

1. The importance of following legal procedure is to provide each party with
 - A. specific duties.
 - B. unique rights.
 - C. due process.
 - D. formal requests.
2. What is the purpose of the Travel Promotion Act of 2010?
 - A. To encourage travel in the U.S. and Canada
 - B. To track promotional activities in hospitality and tourism
 - C. To attract international visitors to America
 - D. To support price increases for hospitality and tourism services
3. What action would you recommend a 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. Visit the restaurant supply house to verify the quality of the wine and the glasses
 - B. Buy the linens and the add-ons from the restaurant supply house
 - C. Report the restaurant supply house for fraud
 - D. Report the restaurant supply house for antitrust violations
4. What type of channel power does franchising represent in the hospitality and tourism industry?
 - A. Legitimate
 - B. Reward
 - C. Coercive
 - D. Expert
5. As Corrine spoke, Mike nodded his head in agreement. Mike's nonverbal cues indicated that he
 - A. was upset with Corrine's message.
 - B. understood what Corrine was saying.
 - C. thought Corrine's statement was funny.
 - D. was confused about Corrine's remark.
6. One computer tool that a businessperson can use to organize online information for a research report is
 - A. online survey services.
 - B. index cards.
 - C. statistical applications.
 - D. mind-mapping programs.
7. Why is it important to use the appropriate writing style when developing research reports?
 - A. Enhances the writer's credibility
 - B. Ensures the writer's objectivity
 - C. Allows the writer to express creativity
 - D. Reduces the need to edit the content
8. Which of the following is an example of a professional e-mail message that a businessperson might send to a customer or business associate:
 - A. The attached document provides you with directions to our facility.
 - B. Thanx for quick response—u r very efficient.
 - C. We loook forward two meeting with you on Tuesday at 3:00 p.m.
 - D. WE NEED YOUR RESPONSE NOW!!!!
9. Which of the following is an example of informal workplace communication:
 - A. A human-resources manager conducts a training session for new employees.
 - B. The president of the Cantrell Corporation announces expansion plans in a press release.
 - C. A project manager develops a production schedule to distribute to the project team.
 - D. Two coworkers share their opinions about a new work project during a coffee break.
10. Which of the following statements is true about customer relationship management (CRM):
 - A. A business has implemented a CRM program if it is providing good customer service.
 - B. A primary goal of CRM is to maximize the long-term value of customer relationships.
 - C. Price is the most important factor in building a long-term buyer/seller relationship.
 - D. Organizational culture has little effect on a customer's experiences with a business.

11. A business exhibits ethical behavior in customer relationship management by implementing policies that
- A. offer exclusive benefits.
 - B. require customer feedback.
 - C. protect its customers' privacy.
 - D. encourage repeat sales.
12. Which of the following involves a *place* (distribution) factor in hospitality and tourism:
- A. Expanding the restaurant's menu to include late-night fast-food options
 - B. Using a blog to build interest in the opening of a new hotel
 - C. Escorting guests to their rooms
 - D. Providing lobby kiosks for guests to check themselves into the hotel
13. An internal factor that affects the business environment is
- A. economic expansion.
 - B. competition.
 - C. exchange rates.
 - D. job reorganization.
14. Adapting to today's markets usually requires a business to
- A. overlook market trends.
 - B. keep up with technological changes.
 - C. develop accounting procedures.
 - D. change its management style.
15. Which of the following statements is true about the economic impact of hospitality and tourism:
- A. They are increasing overcrowding in cities.
 - B. They are important in most countries' balance of payments.
 - C. They foster world peace.
 - D. They represent most countries' greatest imports.
16. Which of the following is an example of a business paying property taxes:
- A. North-South Airline allocates \$4,000 of its earnings to give to a college's scholarship fund.
 - B. Cortland Hotel withholds a certain percentage of its employees' earnings, which it forwards to the federal tax agency.
 - C. Manny's Gas Station collects a gasoline tax from its customers at the point of purchase.
 - D. The Bellman Corporation submits a \$8,792 check to the government, which is based on the value of its office building.
17. Which of the following is an example of job loss due to cyclical unemployment:
- A. Ryan recently lost his job in the construction industry during a time of economic contraction.
 - B. Lizzy's temporary job at a gourmet food company ended in January after the holiday rush.
 - C. Hannah left her position as a human resources manager so she could attend graduate school.
 - D. Tristan lost his management job when the coal supply had been depleted at the mine where he worked.
18. Because the leaders of a business set the tone for the business's beliefs and values, they are part of the business's _____ subculture.
- A. power
 - B. natural
 - C. independent
 - D. achievement
19. Jon decided to promote Bill instead of Maggie to regional manager because he thinks that women aren't assertive enough in business situations. Jon is stereotyping on the basis of
- A. gender.
 - B. ethnicity.
 - C. religion.
 - D. age.
20. Characteristics of self-confident people include an ability to inspire others, the willingness to take risks, and the capacity to
- A. admit their mistakes.
 - B. minimize their contributions.
 - C. limit their expectations.
 - D. deny their weaknesses.
21. Which of the following behaviors is often associated with effective hospitality and tourism managers:
- A. Exhibiting self-control
 - B. Discouraging dissent
 - C. Questioning employees' motives
 - D. Being critical of others

22. What is a negative effect of workplace gossip?
- A. Lower productivity
 - B. More collaboration
 - C. Less conflict
 - D. Higher morale
23. Your coworker Tim tells you that he has been experiencing a lot of stress at work lately. What is the best advice that you could give Tim that may help him more effectively manage his stress on a daily basis?
- A. Persuade him to take an unpaid leave of absence
 - B. Suggest that he reassign some of his work to others
 - C. Encourage him to take on additional projects so he doesn't focus on the stress
 - D. Tell him to use deep breathing and visualization techniques
24. An advantage to using consensus building for decision making is that it
- A. encourages teamwork.
 - B. eliminates conflict.
 - C. saves time.
 - D. increases self-interest.
25. Stacy believes that she can find ways to increase her efficiency at work. She sets high standards and goals for the quality of her work. Stacy is a person who possesses
- A. empathy and creativity.
 - B. a laid-back attitude.
 - C. an achievement orientation.
 - D. extroverted personality traits.
26. Pedro received a check in the amount of \$432.87 from the Tabor Corporation, a company in which he is a stockholder. This source of income is referred to as
- A. dividends.
 - B. wages.
 - C. interest.
 - D. inheritance.
27. One way to reduce the risk of identity theft is by
- A. photocopying credit-card receipts.
 - B. disabling computer virus software.
 - C. storing passwords on web browsers.
 - D. shredding old bank statements.
28. How do businesses transfer risk?
- A. Screen employees
 - B. Implement security measures
 - C. Check for hazards
 - D. Obtain insurance
29. Ethical accounting behavior involves using
- A. flexible standards.
 - B. due care.
 - C. passive concern.
 - D. personal preferences.
30. On a balance sheet, a business's equipment are listed as
- A. current liabilities.
 - B. current assets.
 - C. fixed assets.
 - D. long-term liabilities.
31. Which of the following is an appropriate use of a travel agent's petty-cash fund:
- A. Buying center pieces for the monthly travel agents association meeting
 - B. Paying for radio advertising about an upcoming special
 - C. Taking new clients out to dinner
 - D. Buying postage to mail a client's tickets
32. Which of the following is a situation that demonstrates the use of technology to recruit employees:
- A. The TRN Company posts its current job openings on its web site.
 - B. The Cohen Corporation sends application forms to potential job candidates.
 - C. A human resources manager prints review forms from a computer printer.
 - D. A training manager distributes CDs containing the company policy manual during orientation.

33. Which of the following is always a true statement about marketing information used in hospitality and tourism:
- A. Hospitality and tourism information is costly to obtain.
 - B. Little marketing information is available for hospitality and tourism.
 - C. Its value is in the insights it provides and the decisions it influences.
 - D. Its value lies in the number of studies that are conducted and the resources that are used.
34. Which of the following is an example of primary hospitality and tourism market information:
- A. Financial statements provided in annual reports
 - B. Automated guest history records that can be shared by affiliated businesses
 - C. Reservation records and registration information
 - D. Free reception for frequent travelers in which feedback is collected
35. A restaurant wants to predict how their customers will react to a new menu. What type of relationship should the restaurant mine from blogs?
- A. Clusters
 - B. Classes
 - C. Sequential patterns
 - D. Associations
36. Which of the following can be learned from monitoring the sales data of any hospitality and tourism business:
- A. Average size of customers' families
 - B. Median age of customers
 - C. Average amount of sales per customer
 - D. Most frequently preferred color of customers
37. Which of the following research techniques should you select if you need an accurate picture of restaurant customers' buying or usage patterns/habits:
- A. Observation
 - B. Focus group
 - C. Personal interview
 - D. Survey
38. The research data indicate a correlation of $-1 > r > 0$. What does that tell you?
- A. There is perfect correlation between the two variables.
 - B. The two variables tend to increase or decrease together.
 - C. One variable increases as the other variable decreases.
 - D. The two variables do not vary together at all.
39. Which of the following will the audience for a research report expect to find in an executive report:
- A. Statements of purpose and scope
 - B. Charts and graphs
 - C. An explanation of the technical information presented
 - D. Summary of each page in the research report
40. When presenting research findings orally, you can help an audience of business professionals to better understand the findings if you
- A. use meaningful comparisons.
 - B. call on the audience to explain their understanding of the research.
 - C. designate a research team member to ask questions.
 - D. provide a bibliography of the resources cited.
41. When customers have low involvement with a product, and there is little difference among brands, what type of buying behavior are they exhibiting?
- A. Variety
 - B. Habitual
 - C. Complex
 - D. Basic
42. When should a "customer-focused orientation" begin for hospitality and tourism businesses?
- A. When the initial contact with the business is made
 - B. When the customer receives the bill
 - C. When the customer enters the business
 - D. When the business attempts to a build long-lasting customer relationship

43. What type of market segmentation would be appropriate to use when a hotel targets people who are traveling with their pets?
- A. Psychographic-social class
 - B. Behavioral-benefits sought
 - C. Demographic-gender
 - D. Mass market
44. The Microsoft Corporation generated \$51.12 billion in revenue in 2007. This is an example of
- A. inconclusive evidence.
 - B. unwarranted criticism.
 - C. factual information.
 - D. current data.
45. An advantage to a business that uses intranet capabilities is that it allows employees to share the business's information with
- A. former employees.
 - B. competitors.
 - C. customers.
 - D. each other.
46. Patrick e-mails a newsletter attachment to 255 of his clients once a month. How can Patrick reduce the need to enter each client's individual e-mail address in the e-mail message header every time he sends out the newsletter?
- A. Create a distribution list
 - B. Flag the message
 - C. Use the copy/paste application
 - D. Delete old contact information
47. What software are hotels, resorts, and various transportation entities using to expedite the reservation process for customers?
- A. Online booking
 - B. Customer reservation systems
 - C. Customer relationship management
 - D. Websites
48. What type of business record can a gift shop review to determine how many customers purchased items on Tuesday?
- A. Quarterly credit statements
 - B. Daily sales receipts
 - C. Cash balances
 - D. Inventory status records
49. What trend has resulted from the desire of the hospitality and tourism industry to gain a competitive advantage by exceeding customer expectations?
- A. Increased emphasis on training
 - B. Increased attention to legal issues
 - C. Increased emphasis on customer safety
 - D. Increased attention to sustainable resources
50. Which of the following is an example of an ethical issue related to the business's operations function:
- A. A salesperson gives a customer a price break on an obsolete item.
 - B. An assistant buyer accepts a gift from a potential vendor.
 - C. A manager obtains shipping information from several transportation companies.
 - D. An assistant supervisor changes the weekly production schedule.
51. What is likely to occur if a business's employees do not follow the business's security procedures?
- A. Increased risk of theft
 - B. Increased accident rates
 - C. Decreased financial losses
 - D. Decreased counterfeiting activity
52. To meet project deadlines, it is important for project managers and team members to possess
- A. effective time-management skills.
 - B. complex technical knowledge.
 - C. a creative mindset.
 - D. unlimited resources.
53. It is important for a business to evaluate the financial condition of a potential vendor during the vendor-selection process to assess the
- A. vendor's required lead times.
 - B. reliability of the products that the vendor carries.
 - C. vendor's levels of customer service.
 - D. risk levels of doing business with the vendor.

