industry Publications Services.

55. B

Hung on a clothes rod. Garment bags should be hung on a clothes rod in the room or in the closet. Pieces of luggage should be placed on luggage racks or on a luggage shelf. Guests' belongings should always be put in the most appropriate locations, not laid on a bed or handed to the guests.

SOURCE: OP:121

SOURCE: Vallen, G.K., & Vallen, J.J. (2000). *Check-in: Check-out* (6th ed.) [pp. 263-264]. Upper Saddle River, NJ: Prentice Hall.

56. D

To protect workers from being injured. Safety education should be part of the employee training program. Employees who understand and follow safety guidelines are much less likely to get hurt on the job. While resort hotels may provide safety guidelines, workers are also responsible for behaving in a safe manner. Encouraging workers to do a good job and maintaining control of workers' activities are not purposes of safety guidelines.

SOURCE: OP:007

SOURCE: RM LAP 2—Following Safety Precautions

57. B

False, employees can be trained in accident prevention. While it is true that machines can't be prevented from malfunctioning and employees are always going to make mistakes, workers can be trained to use safe work habits, to report hazards and unsafe conditions, and to be ready to handle accidents that do occur.

SOURCE: OP:009

SOURCE: RM LAP 3—Handling Accidents

58. C

Legal contract. A purchase order is a form identifying the prices, discounts, dating, transportation, charges, etc., applicable to an order issued by a buyer to a seller. Once the order is signed and accepted by a vendor, it is a legal contract. Therefore, a hotel must fill out all the information correctly because the agreement is enforceable by law. If a hotel makes an error, such as listing a higher purchase price, the vendor has the right to charge that price. A purchase order is not a receiving document, a delivery form, or a payment record.

SOURCE: OP:016

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

59. B

Make costly repairs. Failure to maintain a regular maintenance program often increases a hotel's expenses and leads to the need for costly repairs. A hotel's building and its equipment need regular maintenance to keep everything in good working order and reduce the possibility of breakdowns. Serious breakdowns can lead to expensive repairs, lawsuits from injured customers, or the temporary closing of a hotel which will add to the hotel's expenses.

SOURCE: OP:025

SOURCE: MN LAP 56—Employee Role in Expense Control

60. B

\$12,600. Motels use budget information to monitor sales and expenses and to compare budgeted amounts with actual figures. If sales increase over the amount budgeted and expenses remain steady, the motel's income will also increase. In this example, the motel's actual sales increased over the budgeted amount. To calculate the increase in income, first determine the budgeted four-month sales total ( $\$165,500 \times 4 = \$662,000$ ). Then, calculate the amount of that figure that was budgeted for expenses ( $\$662,000 \times 55\%$  or  $.55 = \$364,100$ ). Then, subtract budgeted expenses from budgeted sales to calculate budgeted income ( $\$662,000 - \$364,100 = \$297,900$ ). Next, calculate the amount of expenses based on actual sales ( $\$690,000 \times 55\%$  or  $.55 = \$379,500$ ). Subtract expenses from actual sales to calculate actual income ( $\$690,000 - \$379,500 = \$310,500$ ). To determine the increase in income, subtract budgeted income from actual income ( $\$310,500 - \$297,900 = \$12,600$ ).

SOURCE: OP:030

SOURCE: U.S. Small Business Administration. (n.d.). *Budgeting in a small business*. Retrieved November 4, 2005, from <http://www.sba.gov/library/pubs/fm-8.txt>

61. A

Celeste has not chosen this goal for herself. Your goals should be based on an honest study of what you want. Because you must believe in your goals in order to reach them, your goals must be yours, not what someone else thinks you should do. Celeste's goal is specific, realistic, attainable, and challenging.

SOURCE: PD:018

SOURCE: HR LAP 6—Goal Setting

62. B

Gather information. There are certain procedures that most people follow when making decisions. Before making work-related decisions, hotel employees usually obtain information about the problem or situation. They might find out what the hotel's policies are concerning certain issues by referring to the employee handbook or meeting with someone in the personnel office. Once they have gathered the necessary information, they can identify possible alternatives from which to choose. Employees analyze the consequences after making decisions. Once employees make work-related decisions, they act on those decisions by informing their supervisors.

SOURCE: PD:017

SOURCE: HR LAP 34—Make Decisions

63. D

Trade shows. Trade shows are exhibits of goods and services sponsored by related industries. These functions disseminate information and ideas pertinent to one industry or profession. Contests are a form of sales promotion. Unions are organizations formed when workers in a particular industry band together to promote their own interests. Consumer publications provide information about products which would be useful to potential customers rather than to the professionals in the industry.