54. The SLN Company is evaluating how many snowboards that it needs to make to accommodate the anticipated demand during the winter months. This activity is performed during the _____ stage of the production process.
- A. planning
 - B. scheduling
 - C. routing
 - D. conversion
55. When a purchasing agent ordered product for a national park's gift shop, s/he agreed to the terms F.O.B. destination. What can the purchasing agent expect as a result of these terms?
- A. The transportation company will pay shipping charges to the park's destination.
 - B. The purchasing agent will pay shipping charges from the vendor's shipping point.
 - C. The park will not be charged shipping charges since it's a government agency.
 - D. The vendor will pay shipping charges to the national park's gift shop.
56. How can front-office staff at a small property secure the lobby and reception areas from outsiders during the late night?
- A. By observing escalators and elevators
 - B. By denying access to the property
 - C. By denying access to stairwells
 - D. By monitoring surveillance equipment of the pool area
57. What action should hotel employees take when a fire occurs, and they determine that they cannot contain it themselves?
- A. Relocate gas-powered equipment to the middle of the room
 - B. Use an A-B-C fire extinguisher
 - C. Shut off air-conditioners
 - D. Open windows to let the fire out of the building
58. How can keeping your workspace organized and clutter-free benefit you at work?
- A. It enhances your stress levels.
 - B. It prevents you from feeling overwhelmed.
 - C. It improves your computer skills.
 - D. It reduces your need to set priorities.
59. After considering several options, Carla selected the Copy-It-Fast Print Shop to print the business cards for her new company. Carla chose the print shop because it provided her former employer with quality goods and services. Carla made her decision on the basis of
- A. friendship.
 - B. emotion.
 - C. bias.
 - D. experience.
60. Employers expect their employees to show their dependability by
- A. making suggestions for improvement.
 - B. asking for deadline extensions.
 - C. telling coworkers how to do their jobs.
 - D. arriving at work on time.
61. Lynda just graduated from college with a degree in recreation and parks management. She enjoys playing several different outdoor sports. Also, through her work as a lifeguard and camp counselor, she has found that she likes being in charge and working with others. Which of the following hospitality and tourism careers would you recommend that Lynda pursue:
- A. Human resources director
 - B. Timeshare sales manager
 - C. Resort activities director
 - D. Convention manager
62. What action can workers take to acquire new skills that can enhance their job performance?
- A. Obtain recommendations from others
 - B. Complete a college application
 - C. Take classes at a community college
 - D. Contact former employers
63. Which of the following is typically required to obtain a hospitality-related certification:
- A. A salary increase or additional leave time
 - B. A passing score on a certification exam
 - C. An industry sponsor or mentor
 - D. A supervisory or management-level position

64. Which of the following early 20th century events had the most positive impact on the growth of mass tourism:
- A. The introduction of paid personal leave time for employees
 - B. A shift in focus from industrialism to agricultural pursuits
 - C. The development of an American passenger train system
 - D. Widespread access to computers and the Internet
65. Which of the following factors impacts the price of hospitality and tourism products:
- A. Inelasticity
 - B. Tangibility
 - C. Fragility
 - D. Seasonality
66. Which of the following would be the best option for restaurant managers to do to encourage the identification of new product ideas:
- A. Encourage competitors to recommend new product ideas
 - B. Encourage employees to report new product ideas from other restaurants they visit
 - C. Encourage family members to generate new product suggestions and ideas
 - D. Encourage their trade association to regularly submit new product ideas to local restaurants
67. Which of the following is an example of a business's core values:
- A. We deal honestly and fairly with our customers and ourselves.
 - B. We are decreasing our overall expenses by 5% over the next 12 months.
 - C. Demonstrate a customer-service mindset.
 - D. Social media are used to reach our target market.
68. Determine the stock turnover rate at retail at Betty's Barbecue at the end of 2009 using the current assets portion of the restaurant's balance sheet and a portion of Betty's income statement for the same time period. Round the answer to the nearest tenth, if needed.

| | Betty's Barbecue Balance Sheet December 31, 2008 | Betty's Barbecue Balance Sheet December 31, 2009 |
|-----------------------|---|---|
| Current Assets | | |
| Cash | \$ 9,000 | \$ 10,500 |
| Accounts Receivable | 3,500 | 4,800 |
| Inventory | 42,500 | 38,300 |
| Prepaid Expenses | 3,500 | 4,200 |
| Supplies | <u>2,500</u> | <u>2,300</u> |
| Total Current Assets | <u>\$61,000</u> | <u>\$60,100</u> |

| | Betty's Barbecue Income Statement December 31, 2008 | Betty's Barbecue Income Statement December 31, 2009 |
|------------------|--|--|
| Revenue | | |
| Gross Sales | \$325,000 | \$350,000 |
| Sales Allowances | 250 | 425 |
| Sales Discounts | <u>750</u> | <u>675</u> |
| Net Sales | <u>\$324,000</u> | <u>\$348,900</u> |

- A. 161 times
- B. .4 times
- C. 27.7 times
- D. 5.8 times

69. 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

70. The Coleman Company sells its own brand of tents, coolers, grills, and sleeping bags. This is an example of
- A. product positioning.
 - B. monopolizing the outdoor market.
 - C. product extensions.
 - D. upselling.

71. A hotel's executive housekeeper is evaluating the shampoo products of a vendor to determine which shampoo to use as an amenity in guestrooms. Given the criteria identified, determine which shampoo the executive housekeeper should select.

| Criteria | Factor's Importance | Product 1 | Product 2 | Product 3 | Product 4 |
|------------------------|---------------------|-----------|-----------|-----------|-----------|
| Size of Container | 5 | 2 | 3 | 4 | 3 |
| Shampoo Quality | 10 | 2 | 3 | 2 | 2 |
| Price | 10 | 4 | 3 | 2 | 4 |
| Brand Name Recognition | 3 | 2 | 1 | 4 | 4 |
| Purity of Ingredients | 5 | 4 | 3 | 2 | 3 |

Rating Scale

- 4 = Outstanding
- 3 = Above average, but has room for improvement
- 2 = Average, just meets standards of acceptability
- 1 = Unacceptable, inadequate, poor

- A. Product 4
- B. Product 3
- C. Product 2
- D. Product 1

72. In just its first six months of operation, Smoky Mountain Cabin Rentals has developed a long list of individuals who have specifically requested more information about the accommodations that Smoky Mountain offers. The company has a mailing address, phone number, and e-mail address for each person. Which of the following direct marketing media would be best suited for communicating directly with these potential guests on a weekly basis:

- A. Television
- B. Direct mail
- C. Web site
- D. E-mail

73. Four Seasons Hotels and Resorts, which prides itself on its extensive collection of art and artifacts, has created a series of audio programs featuring discussions with art experts about works of art found at Four Season Hotels and Resorts around the country. These recordings, available in several different formats, are available for download at the company's web site. Which of the following terms best describes these audio programs:

- A. Blogs
- B. Social media
- C. Podcasts
- D. Ad serving

74. Jillian, who just opened a bed and breakfast in her home, wants to create and use her own Twitter hashtag to promote her new business. Which of the following tag names is most appropriate for Jillian to use in her tweets:

- A. #ji11ian58&8
- B. #Jillianssunsettosunrisebedandbreakfastinn
- C. #JilliansB&B
- D. #pigsinablanket

75. Which of the following is an example of a social bookmarking web site:

- A. Google
- B. Del.icio.us
- C. Bing
- D. Facebook

76. 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)
77. The Treetop Resort and Spa wants to increase its web site's visibility on major search engines such as AOL and Google. Which of the following strategies is most likely to optimize the resort's ranking on the search engines:
- A. Detailed, accurate site map
 - B. Extensive use of JavaScript
 - C. Widespread HTML code
 - D. Web site age and longevity
78. Advertisements for the Seashell Beach-side Resort always contain illustrations of older, well-to-do adults, especially couples, engaged in athletic activities such as snorkeling, golfing, and water-skiing. Which of the following is the most likely reason for incorporating these illustrations in the ads:
- A. To stimulate reading of the body copy
 - B. To create a social context for the brand
 - C. To make the brand heroic
 - D. To add color to the advertisements
79. Maeve is in the midst of developing a new advertisement for her event-planning business. Although she is pleased with the font and font size that she is using, she dislikes the amount of space between the individual letters and words in the ad. Maeve should adjust the _____ of the text in the advertisement.
- A. tracking and measure
 - B. kerning and leading
 - C. leading and tracking
 - D. kerning and tracking
80. Which of the following color harmonies is most likely to add excitement and energy to an illustration:
- A. Related
 - B. Complementary
 - C. Monochromatic
 - D. Analogous
81. One week prior to its official grand opening, Wacky Wild Fun Park invited 200 teenagers to a complimentary "sneak preview Saturday" of all that the amusement park has to offer—its rides, food, and entertainment. At the end of the day, as each teen passed through the exit gate, park employees gave each guest five Wacky Wild Key chains to pass on to her/his friends. Park employees also reminded the departing guests to tell their friends about all the fun they had at the amusement park. This is an example of
- A. print advertising.
 - B. personal selling.
 - C. buzz marketing.
 - D. merchandising.
82. An important consideration in selecting a customer evangelist for a restaurant is
- A. the size of the person's social circles.
 - B. the person's educational background.
 - C. the person's work schedule.
 - D. the person's political affiliation.
83. An up-and-coming international hotel chain invited a popular syndicated television talk show host to stay at one of its hotels for a night and then share her experiences with her viewing audience and blog readers. The hotel chain asked the talk show host to act as a(n) _____ in its word-of-mouth marketing campaign.
- A. fact-finding personality
 - B. advertising agent
 - C. influencer
 - D. infomercial host
84. Which of the following is most likely to be characteristic of an effective advertising headline:
- A. Avoidance of brand name
 - B. Multiple typefaces
 - C. More than eight words long
 - D. Simple, common words

85. Which of the following is effective mobile ad copy for a teenage target market:
- A. When was the last time that you ate? Aren't you getting hungry? Then you've got to stop by. We'd love to see you. Bye.
 - B. Psst. Are you hungry? Then stop by Pete's Pizza for a free slice of cheese pizza. Today only. Tell all your friends. See you soon.
 - C. Pete's Pizza. Free slice.
 - D. RU hngry? thN stop by Pete's <) 4 a fre slice. 2day 1ly. CU sn.
86. Kenzie is responsible for checking advertising proofs for her restaurant chain's latest magazine ad. The magazine production manager has provided her with four different types of proofs to review. Which of the four types of advertising proofs would give Kenzie the most accurate approximation of color?
- A. Laminate
 - B. Blueline
 - C. Velox
 - D. Overlay
87. Hospitality organizations often make financial donations to local charities, support community interests, and participate in chamber of commerce activities in an effort to
- A. increase their public presence.
 - B. increase tax abatements.
 - C. decrease expenses.
 - D. decrease employee discounts.
88. Kimberly, who lives in Cleveland, Ohio, is planning to take a short trip to Cincinnati next month. Last weekend, she spent several hours surfing the Web to locate information about tourist activities and hotels in and around Cincinnati. The following Wednesday, when she went online to do some research for her History report, she discovered an advertisement for CincinnatiUSA.com on a web site about the French Revolution. This is an example of _____ advertising.
- A. behavioral
 - B. contextual
 - C. word-of-mouth
 - D. sponsorship
89. Which of the following statements about creating a hotel press kit is true:
- A. Individual members of management need not be mentioned.
 - B. Portions of the press kit must be updated periodically.
 - C. The hotel's most recent financial statements are included.
 - D. The press kit is written after receiving media requests for information.
90. To ensure that guests have space to move about, special event professionals should
- A. plan the table layout according to scale.
 - B. utilize a classroom-style table layout.
 - C. determine the acoustic qualities of the venue.
 - D. set up a cyclorama in the meeting space.
91. To track how customers respond to advertisements, many marketers use _____ measures.
- A. communication effects
 - B. exposure
 - C. market-share
 - D. processing
92. Which of the following is an example of a tourism promotion agency:
- A. Franklin Historical Society Museum
 - B. Scarytown Conference Center
 - C. Historic Hudson River Towns, Inc.
 - D. US Airways Dividend Miles Program
93. Each winter, right after the first heavy snowfall or ice storm, Luisa's travel agency puts a "tropical vacation" display in its front window, complete with travel posters, brochures, sand, palm trees, and brightly colored beach balls. Luisa likes the display because it encourages people to go someplace warm and leave their winter worries at home. This year, however, Luisa wants to add some "key" copy to the display. Which of the following would be the most memorable, effective catch phrase to put in the display:
- A. Talk to Our Travel Agents to Learn More!
 - B. Escape!
 - C. Caribbean Cruises on Sale Now!
 - D. Sale!

94. When faced with a customer objection or concern, a sales representative should
- A. fervently disagree and argue with the customer.
 - B. ignore the customer's objection or concern.
 - C. calmly explain why the objection is not accurate/relevant.
 - D. quickly give in to the customer's demand or concern.
95. When Maddie checked in at the Happy Airline ticket counter for her five-hour economy-class flight to California, the customer service agent explained that hot meals and complimentary cocktails would only be served to business-class and first-class passengers. For that reason, the Happy Airline agent suggested that Maddie pay a small fee to move from economy-class to business-class for the flight. This is an example of
- A. comparison shopping.
 - B. affiliate marketing.
 - C. up-selling.
 - D. a trade-in allowance.
96. After working an average of 49 hours per week in the last six months, Annie is ready for some rest and relaxation. On her upcoming vacation, she wants to lower her stress level, unwind, and do as little as possible. Which type of travel motivator is most likely to impact Annie's vacation travel choices?
- A. Physical
 - B. Cultural
 - C. Interpersonal
 - D. Status- and prestige-related
97. To celebrate the end of high school and the beginning of college, Frankie is planning to spend three months backpacking through Europe. Frankie wants to see a lot of sites and do a lot of things, but he doesn't have much cash to spend. Given his financial situation, what type of lodging property would you recommend to Frankie for his trip?
- A. Timeshare resort
 - B. Extended-stay hotel
 - C. Destination resort
 - D. Sleeping room or hostel
98. Each year, the Big Roy family restaurant sells packets of Valentine's Day gift certificates for free children's meals. Each \$3.99 packet contains 10 gift certificates. Each gift certificate has a maximum value of \$2.50. What is most likely to be the restaurant's primary motivation for selling these gift certificates?
- A. To feed underprivileged children in the community
 - B. To publicize Big Roy's Valentine's Day cakes and pies
 - C. To increase the number of families dining at Big Roy
 - D. To generate \$1.44 in profit from the sale of each packet
99. To celebrate "Spring Chicken Days," Clucky's Lucky Chicken restaurant issues coupons every year that are only good during specific weeks in April. These coupons come in sets of four, and each of the four coupons is valid during a different seven-day time period. To prevent customers from redeeming these coupons improperly, the restaurant's line employees check the offer period noted on every Clucky coupon that customers attempt to use. Clucky's Lucky Chicken issues _____ coupons.
- A. price-off
 - B. bounce-back
 - C. time-fused
 - D. premium
100. Which of the following is a primary function of first-line managers:
- A. Develops the tactical plans for the business
 - B. Sets the organization's goals
 - C. Makes decisions about entering new markets
 - D. Ensures that the daily activities are carried out

1. C

Due process. Due process is the concept that a jurisdiction's government must respect all of the legal rights that are owed to individuals and businesses according to the law of the land. Legal procedure refers to the methods that are used to protect an individual's or business's legal rights. Generally, these rights in a democratic society include the right to obtain legal counsel, the right to be heard in court, the right to confront the accuser, etc. The importance of following legal procedure is not to provide each party with unique rights, specific duties, or formal requests.

SOURCE: BL:070

SOURCE: Answers.com. (n.d.). *Procedural law*. Retrieved January 6, 2009, from <http://www.answers.com/topic/procedural-law>

2. C

To attract international visitors to America. Over the past decade, international travel to America has decreased. To overcome this trend, government has passed the Travel Promotion Act of 2010. It's anticipated that the act will result in the creation of 40,000 jobs and contribute to reduction of the federal deficit. It will impact all aspects of the hospitality and tourism industry. The Travel Promotion Act is not intended to encourage travel by all people in the U.S. and Canada. It's intended for international travelers. Price increases and promotional activities are not aspects of the act.

SOURCE: BL:135

SOURCE: U.S. Travel Association (2010). *President Obama tells the world 'Come to America' with signing of first-ever U.S. travel promotion program*. Retrieved March 14, 2010, from <http://www.ustravel.org/news/press-releases/president-obama-signs-first-ever-travel-promotion-program>

3. D

Report the restaurant supply house for antitrust violations. The scenario is an example of a tying agreement in which a company requires a buyer to purchase one product in order to get the desired product. Tying agreements are a violation of antitrust laws. The manager should not buy the wine and glasses if they are not needed. Fraud is defined as an intentional deception undertaken for personal gain. The restaurant supply house did not deceive the restaurant manager. A visit to the restaurant supply house would only be done if the wine and wine glasses were wanted.

SOURCE: CM:005

SOURCE: Sherman, A.J. (2008). *Understanding antitrust and related regulatory aspects of building distribution channels*. Retrieved April 29, 2008, from <http://eventuring.kauffman.org/resources/resource.aspx?id=33440>

4. A

Legitimate. Legitimate channel power exists through the use of contractual agreements that specify the expected behavior of the parties. Expert power results when one channel member has superior knowledge in comparison to another channel member. Reward power occurs when one channel member is able to influence the behavior of another channel member through the use of incentives. Coercive power occurs when a channel member is able to influence another channel member's behavior through the use of threats.

SOURCE: CM:008

SOURCE: Reid, R.D., & Bojanic, D.C. (2006). *Hospitality marketing management* (4th ed.) [pp. 322-323]. Hoboken, NJ: John Wiley & Sons.

5. B

Understood what Corrine was saying. Nonverbal cues are the elements of communication that involve gestures and facial expressions rather than words. Nonverbal cues often confirm or express what the senders and recipients think about given messages. When Mike nodded his head when Corrine made a statement, Mike showed Corrine that he understood or agreed with her message. If Mike was upset with the message, he might furrow his eyebrow, frown, and cross his arms. If Mike thought Corrine's statement was funny he would likely smile and laugh. Mike would likely give Corrine a puzzled look and maybe tilt his head if he found the message confusing.

SOURCE: CO:059

SOURCE: Cheesebro, T., O'Connor, L., & Rios, F. (2007). *Communication skills: Preparing for career success* (3rd ed.) [pp. 46-47]. Upper Saddle River, NJ: Pearson Prentice Hall.

6. D

Mind-mapping programs. Mind-mapping computer programs help individuals organize a lot of information in a meaningful way. Some web sites, such as Bubbl.us and Mindmeister, provide mind-mapping programs free of charge. After mapping out the information in a logical order, the writer can then prepare the report in a clear, understandable way. Index cards are manual tools for organizing information. Statistical applications record numerical data. Online survey services (e.g., SurveyMonkey.com) allow users to prepare, distribute, and analyze online questionnaires.

SOURCE: CO:086

SOURCE: Howd, C. (2007, July 10). *Move beyond the index cards: 12 ways to organize online information*. Retrieved January 8, 2009, from <http://teachclever.com/2007/07/10/move-beyond-index-cards-12-ways-to-organize-information-online/>

7. A

Enhances the writer's credibility. When a writer takes the time to follow the appropriate writing style and cite sources in a preferred format, it indicates that the writer has taken care to present the facts and findings in a meaningful way. As a result, the writer often increases his/her credibility or trustworthiness with the audience. Using the appropriate writing style does not ensure the writer's objectivity, nor does it reduce the need to edit content. The primary purpose of a research report is to present facts, results, and recommendations rather than providing the writer with a creative outlet.

SOURCE: CO:088

SOURCE: Bovée, C. L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [p. A-21]. Upper Saddle River, NJ: Pearson Prentice Hall.

8. A

The attached document provides you with directions to our facility. Business-related e-mail messages should reflect a professional tone. A professional e-mail message should contain proper spelling and grammar (e.g., look and two). The writer should avoid using acronyms that reflect an informal or text-messaging style, such as using "u" instead of "you." Businesspeople should avoid using all capital letters in professional e-mails because the recipients might interpret them as angry messages.

SOURCE: CO:090

SOURCE: Bovée, C. L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [pp. 184-185]. Upper Saddle River, NJ: Pearson Prentice Hall.

9. D

Two coworkers share their opinions about a new work project during a coffee break. Informal communication involves a casual exchange of information. This information may or may not include work-related issues. Coworkers who talk about work-related topics while on a coffee break are engaging in informal communication. Informal communication can be positive for businesses because employees often share new ideas that may benefit the business. Formal communication involves following a specific protocol or systematic process to transmit messages. The distribution of a press release and production schedule are methods of formal communication, as is conducting a training session for new employees.