SOURCE: PD:036

SOURCE: Wolfe, M.G. (1998). *The world of fashion merchandising* (pp. 297-298). Chicago: Goodheart-Willcox.

64. D

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

SOURCE: PD:037

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

65. A

Greeting guests with a cheerful "Good morning." Verbal behavior involves the use of words and language. Greeting guests in a cheerful tone of voice is good verbal behavior. Smiling at guests is an example of good nonverbal behavior. Filling out registration forms and verifying charges are important tasks but not examples of verbal behavior.

SOURCE: PD:047

SOURCE: Hotel LAP: Positive First Impressions. Marketing Education Resource Center, 1998.

66. A

To reduce costs. Marking prices on products is often a costly part of the receiving and handling process. The use of computerized marking systems allows hotel gift shops to mark prices quickly and accurately, which reduces the amount of time needed to perform this function. Computerized systems also cut costs by reducing the number of employees who are involved in marking prices on products. Gift shops do not use computerized systems to mark prices on products to increase turnover, monitor vendors, or eliminate theft.

SOURCE: PI:016

SOURCE: Berman, B., & Evans, J.R. (1998). *Retail management: A strategic approach* (7th ed.) [pp. 463-464]. Upper Saddle River, NJ: Prentice Hall.

67. C

Relatively high. Most hotel supply businesses take advantage of the demand for a new product by charging a relatively high price for the product. As competitors enter the market, the price will most likely have to be reduced in order to retain market share. The price does not need to be competitive since there are no competitors. A high price would not be considered a discounted price.

SOURCE: PI:002

SOURCE: PI LAP 3—Factors Affecting Selling Price

68. A

Growth. Sales increase rapidly for the innovator in the growth stage, but competitors are also entering the market at this stage, and the innovator must work to retain market share. In the introduction stage, there is a potential for sales increases. At the maturity and decline stages, competition has grown, and the innovator's market share has declined.

SOURCE: PM:001

SOURCE: PP LAP 5—Product/Service Planning

69. A

Additional cost-added features. Labeling a vacation as an all-inclusive package usually means that for one price a guest receives certain services such as a room, meals, and use of the beach and pool. If there are additional features that will add cost to the package, the resort should inform the guest in order to operate ethically. For example, the resort should make sure that the guest is aware if breakfast is included but dinner is not or there is a fee to play golf or tennis. It is considered unethical not to inform guests of additional costs that may have an effect on whether they decide to purchase the all-inclusive package. Recreational activities, cost for additional nights, and transportation options are routine types of information that resorts regularly make available to guests.

SOURCE: PM:040

SOURCE: Kotler, P., & Armstrong, G. (1999). *Principles of marketing* (8th ed.) [pp. 624-628]. Upper Saddle River, NJ: Prentice Hall.

70. B

To cut costs and increase profits. Although cutting costs and increasing profits is a constant concern for business, it is not a reason for revising standards. The implication is that standards will be lowered to save money. It is often necessary to revise standards to respond to new technology, to consider new methods and materials, and to upgrade quality and safety requirements.

SOURCE: PM:019

SOURCE: PM LAP 8—Grades and Standards

71. A

Lodging. The core product in the hospitality industry is lodging, which involves providing overnight sleeping accommodations for guests. The various segments of the hospitality industry offer a range of accommodations including economy, full-service, and resort. Many properties also offer complementary products such as entertainment, food service, and retailing; however, the main product is lodging. For example, an economy property that provides rooms is selling only the core product, while a resort that has many restaurants, nightly entertainment, and retail shops is selling the core product as well as complementary products.

SOURCE: PM:081

SOURCE: Morrison, A. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 256-259]. Delmar/Thomson Learning.

72. C

Remain competitive. Services are the extras that hotel supply businesses provide to customers such as extended credit, free delivery, and installation and repair. Businesses often provide these services in order to remain competitive or to gain an advantage over competitors. If all else stays the same, the type and variety of services that one business offers may be the factor that attracts customers. Businesses do not offer a variety of services in order to appear responsible, promote diversity, or obtain information.

SOURCE: PM:036

SOURCE: Evans, J.R., & Berman, B. (1997). *Marketing* (7th ed.) [pp. 328-333]. Upper Saddle River, NJ: Prentice Hall.

73. C

Loyalty. How customers feel about brands can vary and is generally classified in three general levels: Brand recognition, when customers may be aware of a brand but not know much about it; brand preference, when customers consistently choose a particular brand and are willing to pass up others in the process; and brand insistence, when customers want one and only one brand and are unwilling to try others when the desired brand is unavailable. A brand promise is made by a business or product that it will live up to its values and expressed qualities in every way. Brand identity is the combination of a brand's name, logo, and sometimes, brand character.