SOURCE: CO:092

SOURCE: Lesikar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10th ed.) [pp. 8-9]. Boston: McGraw-Hill/Irwin.

10. B

A primary goal of CRM is to maximize the long-term value of customer relationships. Customer relationship management (CRM) involves the use of strategies, processes, technology, and people to build, maintain, and maximize the long-term value of customer relationships. Although one aspect of effective CRM is providing excellent customer service, customer service is not the only factor that affects a customer's loyalty to a business. A business can provide excellent customer service without having a formal CRM program in place. Other aspects that affect CRM include the business's organizational culture. It is important that employees adopt the business's customer-relationship philosophy to facilitate positive relationships with customers. Price is one factor that may affect the long-term buyer/seller relationship, but is not the most important factor to all customers. Customers also consider factors such as convenience and product quality.

SOURCE: CR:016

SOURCE: CR LAP 2—Know When to Hold 'Em (Nature of Customer Relationship Management)

11. C

Protect its customers' privacy. An ethical business implements strategies to protect its customers' privacy. This is an important consideration to build long-term relationships with its customers, which requires earning the customers' trust. One way for a business to earn its customers' trust is by developing, implementing, communicating, and adhering to a customer privacy policy. Although privacy policies vary by business, they might include limiting the access that employees have to customer information and refusing to sell customer lists to third parties. If customers feel that the business respects their privacy, they are more likely to trust the business and become loyal customers. Loyal customers provide the business with repeat sales. A business can ask, but cannot require, its customers to provide feedback. Offering exclusive benefits is a strategy that a business might use in customer relationship management; however, this practice does not indicate or prove that the business is behaving in an ethical manner.

SOURCE: CR:017

SOURCE: Peppers, D. & Rogers, M. (2004). *Managing customer relationships: A strategic framework* (pp. 214-217). Hoboken, NJ: John Wiley & Sons, Inc.

12. D

Providing lobby kiosks for guests to check themselves into the hotel. Place (distribution) involves the activities that a business in hospitality and tourism would use to make its products available to its customers. Providing lobby kiosks is a way for properties to facilitate guest check-in, thereby making the hospitality and tourism product available to its customers. Using a blog is a form of promotion. Escorting guests to their rooms is customer service provided by a property's front-office staff. Expanding the restaurant's menu is a product decision.

SOURCE: DS:075

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [p. 70]. Boston: Prentice Hall.

13. D

Job reorganization. An internal factor that affects the business environment is job reorganization, or the way the business accomplishes its work. By reorganizing the way the business accomplishes its work, the business may become more efficient, which can have a positive effect on its bottom line. Economic factors, such as the expansion and contraction changes that occur during the business cycle, as well as competition and exchange rates, are external factors that affect the business environment.

SOURCE: EC:105

SOURCE: NetMBA Knowledge Center. (2002-2007). *SWOT analysis*. Retrieved December 21, 2009, from <http://www.netmba.com/strategy/swot/>

14. B

Keep up with technological changes. Because technology is constantly evolving and becoming more efficient, businesses must keep up with these changes to remain competitive in the marketplace. Customers expect businesses to meet their needs quickly, so businesses need to keep up with technology to improve their operating and communication processes. This may include actions such as upgrading data electronic interchange systems and developing social media promotional campaigns to attract new target markets. Businesses must also keep up with market trends through research and development processes. A business does not always need to change its management style to adapt to today's markets. Businesses need to develop and implement accounting procedures; however, accounting procedures do not help businesses adapt to today's markets.

SOURCE: EC:107

SOURCE: Pomeroy, S. (2008-2010). *Adapt and thrive. Or refuse to adapt...and thrive. How do you know when change is right for your business?* Retrieved February 17, 2010, from <http://creatingwebsuccess.com/web-business-models/adapt-thrive-business/>

15. B

They are important in most countries' balance of payments. A country's balance of payments is the difference between all monies coming into the country and those going out of a country. Hospitality and tourism help to attract people to an area, thereby increasing the amount of money coming in. Although hospitality and tourism can foster world peace through cultural understanding, world peace is not an economic aspect affecting a community. Hospitality and tourism help to keep people who live in rural areas in those areas rather than encouraging them to move to overcrowded cities. Hospitality and tourism do not represent most countries' greatest imports.

SOURCE: EC:136

SOURCE: Walker, J.R. (2009). *Introduction to hospitality* (5th ed.) [pp. 39-40]. Upper Saddle River, NJ: Pearson Prentice Hall.

16. D

The Bellman Corporation submits a \$8,792 check to the government, which is based on the value of its office building. Businesses that own buildings and property must pay property taxes to the government at specific intervals. The property-tax amount is based on the value of the land and building. The value of the land and building is affected by many factors, such as the location of the property. Cortland Hotel withholds income tax from its employees' paychecks, and submits the monies to the government at certain timeframes. A gasoline tax is an example of an excise tax, which is a type of sales tax that customers pay for goods and services. An excise tax is often referred to as a "sin tax," and it is levied on nonessential products such as gasoline, cigarettes, and alcohol. The airline is making a charitable donation rather than paying taxes.

SOURCE: EC:072

SOURCE: Kapoor, J.R., Dlabay, L.R., Hughes, R.J., & Hoyt, W.B. (2005). *Business and personal finance* (pp. 381-382). New York: Glencoe/McGraw-Hill.

17. A

Ryan recently lost his job in the construction industry during a time of economic contraction. Cyclical unemployment occurs during periods of time when there is low demand for workers due to economic conditions and fluctuations in the business cycle. When the economy slows, consumer spending tends to fall, which causes many businesses to decrease production. When production decreases, there is not enough work for employees, so businesses implement layoffs, which causes unemployment to rise. Lizzy's situation is an example of seasonal unemployment. Seasonal unemployment occurs when people are out of work because of factors that involve the time of year. Frictional unemployment describes people who are temporarily between jobs due to layoffs, resignations, or educational pursuits, as is the case in Hannah's situation. Structural unemployment results when people do not have the job skills for jobs that currently exist. These people often have skills and training needed to work but are unemployed due to factors such as technological advancements or lacking natural resources (e.g., depleted coal mine).

SOURCE: EC:082

SOURCE: Miller, R.L. (2005). *Economics: Today and tomorrow* (p. 453). New York: Glencoe/McGraw-Hill.

18. A

Power. A subculture is a secondary group within a dominant culture. A business's leaders (e.g., managers, influential employees) have the ability to control the employees' activities or persuade the employees' to adopt certain ideas or beliefs. Because the business's leaders have more influence than other employees, they make up a secondary group within the dominant business culture, making it the power subculture. The achievement subculture of the business environment consists of employees who are very achievement oriented and are focused on moving ahead in their careers. Members of the achievement subculture may or may not be members of the business's power subculture. Natural and independent are not types of subcultures within an organization.

SOURCE: EC:045

SOURCE: Estes, G. (2009, August 31). *Understanding business culture*. Retrieved February 25, 2010, from http://workplaceculture.suite101.com/article.cfm/understanding_business_culture

19. A

Gender. A stereotype is a set image or assumption about a person or thing. When people stereotype others, they tend to classify certain people as a group that possesses certain characteristics. These characteristics are often based on distorted beliefs or unreliable information. A person who stereotypes others often fails to see an individual who possesses unique skills, values, and attitudes. Gender is one characteristic by which people often stereotype others. Assuming men are more assertive than women in business situations is a distorted belief. In fact, many women are very assertive in business situations. Ethnic stereotyping involves having false beliefs about a person on the basis of his/her race or culture. Stereotypes about religion involve having distorted beliefs about a person's spiritual practices. An individual who stereotypes by age might feel that younger people do not possess needed knowledge or that older people are feeble and lack adaptability.

SOURCE: EI:017

SOURCE: Bailey, L.J. (2007). *Working* (4th ed) [pp. 108-109]. Mason, OH: South-Western Cengage Learning.

20. A

Admit their mistakes. Self-confidence is a positive belief in your own talents, skills, and objectives. Self-confident people tend to exhibit certain characteristics, such as a positive attitude and a willingness to take risks, even if it means making and admitting to mistakes. These characteristics often inspire others' behaviors. Self-confident people are able to acknowledge their contributions to a work effort or cause and accept that they have weaknesses. Self-confident people do not limit their expectations.

SOURCE: EI:023

SOURCE: Mind Tools. (n.d.). *Building self-confidence*. Retrieved December 7, 2009, from <http://www.mindtools.com/selfconf.html>

21. A

Exhibiting self-control. Hospitality and tourism managers are in the people-business. Those people include customers, staff, and executive officers. They must keep their cool under stressful situations to impact the behavior of others. Without self-control, they can make bad situations even worse. Effective managers encourage dissent, thinking that that leads to improvement in the organization. Effective managers trust their employees rather than questioning their motives. Effective managers need to motivate their employees rather than being critical of them.

SOURCE: EI:090

SOURCE: Gregoire, M.B. (2010). *Foodservice organizations* (7th ed.) [p. 371]. Boston: Prentice Hall.

22. A

Lower productivity. Gossip is rumor or talk that discloses personal information about others. Gossip is often negative and hurtful to others. In many instances, the information disclosed is exaggerated or untrue. When employees gossip during working hours, they are less productive. They are spending their time talking instead of doing the jobs they are being paid to do. Negative gossip can lead to distrust and more conflict among employees. Ongoing conflict in the workplace tends to lower employee morale and negatively affect employee collaboration efforts.

SOURCE: EI:038

SOURCE: Hennessy, K. (n.d.). *Workplace gossip*. Retrieved February 5, 2010, from <http://www.healthsystem.virginia.edu/internet/feap/newsletters/workplace-gossip.pdf>

23. D

Tell him to use deep breathing and visualization techniques. Everyone experiences stress on the job at some time. Many techniques can help workers manage their daily stress. Exercise, deep breathing, counting, and visualization techniques are common ways that people manage their stress levels. Tim may not be in a position to delegate his work. Encouraging Tim to take on additional projects may add to Tim's stress levels. Tim may not be in a financial position to take an unpaid leave of absence from work. In addition, Tim's employer may not be able to let Tim take time off at busy times of the year.