SOURCE: PM:021

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

74. C

Control. A hotel manager must be willing to give up a little control so that employees can make spur-of-the-moment decisions that will make guests happy, rather than having to give an approval first. It doesn't cost a dime to enable an employee to make minor decisions without a manager around. Managers are actually likely to have more prestige because employees demonstrate more respect when they are treated like adults. Managers gain more time by giving employees the authority to make decisions, because they can concentrate on other things, such as preparing a budget rather than solving guest problems.

SOURCE: PM:013

SOURCE: PM LAP 1—Customer Service Supersized!

75. A

Competition. Competition strategies are most concerned with making sure the pricing, promotion, product development, and distribution strategies are focused toward having the consumer perceive that the product is better than the competition's products. Consumer perception strategies are focused on having consumers perceive the attributes of the product as ideal. Business environment strategies rely on keeping in tune with changes in the business environment. Changes may include new products or technology, negative publicity, and availability of resources. Product use strategies focus on how the product is used. All of these impact the positioning of a good/service.

SOURCE: PM:043

SOURCE: Burrow, J.L. (2002). *Marketing* (pp. 173-174). Mason, OH: South-Western.

76. D

Atmosphere. The loud sound of clamoring coins may be uncomfortable to guests waiting to check in. Using a fish tank as a sound barrier creates a pleasant atmosphere that allows guests to converse with others at a normal tone of voice. Wait times won't be improved by the fish tank; although it will give the guests something enjoyable to watch while waiting in line. Exterior views refer to all of the things that lead to a pleasant atmosphere outside of the property, including beautiful landscaping and freshly painted awnings. The purpose of an illuminated fish tank is to create a visual focal point, not to improve the front desk's lighting.

SOURCE: PM:032

SOURCE: Kaser, K., & Freeman, J.T. (2002). *Hospitality marketing* (pp. 215-216). Mason, OH: South-Western.

77. D

Patent and Trademark Office. The U.S. Patent and Trademark Office provides a comprehensive guide to the trademarking process and a database of trademarked names. A small business owner can access its web site to obtain this information as well as to determine if a name it is interested in has already been protected by another business. The Internet Corporation for Assigned Names and Numbers was established by the federal government to manage how domain names are distributed. The Federal Trade Commission administers and enforces antitrust laws to prevent price fixing and to prohibit unfair competitive practices. The Federal Reserve Commission is the central banking organization of the United States that monitors and regulates the flow of credit and money.

SOURCE: PM:126

SOURCE: PM LAP 10—Building Your Business's Brand

78. C

Communicated. The basic purpose of promotion is communication. Those who prepare promotional material may gather opinions, research data, or organize their information; but the purpose of their efforts is to communicate information to achieve a desired outcome.

SOURCE: PR:001

SOURCE: PR LAP 2—Promotion



79. D

Develop good public images. Public-relations promotions are created to deal with controversial issues that are in the public's interest but are also somehow related to the company or its products. Such promotions can be used to improve a negative image or create a positive image. They are intended to promote the whole bed and breakfast, not a specific product's sales. They may increase expenses or attract similar bed and breakfasts to the area, but those are not their purposes.

SOURCE: PR:002

SOURCE: PR LAP 4—Types of Promotion

80. D

Promotional mix. The elements of the promotional mix are advertising, publicity, personal selling, and sales promotion. Advertising media are used to deliver sales messages. Promotions are communication activities that inform potential consumers of the existence of goods, services, or ideas and persuade them to buy. A market is a customer or a potential customer who has an unfulfilled desire and is financially able and willing to satisfy that desire.

SOURCE: PR:003

SOURCE: PR LAP 1—Promotional Mix

81. D

Tasteful. When developing promotional activities (e.g., advertisements), it is important for a hotel to create interest and recognition for the product or company, but not offend the target market with distasteful material. An intangible item is something that cannot be detected through the senses. Promotional activities are tangible because people can see, hear, touch, and/or taste them. A vague message is unclear. Advertisers usually want to make sure that the audience understands the advertising message. Inflexible is a term that means that something is rigid or unable to adapt to a situation. The flexibility of promotional activities depends on the product and the hotel's goals.

SOURCE: PR:099

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

82. C

Sponsor. A logotype is a symbol that identifies the business to whom the ad belongs. Typestyle, or font, refers to the kind and size of type used. Layout refers to the arrangement of the ad's art, copy, and logotype.

SOURCE: PR:014

SOURCE: PR LAP 7—Parts of Print Ads

83. D

Who the customers are and which products they have purchased. A customer database can track and supply all types of information about a hotel chain's customers. It can tell the chain the names of customers, what type of accommodations they buy, and how much they spend. A database will not make product or frequency decisions.

SOURCE: PR:091

SOURCE: Tiffany, L. (2000, June 12). *How do you take database marketing to the next level? Customer relationship management*. Retrieved October 10, 2006, from [http://www.entrepreneur.com/Your\\_Business/YB\\_SegArticle/0,4621,276184,00.html](http://www.entrepreneur.com/Your_Business/YB_SegArticle/0,4621,276184,00.html)

84. C

Clean. Props and fixtures used in displays should be cleaned during the dismantling process before they are put in storage. Cleaning the props and fixtures helps to extend their life span. Also, props and fixtures that are cleaned before storing are ready to use the next time they are needed in a display. Workers would not photograph, arrange, or identify props and fixtures while dismantling displays.

SOURCE: PR:054

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (p. 393). New York: Glencoe/McGraw-Hill.

85. A

Hand letter a sign. Display workers often hand letter signs and show cards for displays. Hand lettering is a common technique, especially if there are only a few signs or the messages are short. Hotels probably would not order only one printed sign or buy a lettering machine to produce just one sign. Painting a picture would not provide any information about the display.

SOURCE: PR:109

SOURCE: Diamond, J., & Diamond, E. (1999). *Contemporary visual merchandising* (pp. 194-195). Upper Saddle River, NJ: Prentice Hall.

86. B

Establishing objectives and tasks is an effective approach. This approach takes into account the funds needed to accomplish each task. The amount of the budget allocated to advertising and other elements of the promotional mix will depend upon the relative importance assigned to each element. Taking a percentage of forecasted sales is one approach to promotional budgeting, but not necessarily the best one. This approach may set a budget that is too high if a market is expanding and too low if a market is declining. Determining the objectives is the first step in developing a promotional plan. Budget planning occurs later.

SOURCE: PR:073

SOURCE: Mill, R.C. (1998). *Restaurant management: Customers, operations, and employees* (pp. 80-81). Upper Saddle River, NJ: Prentice Hall.

87. A

Conversion. The conversion key is used to determine the value of goods or services in a different currency. The discount key executes a programmed discount to a purchase. The check key is used when the customer pays for a purchase with a check. The subtotal key totals the purchases.

SOURCE: SE:247

SOURCE: Stull, W.A. (1999). *Marketing and essential math skills: Teacher's edition* (pp. 126-128). Cincinnati: South-Western Educational.

88. D

Selling. Selling activities involve approaching the prospective guest and attempting to make a sale. Through these important interactive activities, hotel employees build rapport with customers, thereby building goodwill for the hotel and solidifying customer/client relationships. None of the other alternatives involves regular interaction with hotel guests. Promoting involves informing customers about goods and services. Managing is the process of coordinating resources in order to accomplish an organization's goals. Purchasing is the planning and procedures necessary to obtain goods and services for resale.

SOURCE: SE:828

SOURCE: SE LAP 115—Building Clientele

89. A

Unethical behavior. Most hotel supply businesses have guidelines that cover specific situations that may create ethical problems for salespeople. One of these situations involves entertaining or giving gifts to customers. Many salespeople routinely take customers to lunch or send them samples of new products. These activities are considered ethical and part of doing business. However, giving customers expensive gifts is usually considered to be unethical because such gifts may be construed as bribes. Salespeople who give expensive gifts are not overstating expenses or violating local laws. Salespeople who give gifts may be offering bribes rather than accepting them.

SOURCE: SE:106

SOURCE: Futrell, C.M. (1999). *Fundamentals of selling: Customers for life* (6th ed.) [pp. 88-89]. Boston: Irwin/McGraw-Hill.

90. B

Sales catalog. Many hotel supply companies that sell a wide variety of products prepare sales catalogs that describe all of the products available. This information is valuable to salespeople who are not expected to remember the details about each item. The sales catalog provides all the necessary information to describe the product(s) and make a sale. A company newsletter, an employee memo, and a payroll stuffer are types of internal business communications that are not intended for use as information in the selling process.

SOURCE: SE:062

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

91. D

Prepare a feature-benefit chart. A feature-benefit chart is a list that may be arranged alphabetically to show product features and corresponding benefits. Once hotel supply salespeople have obtained important product information, they should arrange the information in a chart that will help them explain it to customers. Preparing such a chart will help salespeople remember the features and benefits and should aid them in developing meaningful selling sentences. Salespeople do not usually develop catalogs, write brochures, or organize training. However, reading sales catalogs and promotional brochures and attending training seminars are ways that salespeople can obtain product information.