SOURCE: EI:028

SOURCE: Mind Tools. (1995-2009). *Stress management resources from Mind Tools*. Retrieved June 29, 2009, from <http://www.mindtools.com/smpage.html>

24. A
Encourages teamwork. A consensus is a decision-making outcome that requires the substantial agreement of each group member. To reach a consensus, the option doesn't have to be each group member's first choice, but an option that has been presented and agreed upon as acceptable by all members of the group. Because reaching a consensus involves equal power among group members and requires each member's agreement, the consensus building method reduces the "I want my own way" attitude. This prevents one person from pursuing his/her own interests and keeps one part of the group from silencing another part of the group. Therefore, consensus building encourages teamwork and unity. It can often take a lot of time to reach consensus and conflicts may occur, which are disadvantages to using the consensus building process.
SOURCE: EI:011
SOURCE: EI LAP 19—It's a Group Thing (Consensus Building)
25. C
An achievement orientation. An achievement orientation involves having a drive to accomplish one's goals and to meet or achieve a high standard of success. Because Stacy has high quality standards for her work and because she looks for ways to increase her efficiency, Stacy has an achievement orientation. A laid-back attitude involves a casual, relaxed mindset. There is not enough information available to determine if Stacy is empathetic, creative, or extroverted.
SOURCE: EI:027
SOURCE: EI LAP 10—High Hopes (Developing an Achievement Orientation)
26. A
Dividends. Individuals and businesses acquire income in many ways. Dividends are earnings that are paid to investors or stockholders for their investments. When Pedro purchased shares of Tabor stock, he became an owner of the company. As an owner of the company, Pedro has the opportunity to earn a percentage of the company's profits, which are paid to him in the form of dividends. Wages are the income that workers earn for the work that they perform. Interest is the reward or cost of lending or borrowing money, usually figured as a percentage of the amount borrowed. An inheritance is the assets (e.g., property, goods, money) that a person leaves to others upon his/her death.
SOURCE: FI:061
SOURCE: Kapoor, J.R., Dlabay, L.R., & Hughes, R.J. (2009). *Personal finance* (9th ed.) [pp. 447-448]. New York: McGraw-Hill Irwin.
27. D
Shredding old bank statements. One way that thieves obtain others' personal information (e.g., bank-account numbers, credit-card numbers) is by going through trash cans and dumpsters. Using a paper shredder to destroy old bank and credit-card statements makes it more difficult for thieves to obtain personal financial information. Disabling computer virus software and storing passwords on web browsers lower the computer user's security, which increases the risks associated with computer hacking. Photocopying credit-card receipts is not an action that reduces the risk of identity theft.
SOURCE: FI:073
SOURCE: Ward, S. (n.d.). *10 ways to prevent identity theft*. Retrieved February 5, 2010, from <http://sbinfocanada.about.com/od/insurancelegalissues/a/identitytheft.htm>
28. D
Obtain insurance. Risk is the possibility of loss. There are many ways to reduce the possibility of loss. One way to reduce the possibility of loss is by transferring the risk, which is done by obtaining insurance. Insurance is a contractual agreement in which one company (insurer) will pay for specified losses incurred by the other company (insured) in return for installment payments (premium). Implementing security measures, checking for hazards, and screening employees are ways to control and prevent certain types of risks.
SOURCE: FI:081
SOURCE: Farese, L. S., Kimbrell, G., & Woloszyk, C. A. (2009). *Marketing essentials* (pp. 727-728). Woodland Hills, CA: Glencoe/McGraw-Hill.

29. B

Due care. Because accountants prepare the financial information that businesses use to make financial decisions, they must uphold the ethical standards of their profession. They must be objective, honest, and maintain client confidentiality. Accountants must also use due care when performing their jobs. Due care is a commitment to thoroughly perform work to the best of one's ability. Passive behavior is conduct in which people fail to exercise their own rights and to respect their own needs. Because accounting procedures are based on generally accepted accounting practices, ethical accounting behavior involves rigid standards rather than flexible standards and personal preferences.

SOURCE: FI:351

SOURCE: Dlabay, L.R., & Burrow, J.L. (2008). *Business finance* (p. 108). South-Western Cengage Learning.

30. C

Fixed assets. A balance sheet is a financial statement that captures the financial condition of a business at that particular moment. The business summarizes its financial condition by categorizing data as assets or liabilities. An asset is anything that the business owns. Current assets include inventory, cash, and accounts receivable. Fixed assets are items of value that are not expected to change, such as buildings and equipment. Liabilities are the business's debts. Current liabilities are debts (e.g., accounts payable, payroll) that must be paid within a year. Long-term liabilities are debts that take longer than a year to pay (e.g., mortgage).

SOURCE: FI:093

SOURCE: Business Owner's Toolkit. (n.d.). *Balance sheet*. Retrieved February 5, 2010, from http://www.toolkit.com/small_business_guide/sbg.aspx?nid=P06_1574

31. D

Buying postage to mail a client's tickets. The purpose of a petty-cash fund is to pay for miscellaneous, inexpensive items that would be impractical to obtain through regular purchasing procedures or by writing a check. This might include such things as postage to mail an individual item, coffee supplies, or parking. The fund should not be used for large or expensive purchases such as radio advertising, dinners with clients, or center pieces for a meeting.

SOURCE: FI:310

SOURCE: Michigan Tech. (2005). *Petty cash procedures*. Retrieved February 18, 2010, from <http://www.admin.mtu.edu/acct/dept/acctpay/petty.htm>

32. A

The TRN Company posts its current job openings on its web site. The Internet has changed the ways in which HR managers recruit employees. Many businesses, particularly larger ones, post their job openings on their web sites. Interested applicants usually fill out an online application and submit their résumés and cover letters as attachments. The applicants must often establish an account to log onto the web site's employment section to apply for open positions. There is not enough information provided to determine if the Cohen Corporation sends its application forms via e-mail, which is a form of technology, or by the postal service. Although printing review forms and distributing CDs during orientation are activities that require technology to develop and use, these are not recruiting activities.

SOURCE: HR:412

SOURCE: Jackson, S., & Schuler, R. (2003). *Managing human resources through strategic partnerships* (8th ed.) [p. 264]. Cincinnati: Thomson/South-Western.

33. C

Its value is in the insights it provides and the decisions it influences. Today's managers are flooded with data that they need to convert into actionable information that provides them with customer or business insights. These insights will then guide decision-making. Not all marketing information is costly to obtain. The number of studies conducted is meaningless if they fail to provide good insights.

SOURCE: IM:420

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 114-115]. Boston: Prentice Hall.

34. D

Free reception for frequent travelers in which feedback is collected. Primary information is collected for the purpose at hand, while secondary information is collected for some other purpose but used to provide insight to the purpose at hand. Automated guest history records, reservation records and registration information, and financial statements provided in annual reports are all examples of secondary information.

SOURCE: IM:422

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 116-121]. Boston: Prentice Hall.

35. C

Sequential patterns. When mining data to anticipate behavior patterns and trends, the restaurant should check for sequential patterns in the data. When stored data are used to locate data in predetermined groups, then the relationship of classes is sought. Clusters of relationships are found when items are grouped according to logical relationships or customer preferences. Data can also be mined to identify associations among data.

SOURCE: IM:424

SOURCE: Frand, J. (n.d.). *Data mining: What is data mining?* Retrieved February 21, 2010, from <http://www.anderson.ucla.edu/faculty/jason.frand/teacher/technologies/palace/datamining.htm>

36. C

Average amount of sales per customer. By totaling the amount of all sales and dividing by the number of customers, hospitality and tourism businesses can determine the average amount of sales per customer. Hospitality and tourism employees can use this information as a target amount to work toward attaining and exceeding with their sales efforts. The age of customers, the size of their families, and their preferred color cannot be obtained from all hospitality and tourism sales data.

SOURCE: IM:426

SOURCE: FAO Corporate Deposit Repository. (n.d.). *Chapter 2: Secondary sources of information.* Retrieved February 21, 2010, from [http://www.fao.org/docrep/w3241e/w3241e03.htm#the nature of secondary sources of information](http://www.fao.org/docrep/w3241e/w3241e03.htm#the%20nature%20of%20secondary%20sources%20of%20information)

37. A

Observation. When you observe customers in action while they're in the restaurant, you can obtain a more accurate picture of their buying or usage patterns/habits. For example, you could watch to see what foods remain uneaten on plates. Researchers have discovered that responses customers give in focus groups, personal interviews, and surveys don't always match their buying or usage habits/patterns.

SOURCE: IM:349

SOURCE: *The five basic methods of market research* (1999-2010). Retrieved February 21, 2010, from <http://www.allbusiness.com/marketing/market-research/1287-1.html>

38. C

One variable increases as the other variable decreases. The correlation coefficient, r , ranges from -1 to +1. A correlation coefficient of $-1 > r > 0$ tells the reader that as variable X increases, variable Y decreases. When the two variables tend to increase or decrease together, the correlation coefficient is $0 < r < 1$. When two variables do not vary together at all, the correlation coefficient is $r = 0$. When there is perfect correlation between two variables, $r = 1$.

SOURCE: IM:370

SOURCE: GraphPad.com. (n.d.). *Interpreting correlation results.* Retrieved February 20, 2010, from http://www.graphpad.com/articles/interpret/corl_n_linear_reg/correlation.htm

39. A

Statements of purpose and scope. When writing an executive summary, writers need to be brief and precise in telling the audience what the research was about and what limitations there were on the research project. These are accomplished through statements of purpose and scope. Charts and graphs should appear in the body of the research report rather than in the executive summary. Technical information should be avoided in the executive summary—the summary's overall purpose is to quickly present information about the research. If the reader is interested in reading further, the person can review the entire report. One of the most common mistakes that executive-summary writers make is making the executive summary too long. It should briefly present the purpose, scope, and findings/conclusions of the research—not summarize each page in the report.

SOURCE: IM:414

SOURCE: Wilkie, H. (n.d.). *The executive summary: Why and how to write it*. Retrieved February 20, 2010, from <http://www.hodu.com/exec-summary.shtml>

40. A

Use meaningful comparisons. When the presenter of a research report compares the findings with information previously known by the audience, the presenter helps to make the findings concrete and meaningful to the audience. Providing a bibliography of resources cited may be of interest to the audience, but it does not help them better understand your findings. Calling on the audience to explain their understanding of the research and asking them questions are classroom activities—not something done in the business world. Instead, the audience will ask questions that you should be prepared to answer.

SOURCE: IM:391

SOURCE: Center for Applied Linguistics. (2007). *Evaluator's toolkit for dual language programs*. Retrieved February 20, 2010, from <http://www.cal.org/twi/EvalToolkit/8who2present.htm>

41. B

Habitual. Customers exhibit habitual or routine buying behavior when buying staple items such as sugar, orange juice, and toothpaste. These types of items are inexpensive, require little involvement or thought, and in most situations, there are few differences among brands. Complex buying behavior involves high customer involvement because the items are expensive and purchased infrequently. Characteristics of variety-seeking buyers are low involvement, but a higher recognition of brand differences. Many variety-seekers switch brands often. Basic is not a type of buying behavior.

SOURCE: MK:014

SOURCE: Kotler, P., & Armstrong, G. (2008). *Principles of marketing* (12th ed.) [pp. 145-147]. Upper Saddle River, NJ: Prentice-Hall.

42. A

When the initial contact with the business is made. Initial contacts might be made on the Internet or through a phone call before the customer even steps inside the business. Waiting to show concern for customer needs until a bill is presented does not reflect a customer orientation. However, when a bill is presented to a customer, the employee's customer orientation should continue. Hospitality and tourism businesses can exhibit their customer orientation by attempting to build long-lasting relationships with the customer; however, this is not the initial point at which a customer orientation should be exhibited.

SOURCE: MK:013

SOURCE: Walker, J.R. (2009). *Introduction to hospitality* (5th ed.) [p. 495]. Upper Saddle River, NJ: Pearson Prentice Hall.

43. B

Behavioral-benefits sought. A market consists of buyers who differ in one or more ways. By identifying those differences, hospitality and tourism businesses can tailor their marketing efforts to appeal to specific groups. With behavioral segmentation, people are grouped together on the basis of their knowledge, attitude, and use/response to a product. In this scenario, the group is travelers who have pets with them. This form of behavioral segmentation is based on the product benefits that the group wants—lodging that accepts pets. Psychographic segmentation based on social class divides people into different social classes. Demographic segmentation divides people into groups based on certain variables such as age, gender, race, religion, educational level, or income level. Use of a mass market approach would indicate that the hotel will not be differentiating among its guests and will be using the same marketing strategies with all guests.

SOURCE: MP:035

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 202-209]. Boston: Prentice Hall.

44. C

Factual information. Facts contain true data or information. Microsoft has multiple sources of documentation that indicates it generated \$51.12 billion in revenue in 2007, which makes the statement a fact. It is important for companies to verify facts when they are making business decisions. Basing decisions on incorrect information can be very costly to a company. Unwarranted criticism is inappropriate, biased, or exaggerated feedback. Inconclusive evidence means that the presented facts do not indicate a distinct or unquestionable outcome of a situation. The amount of money Microsoft generated occurred a few years ago; therefore, the statement does not contain current data.

SOURCE: NF:077

SOURCE: Ertl, S. (n.d.). *Fact vs. opinion*. Retrieved February 18, 2010, from <http://www.learnnc.org/lp/pages/4017>

45. D

Each other. An intranet is an internal network of computers within an organization that allows employees to access and share information. Intranet systems benefit businesses because employees can view, transmit, and share information across departments, divisions, or branches. For example, an intranet may allow sales staff, purchasing staff, and warehouse staff to view the inventory status of the business's products simultaneously. This is important because each department works with the business's products in different ways. The intranet system allows each department to monitor the business's inventory levels to perform the work. The intranet provides employees access to the same information at any given time, and helps the business run efficiently. Intranet systems often contain confidential information and are not shared with competitors, customers, and former employees.

SOURCE: NF:083

SOURCE: Soloman, M. R., Marshall, G. W., & Stuart, E. W. (2008). *Marketing: Real people, real choices* (5th ed.) [pp. 108-109]. Upper Saddle River, NJ: Pearson Prentice Hall.

46. A

Create a distribution list. When businesspeople must send information to a group of people on a regular basis, they can create a distribution list from their e-mail address book. This application places all of the desired recipients of certain types of messages in a special group or list. When the message sender wants to e-mail everyone on the list, s/he clicks on the "list name" in the address book, and all of the recipients' names appear in the "to" field of the e-mail message header. Because the distribution list saves time, it increases the businessperson's efficiency and productivity. Businesspeople use the e-mail flagging function to remind them to follow-up with something within a particular message that they have received. Using the copy and paste application and deleting old contact information are activities that do not save the message sender time when e-mailing a single message to many recipients.

SOURCE: NF:005

SOURCE: Microsoft Corporation. (n.d.). *Create a distribution list*. Retrieved February 19, 2010, from <http://office.microsoft.com/en-us/outlook/HP052578011033.aspx>

47. A

Online booking. Many hospitality and tourism businesses offer websites that enable customers to conveniently book their reservations online. This gives customers 24-hour access to reservation systems when it's convenient for them to quickly make a reservation. Customer reservation systems are used by travel agents. Examples of CRSs used in the U.S. are Sabre, Apollo, Worldspan, System One, and Galileo. Customer relationship management software are databases of customer information. Websites by themselves would not expedite the reservation process for customers.

SOURCE: NF:106

SOURCE: Hallisoft. (2010). *RezEasy online reservation software*. Retrieved February 19, 2010, from <http://www.hallisoft.com/RezEasy/RezEasy.html>

48. B

Daily sales receipts. A business maintains receipts for each sales transaction it processes. Sales receipts provide the business with different types of information including which products were purchased, the dollar volume of sales for a particular day, the form of payment used, and the number of customers who purchased items. Quarterly credit statements, cash balances, and inventory status records will not provide the gift shop with the desired information.

SOURCE: NF:014

SOURCE: Traf-System People Counting Systems. (n.d.). *Visicount: Customer traffic analysis software*. Retrieved February 19, 2010, from <http://www.trafsys.com/media/9774/visicountbrochure.pdf>

49. A

Increased emphasis on training. The hospitality and tourism industry has recognized that competing on the basis of price is not the answer for profitability. Instead, management has shifted its focus to ways that employees can provide exemplary service, thus setting a business apart from its competitors. To accomplish this, they have increased their focus on employee training. Attention to the other alternatives should help businesses gain a competitive advantage; however, they do not relate to exceeding customer expectations.

SOURCE: NF:048

SOURCE: Walker, J.R. (2009). *Introduction to hospitality* (5th ed.) [p. 549]. Upper Saddle River, NJ: Pearson Prentice Hall.

50. B

An assistant buyer accepts a gift from a potential vendor. Gift giving and receiving is often viewed as bribery. Many businesses implement policies that require their employees (e.g., assistant buyers) to refuse gifts from vendors. Because purchasing is an operations function, buyers and assistant buyers are often exposed to situations in which vendors present them with gifts to obtain business. Therefore, it is important for operations employees to understand the company's policies about gift giving and receiving. A salesperson who gives a customer a price break on an obsolete item is engaged in a selling activity. This selling activity is unethical if the salesperson does not tell the customer that the product is obsolete. Obtaining shipping information from transportation companies and changing the weekly production schedule are ethical operations activities.

SOURCE: OP:190

SOURCE: Monczka, R.M., Handfield, R.B., Giunipero, L.C., & Patterson, J.L. (2009). *Purchasing and supply chain management* (4th ed.) [pp. 567-570]. South-Western Cengage Learning.

51. A

Increased risk of theft. Businesses establish different types of security procedures to protect their assets—equipment, inventory, facilities, money, information, and employees. Businesses need to communicate these security procedures to employees so the employees know what they need to do to maintain a secure work environment. If employees do not follow security procedures, the risk of security breaches occurring increases. For example, an employee who does not properly lock the cash drawer increases the risk of robbery. If employees fail to lock the warehouse doors at the end of business hours, the risk of theft increases. If a security breach occurs, the business may experience financial losses (e.g., stolen money, goods, and equipment). Employees follow safety procedures to reduce the risk of accidents in the workplace. Financial losses may decrease if businesses train their employees about ways in which they can identify counterfeit paper money at the point of sale.

SOURCE: OP:152

SOURCE: Kimiecik, R. C., & Thomas, C. (2006). *Loss prevention in the retail business* (p. 1528). Hoboken, NJ: John Wiley & Sons.

52. A

Effective time-management skills. Time management is the process of controlling events in order to accomplish priorities. Projects have a distinct beginning and end. Because projects have a distinct end, they have deadlines. To meet project deadlines, it is important for project managers and team members to effectively manage their time. Developing to-do lists and schedules, prioritizing tasks, and estimating the amount of time that a task takes to complete are ways in which project managers and team members can manage their time. The degree of technical knowledge, the type of resources, and the level of creativity needed for a particular project depends on the nature of the project.

SOURCE: OP:158

SOURCE: QS LAP 18—Make It Happen (The Nature of Project Management)

53. D

Risk levels of doing business with the vendor. If a vendor is not financially stable, there is a risk that the vendor may not have the resources to meet the business's needs. And, if the vendor's financial condition is extremely poor, the vendor may go out of business. A lack of financial resources may affect the vendor's products, its level of customer services, and its lead times.

SOURCE: OP:161

SOURCE: Monczka, R.M., Handfield, R.B., Giunipero, L.C., & Patterson, J.L. (2009). *Purchasing and supply chain management* (4th ed.) [pp. 252-253]. South-Western Cengage Learning.

54. A

Planning. Determining how many items to produce and when to produce them are important aspects of the planning process. If the business doesn't produce enough items, it will lose sales to its competitors. If the business produces too many items, it will lose money on the unsold products. Scheduling is the activity that establishes the timetable to be followed during production. Routing is the activity that determines the sequence for steps in the production process. The conversion process turns inputs into outputs.

SOURCE: OP:017

SOURCE: BA LAP 1—Nature of Production

55. D

The vendor will pay shipping charges to the national park's gift shop. F.O.B. stands for free or freight on board. If terms are F.O.B. shipping point, the buyer pays shipping charges from the point where they are first picked up by the shipping company. If the terms are F.O.B. destination, the vendor is responsible for paying the shipping charges until the goods reach their final destination. In this case, that is the national park's gift shop. Although the park is a government agency, it is still responsible for paying shipping charges. Shipping charges are paid by the vendor or the buyer—not by the shipping company.

SOURCE: OP:184

SOURCE: Brechner, R. (2009). *Contemporary mathematics for business and consumers: Annotated instructor's edition* (5th ed.) [p. 205]. Mason, OH: South-Western Cengage Learning.

56. B

By denying access to the property. Small properties use technology to keep out people who do not have keycards. The front-desk employees can use technology to override that system if they choose to do so. However for security's sake, the employees can deny access to the building. Observing escalators and elevators and denying access to stairwells would be security issues for people already inside the property. The front-office employees would monitor activity at the front of the property rather than in the pool area if they were focused on keeping people out of the lobby and reception areas.

SOURCE: OP:058

SOURCE: American Hotel & Lodging Educational Institute (2005). *Lodging management program: Year 1* (2nd ed.) [pp. 62-63]. Lansing, MI: Author.

57. C

Shut off air-conditioners. When fires occur, hotel employees should determine whether they can control the fire themselves. If not, they need to contact the fire department, shut off the air-conditioning to keep the smoke from filtering into other parts of the property, close windows and doors to keep the fire from spreading, and shut off the fuel to gas-powered equipment. Since the employees have already determined that they cannot contain the fire themselves, they should not take time to attempt using fire extinguishers.

SOURCE: OP:119

SOURCE: American Hotel & Lodging Educational Institute (2005). *Lodging management program: Year 1* (2nd ed.) [p. 71]. Lansing, MI: Author.

58. B

It prevents you from feeling overwhelmed. When your workspace is disorganized, it makes it more difficult to find the things that you need to perform your work efficiently. When files, supplies, and other tools are easy to find and retrieve, you are less likely to feel stressed and overwhelmed. Keeping an organized workspace will not improve your computer skills nor will it reduce your need to set priorities.

SOURCE: PD:009

SOURCE: Wallace, H.R., & Masters, L.A. (2006). *Personal development for life & work* (9th ed.) [p. 300]. Mason, OH: South-Western Cengage Learning.

59. D

Experience. Many factors affect the way businesspeople make decisions. In the example, Carla decided to use a certain vendor because her previous experiences with the vendor were positive, and Carla knew what to expect. Emotional decisions are based on feelings. A biased decision is based on prejudice. Because Carla considered several options before making her decision, Carla was being open-minded rather than biased. There is not enough information provided to know if Carla is a friend to any of the print shop's employees.