SOURCE: SE:109

SOURCE: SE LAP 113—Feature-Benefit Selling

92. A

Direct. In this close, the hotel supply salesperson simply asks the customer to buy. In the choice close, the salesperson asks the customer to choose between two products. In the assumption close, the salesperson assumes that the customer is going to buy the product. In the minor points close, the salesperson helps the customer to make the decision by having the customer make minor decisions first.

SOURCE: SE:895

SOURCE: SE LAP 107—Closing Sales

93. D

Name, telephone number, and arrival date. When making a hotel reservation, the reservationist must obtain contact information from the customer including name, telephone number, and arrival date. Other information the reservationist must obtain includes address, credit-card number and expiration date to guarantee the room, number of persons in the room, smoking preferences, special needs (e.g., crib), and departure date. Once the reservation has been made, the reservationist provides the customer with a confirmation number. Reservationists provide a cancellation number to the customer if the reservation is canceled. Fax numbers and e-mail addresses provide helpful information, however, it is not generally considered essential information.

SOURCE: SE:225

SOURCE: Vallen, G.K., & Vallen, J.J. (2000). *Check-in: Check-out* (6th ed.) [pp. 119, 121]. Upper Saddle River, NJ: Prentice Hall.

94. B

Follow up with. Good hotel supply salespeople know that follow-up should also be used when a sales presentation did not result in an immediate sale. Continued follow-up may convince a potential customer to return to the business and possibly make a purchase. It would be improper for a salesperson to ignore, walk away from, or stop talking to customers simply because they did not buy at that time.

SOURCE: SE:057

SOURCE: SE LAP 119—Follow-up Strategies

95. D

Success of the motel. Selling efforts that meet clients' needs help to ensure customer satisfaction and repeat business that contribute to motel success. The target market is composed of individuals who are most likely to buy your products. Relative price is the ratio between two prices. The national debt is the total indebtedness of the entire country. Selling does not contribute to any of these areas.

SOURCE: SE:017

SOURCE: SE LAP 117—Selling

96. A  
Ask the customer for identification. Motel guests should expect to provide proper identification, such as a driver's license, when using checks to pay for lodging. Motel employees need to check the identification presented by the guest very carefully. They would not ask for the place of employment, call the customer's bank, or check the address in the telephone book.  
SOURCE: SE:152  
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2002). *Marketing essentials* (3rd ed.) [p. 279]. Woodland Hills, CA: Glencoe/McGraw-Hill.
97. B  
Provides valuable feedback. Asking guests whether they had a pleasant, satisfactory stay or whether there were problems gives guests an opportunity to provide the property with feedback it can use to improve its operation. It also makes some guests feel better about any problems they have had if they have a chance to discuss them. Asking for feedback does not always prevent disputes or ensure that guests will return. It can demonstrate the front desk clerk's thoroughness, but that is not an important benefit to the property.  
SOURCE: SE:265  
SOURCE: Hotel LAP: Check-Out. Marketing Education Resource Center, 1998.
98. C  
Straight commission, straight salary, combination. Straight commission compensates the salespeople only when a sale is made, whereas straight salary compensates a salesperson with a salary regardless of productivity. A combination method provides salespeople with a base salary but also gives them bonuses based on performance. The other options do not represent compensation methods used by sales managers.  
SOURCE: SE:079  
SOURCE: Lamb, C., Hair, J., & McDaniel, C. (2002). *Marketing* (6th ed.) [p. 555]. Mason, OH: South-Western.
99. C  
Management. Management involves putting together everything the hotel chain has to work with in order to reach its goals. Planning, organizing, and controlling are all functions of management. Planning is deciding what will be done and how it will be accomplished. Organizing is setting up the way the business's work will be done. Controlling is monitoring the work effort.  
SOURCE: SM:001  
SOURCE: BA LAP 6—Manage This!
100. C  
Investors. A business plan is a set of procedures or strategies that outlines how a person plans to take an idea and turn it into an organized effort to produce and/or distribute goods and services. Some people who start bed and breakfasts do not have enough money to start out, so they seek financial assistance through lenders (e.g., banks) or private investors. The investors usually want to see a detailed business plan before investing money into a venture. A bed and breakfast owner does not distribute his/her business plan to competitors, clients, or promoters to obtain financial support.  
SOURCE: SM:007  
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 738-744). New York: Glencoe/McGraw-Hill.