SOURCE: PD:017

SOURCE: PD LAP 10—Weigh Your Options (Decision Making in Business)

60. D

Arriving at work on time. Because employers pay employees to perform the work, they have the right to expect the employees to conduct themselves in a professional manner. This includes being honest, being respectful of coworkers, and being dependable. Dependable employees arrive at work on time, and complete tasks in an efficient and timely manner. Asking for a deadline extension is not demonstrating dependable behavior. Managers are responsible for monitoring the work effort, which includes providing feedback about the employees' work performance. Making suggestions for improvement demonstrates creative problem-solving skills.

SOURCE: PD:020

SOURCE: Professional-Resumes.com. (n.d.). *What employers want from their employees*. Retrieved February 16, 2010, from <http://www.professional-resumes.com/what-employers-want-from-their-employees.html>

61. C

Resort activities director. A resort activities director is responsible for developing and coordinating a selection of activities for resort guests. These activities might include golf, swimming, tennis, skiing, etc. The resort activities director usually supervises a staff of assistant managers, instructors, and entry-level employees. Given Lynda's educational background, interest in sports, and work experience, she would probably do well as a resort activities director. While she might also be a good timeshare sales manager, human resources director, or convention manager, she is most qualified for a career as resort activities director.

SOURCE: PD:272

SOURCE: Ninemeier, J.D. & Perdue, J. (2008). *Discovering hospitality and tourism: The world's greatest industry* (2nd ed.) [pp. 160-161]. Upper Saddle River, NJ: Pearson Prentice Hall.

62. C

Take classes at a community college. Workers who want to advance in or keep up with their chosen professions often need to obtain additional, ongoing education. There are many ways for workers to acquire job-related skills, such as taking classes at a university or community college. Completing a college application, obtaining recommendations, and contacting former employers are not actions that help workers obtain new skills.

SOURCE: PD:033

SOURCE: American Public Health Association. (2010). *Continuing professional education*. Retrieved January 29, 2010, from <http://www.apha.org/programs/education/>

63. B

A passing score on a certification exam. Many hospitality- and tourism-related professional organizations offer certification programs. Applicants for these certificates must typically master a specific body of knowledge, complete specialized training and educational programs, pass a certification exam, and meet other eligibility requirements such as time on the job or in the industry. An industry sponsor or mentor is helpful but not required. A salary increase, additional leave time, and promotion to a supervisory or management-level position often result from obtaining certification. They are not requirements for certification.

SOURCE: PD:273

SOURCE: Ninemeier, J.D. & Perdue, J. (2008). *Discovering hospitality and tourism: The world's greatest industry* (2nd ed.) [p. 617]. Upper Saddle River, NJ: Pearson Prentice Hall.

64. A

The introduction of paid personal leave time for employees. In 1913, the Westinghouse Corporation instituted paid vacation days for its employees. Many other companies quickly followed suit. Suddenly, most workers had free time on their hands—free time that they could spend traveling. Rather than shifting from industry to agriculture in the early 20th century, individuals shifted their focus from agriculture to industry. This shift from farming to commercialism boosted tourism. The development of an American passenger train system did have a positive impact on tourism, but it occurred in the 19th century, not the 20th. While widespread access to computers and the Internet has had a positive effect on mass tourism, these technological breakthroughs did not occur until the late 20th and early 21st centuries.

SOURCE: PD:105

SOURCE: Cook, R.A., Yale, L.J., & Marqua, J.J. (2010). *Tourism: The business of travel* (4th ed.) [pp. 9-13]. Upper Saddle River, NJ: Prentice Hall.

65. D

Seasonality. The prices of many hospitality and tourism products are impacted by the season in which the product is used. For example, Florida resort prices are higher from October 15th to April 15th when the weather attracts people to the warm climate. However, between April 15th and October 15th, their prices decrease because demand decreases when weather conditions become hot, humid, and rainy. Hospitality and tourism products are intangible rather than being tangible. They are not fragile or elastic. In economic terms, the demand for hospitality and tourism products varies as their price increases; therefore, they're considered products with elastic demand.

SOURCE: PI:039

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 295-296, 309]. Boston: Prentice Hall.

66. B

Encourage employees to report new product ideas from other restaurants they visit. New product ideas come from a variety of internal and external sources. Some examples of internal sources include personal observation; formal research and development activities; recommendations from corporate, employees, family members, and people who provide professional assistance to the restaurant such as bankers, attorneys, etc. The problem with asking family members for recommendations is that managers might feel that they can't reject bad ideas. Competitors won't recommend new products because they don't want to lose business to others. Although trade associations might suggest ideas for new products, the fact that they're recommending the products to local restaurants would fail to give any one restaurant a competitive advantage.

SOURCE: PM:241

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [p. 246]. Boston: Prentice Hall.

67. A

We deal honestly and fairly with our customers and ourselves. A business's core values represent a business's primary values and provide the foundation on which its employees perform their work and conduct themselves. Although goals, strategies, tactics, and employees change, core values remain unchanged. Decreasing overall expenses is a goal. Demonstrating a customer-service mindset is a competency or performance indicator. The use of social media is a tactic.

SOURCE: PM:214

SOURCE: National Park Service. (n.d.). *What are core values?* Retrieved February 20, 2010, from <http://www.nps.gov/training/uc/whcv.htm>

68. D

5.8 times. To determine the stock turnover rate at retail, Betty's Barbecue will first need to determine the average inventory for the time period. That is done by adding the beginning inventory, which is actually the ending inventory from the December 31, 2008 balance sheet, with the ending inventory and dividing by two. Betty's average inventory, therefore equals $\$61,000 + \$60,100 / 2 = \$121,100 / 2 = \$60,550$. The next step is to divide net sales by the amount of average inventory at retail. In this case, net sales equal $\$348,900$ divided by $\$60,550$. The inventory turnover rate at retail equals 5.762. Rounded to the nearest tenth, the rate equals 5.8.

SOURCE: PM:224

SOURCE: Brechner, R. (2009). *Contemporary mathematics for business and consumers: Annotated instructor's edition* (5th ed.) [pp. 524, 537, 598]. Mason, OH: South-Western Cengage Learning.

69. A

Perishability. If the 50 seats on the airplane go unsold, they are lost forever because they cannot be stockpiled or inventoried for a later flight. Inseparability refers to the need for the customer and service provider to be present for the service to be performed—the service provider cannot be separated from the service. Although businesses train employees to provide the same quality of outstanding service, in effect attempting to standardize the service provided, services are performed by people whose personalities, attitudes, and abilities vary. Many hospitality and tourism services are seasonal, the scenario does not relate to that characteristic.

SOURCE: PM:081

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 36-39]. Boston: Prentice Hall.

70. C

Product extensions. Product extensions occur when a business puts its name on a variety of products, such as Oakley sunglasses, electronics, apparel, footwear, watches, etc. Businesses use these extensions to leverage the awareness of an existing brand, to make a new product readily recognizable, to reach new customers, to keep a competitor from offering the product, and to refresh its image. The Coleman Company is not monopolizing the outdoor market since it has a variety of competitors.

Upselling occurs when a salesperson sells a more expensive product than that originally requested by the customer in order to better meet the person's needs. Product positioning occurs when a business creates an image of the product or company in customers' minds.

SOURCE: PM:099

SOURCE: Marketing Profs. (2005, November 5). *Know-how exchange*. Retrieved February 20, 2010, from http://www.marketingprofs.com/ea/qst_question.asp?qstID=10804

71. A

Product 4. The executive housekeeper recognized that many factors should be considered in the selection of a shampoo for use in guestrooms. To assist with the choice, a decision matrix was used that weighted the importance of those factors to the executive housekeeper. By multiplying each factor's importance by the factor's rating, the executive housekeeper can use all of the factors in making a final decision. After that, the executive housekeeper totals the calculated ratings for each product and selects the product with the highest overall score. The calculations are shown as follows:

| Criteria | Importance | Product 1 | Product 2 | Product 3 | Product 4 |
|------------------------|------------|-----------|-----------|-----------|-----------|
| Size of Container | 5 | 2 (10) | 3 (15) | 4 (20) | 3 (15) |
| Shampoo Quality | 10 | 2 (20) | 3 (30) | 2 (20) | 2 (20) |
| Price | 10 | 4 (40) | 3 (30) | 2 (20) | 4 (40) |
| Brand Name Recognition | 3 | 2 (6) | 1 (3) | 4 (12) | 4 (12) |
| Purity of Ingredients | 5 | 4 (20) | 3 (15) | 2 (10) | 3 (15) |
| | | 96 | 93 | 82 | 102 |

SOURCE: PM:239

SOURCE: Levy, M., & Weitz, B. A. (2007). *Retailing management* (6th ed.) [pp. 363-364]. Boston: McGraw-Hill/Irwin.

72. D

E-mail. Direct marketing messages can be communicated to consumers via many different media, including e-mail, direct mail, web site, television, radio, print, etc. A company web site or television, radio, and print advertisements are useful when communicating with a relatively broad target market. Direct mail, on the other hand, allows marketers to target a more specific group of individuals, based on the fact that advertisements can be sent directly to certain people's homes. However, given the fact that the company plans to communicate with this list of interested individuals on a weekly basis, direct mail would become costly. Provided that the interested individuals have given Smoky Mountain Cabin Rentals specific permission to send advertisements via e-mail, weekly promotional e-mails would probably be the best way to communicate directly with these potential guests.

SOURCE: PR:320

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). *Advertising & integrated brand promotion* (5th ed.) [p. 638]. Mason, OH: South-Western Cengage Learning.

73. C

Podcasts. Podcasts are digital audio and/or visual programs that can be automatically or manually downloaded from the Internet to customers' mp3 players or computers. Customers can then listen to and/or watch the podcasts at their leisure. Hospitality and tourism companies may use podcasts to educate or entertain potential guests while also advertising their organizations' services. Social media are typically networking web sites that rely on users for content. Blogs are online journals containing entries written by a company, individual, or group of people. Ad serving involves advertising to an Internet user while his/her chosen web page is loading onto her/his browser.

SOURCE: PR:298

SOURCE: Roberts, M. (2008). *Internet marketing: Integrating online and offline strategies* (2nd ed.) [pp. 147-148]. Mason, OH: Cengage Learning.

74. C

#JilliansB&B. To be effective, business hashtags should be memorable, easy to spell, and relatively short. (The maximum length for a Twitter message, or tweet, is 140 characters). It is also wise to choose a tag that reflects the business's brand and products. Twitter hashtags are used to catalog and connect tweets that focus on the same topic. In this case, tweets containing the tag #JilliansB&B would pertain to Jillian's new bed and breakfast establishment.

SOURCE: PR:300

SOURCE: Catone, J. (2010). *How to: Use Twitter hashtags for business*. Retrieved February 22, 2010, from <http://mashable.com/2009/09/04/twitter-hashtags-business/>

75. B

Del.icio.us. Social bookmarking web sites such as Del.icio.us allow subscribers to post, tag, and rank links to articles, blogs, photos, and videos online. Some do so for strictly personal purposes, such as to bookmark web pages, articles, or photos that they would like to access away from home or share with their friends. Other individuals access social bookmarking web sites to search for more "trusted" web sites that focus on a particular topic. Because these individuals may bypass more traditional search engines such as Google and Bing entirely, businesses often post their own web sites and blog entries on social bookmarking sites as well. To improve their chances of being seen on these social bookmarking sites even further, businesses also encourage their web site and blog visitors to tag and/or rank their sites for many different social bookmarking sites. Facebook is a social networking web site, not a social bookmarking web site.

SOURCE: PR:325

SOURCE: Roberts, M. (2008). *Internet marketing: Integrating online and offline strategies* (2nd ed.) [p. 149]. Mason, OH: Cengage Learning.

76. D

Multimedia messaging services (MMS). Multimedia messaging services allow individuals and businesses to send rich-media messages to cell phones. These messages may contain text, graphics, sound, and video. Short messaging services also allow individuals and businesses to send messages via cell phones, but SMS messages only contain text—not images or graphics. Since Willmer's Hotel wants to send brief videos in these messages to customers' cell phones, it needs to use the more sophisticated of the two types of mobile messaging services—MMS. Complex messaging services and digitized messaging services are fictitious terms.

SOURCE: PR:276

SOURCE: Roberts, M. (2008). *Internet marketing: Integrating online and offline strategies* (2nd ed.) [pp. 363-365]. Mason, OH: Cengage Learning.

77. A

Detailed, accurate site map. A search engine is a software program that automatically crawls the Web looking for information pertaining to specified search terms and displays a list of results. Businesses use search-engine optimization strategies to obtain a good position in the search results. The key to search engine optimization is designing and submitting web pages so that they can be found easily by search engine spiders. A simple, yet effective, way to optimize a web site's ranking on the search engines is to develop a detailed, accurate site map that helps the spiders to quickly and easily locate information throughout the web site. Extensive use of JavaScript and widespread HTML code works against search-engine optimization because these computer languages create barriers that spiders have difficulty bypassing. The age of a web site usually has very little bearing on its ranking on search engines.

SOURCE: PR:361

SOURCE: Roberts, M. (2008). *Internet marketing: Integrating online and offline strategies* (2nd ed.) [pp. 178-179]. Mason, OH: Cengage Learning.

78. B

To create a social context for the brand. Illustrations are often used to associate a brand with a certain social setting, group of people, and lifestyle. The resort uses its advertisement illustrations to relay the message that its guests are usually active older adults who are well-off financially. Unusual, clever illustrations are usually used to stimulate reading of the body copy. Dramatic visual effects are typically used to make a brand "heroic." Advertisement illustrations normally have a greater purpose than to simply add color to ads.

SOURCE: PR:322

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). *Advertising & integrated brand promotion* (5th ed.) [pp. 408-412]. Mason, OH: South-Western Cengage Learning.

79. D

Kerning and tracking. Kerning is the space between individual letters, and tracking is the space between words or groups of letters. To make her advertisement more visually appealing, Maeve may adjust the kerning and tracking of the text. Leading is the space between lines of text, while measure is the length of lines of text. Adjusting the leading and/or measure of the text can change its appearance as well, but only kerning and tracking can adjust the space between individual letters and words.

SOURCE: PR:295

SOURCE: Kyrnin, J. (2010). *What is typography? Typography basics*. Retrieved February 23, 2010, from <http://webdesign.about.com/od/fonts/qt/typography-basics.htm>

80. B

Complementary. A complementary color harmony incorporates colors that are directly opposite each other on a color wheel. Examples of complementary color harmonies are red and green or blue and orange. Complementary color harmonies are usually very bold and eye-catching. Monochromatic and analogous color harmonies are types of related color harmonies. A monochromatic color harmony contains tints, tones, and shades of one color (such as a bouquet of white flowers), while an analogous color harmony is made up of related colors that are adjacent to each other on the color wheel (e.g., autumnal flowers).

SOURCE: PR:314

SOURCE: Gloyd, J. (2002). *Creating basic geometric floral designs: The element of color*. Retrieved February 23, 2010, from <http://imsonline.tamu.edu/Courses/Samples/363floral/FloralDocs/8946BST.pdf>

81. C

Buzz marketing. Buzz marketing involves generating excitement and “buzz” among early adopters of a product so that they pass along information about the product to others. The amusement park invited 200 teens to be the first to visit the park and asked them to tell their friends about how much they enjoyed it. Personal selling is a form of promotion that determines client needs and wants and responds through planned, personalized communication that influences purchase decisions and enhances future business opportunities. Print advertising is a paid form of nonpersonal presentation of ideas, images, goods, or services in a newspaper, magazine, etc. Merchandising is the process of having the right goods in the right place at the right time in order to make a profit.

SOURCE: PR:317

SOURCE: Clow, K.E., & Baack, D. (2010). *Integrated advertising, promotion, and marketing communications* (4th ed.) [pp. 272-273]. Upper Saddle River, NJ: Prentice Hall.

82. A

The size of the person's social circles. Customer evangelists are individuals who are asked to sponsor a particular business or product. They usually are already acquainted with and devoted to the business or product. When selecting or developing a customer evangelist for a restaurant, marketers need to consider the size of the person's social circles. If the person knows a lot of people in a lot of different places, s/he will have much more opportunity to tell people about the restaurant. The person's educational background, work schedule, and political affiliation are much less likely to be important when selecting or developing customer evangelists.

SOURCE: PR:273

SOURCE: Clow, K.E., & Baack, D. (2010). *Integrated advertising, promotion, and marketing communications* (4th ed.) [p. 273]. Upper Saddle River, NJ: Prentice Hall.

83. C

Influencer. An influencer is an individual who has the credibility and capability to share his/her positive product/service experiences with a large population. The talk show host is popular and has the means to talk with thousands of people about her positive hotel experience at the same time via her show and blog. She is not acting as an advertising agent, fact-finding personality, or infomercial host. An advertising agent is someone who develops paid forms of nonpersonal presentation of ideas, goods, or services. A fact-finder is a basic type of customer personality characterized by the customer's challenging a salesperson to know the products, doing comparison shopping, liking to see variety, and/or wanting factual information. An infomercial host is someone starring in a lengthy commercial that look likes a television program.

SOURCE: PR:321

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). *Advertising & integrated brand promotion* (5th ed.) [p. 662]. Mason, OH: South-Western Cengage Learning.

84. D

Simple, common words. Effective advertising headlines usually use familiar, simple words that are easy to understand and read. Effective advertising headlines typically use just one typeface—multiple typefaces can be distracting. Since long sentences are more difficult to remember, most headlines are only about five to eight words in length. Most effective headlines contain the brand name being advertised.

SOURCE: PR:330

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). *Advertising & integrated brand promotion* (5th ed.) [pp. 384-386]. Mason, OH: South-Western Cengage Learning.

85. D

RU hungry? thN stop by Pete's <) 4 a fre slice. 2day 1ly. CU sn. Although text messaging abbreviations are typically avoided in mobile ad copy, there are times when they are appropriate. For instance, if a restaurant's target market is teenagers, then it might send a mobile ad to teenagers in "their" language—text messaging lingo. Teenagers are more likely to respond to a message that uses the same abbreviations that they do rather than writing out every word in what becomes a very long message. While shorter messages are better, "Pete's Pizza. Free slice." is too short to give the ad recipients all of the information that they need, such as the fact that the offer is only good today.

SOURCE: PR:318

SOURCE: Lingo 2 Word. (2001-2010). *Translate to text message lingo*. Retrieved February 24, 2010, from <http://www.lingo2word.com/translatetxt.php?searcher1=word&tosearch1=Create+Cool+Text+Messages+,+Just+Type+Your+Message+in+the+left+box>

86. A

Laminate. A laminate proof, also known as an adhesive proof, is actually a composite of multiple layers that are laminated together. Colors in laminate proofs are usually very accurate. Bluelines show a single-color image. Velox proofs are in black and white, not color. Overlay proofs contain multiple colors, but the colors are not very accurate. Therefore, if Kenzie is concerned how colors will appear in the magazine ad, she should use the laminate proof.

SOURCE: PR:130

SOURCE: Lane, W.R., King, K.W., & Russell, J.T. (2005). *Kleppner's advertising procedure* (16th ed.) [pp. 556-558]. Upper Saddle River, NJ: Pearson/Prentice Hall.

87. A

Increase their public presence. Hospitality organizations typically participate in a number of community activities such as making donations to local charities, supporting community interests, and participating in chamber of commerce activities. By doing so, they raise the community's awareness of them. By increasing their public presence, these hospitality organizations hope to enhance their image and generate more business. Participating in community activities does not necessarily increase a hospitality organization's tax abatements, decrease expenses, or decrease employee discounts.

SOURCE: PR:315

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 494-496]. Albany, NY: Delmar/Thomson Learning.

88. A

Behavioral. Many businesses and organizations use online advertisements to attract Internet users to their web sites. Behavioral advertising is based on an Internet user's past activities on the web, including web sites that s/he visited and search terms that s/he used to reach these web sites. Even though Kimberly was not researching Cincinnati tourist activities and hotels on Wednesday, the behavioral advertising system recognized that she spent a good deal of time checking out Cincinnati web sites just a few days before. As a result, a CincinnatiUSA.com ad appeared on web site that had nothing to do with Cincinnati, tourist activities, or hotels—just in case she was still interested in Cincinnati-related information. Contextual advertising is advertising that is displayed based on the web site being viewed at the time. So, contextual advertising on a web site about the French Revolution is much more likely to promote History.com than CincinnatiUSA.com. Word-of-mouth advertising is promotion and publicity for a business provided by customers who tell others of their satisfaction with the business. Sponsorship advertising involves marketers who pay to have their name associated with a special event or program.

SOURCE: PR:333

SOURCE: Roberts, M. (2008). *Internet marketing: Integrating online and offline strategies* (2nd ed.) [pp. 165-167]. Mason, OH: Cengage Learning.

89. B

Portions of the press kit must be updated periodically. While some sections of a hotel press kit only need to be written once, other portions must be updated periodically. For example, if the hotel facility expands and/or starts offering more services, then the description of special features, facilities, and services must be updated in the press kit. The general manager and other key members of management are named in the press kit, and their biographies are often included. The hotel's financial statements do not need to be included in the press kit. The hotel press kit should be written prior to receiving media requests for information.

SOURCE: PR:226

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 497-498]. Albany, NY: Delmar/Thomson Learning.

90. A

Plan the table layout according to scale. When planning and preparing a facility for a special event, hospitality and tourism professionals need to consider the size of the meeting space, tables, chairs, and space taken by guests when seated at the tables. If the meeting space is staged without consideration for how much space each piece of furniture and guest will need, the tables and chairs might be placed so closely together that guests and wait staff would not be able to move easily around the room. A classroom-style table layout is one of many possible layout options. Regardless of which layout is used, event planners should still plan the table layout according to scale. While it is important to determine the acoustic qualities of a venue, the sound quality of the room is unlikely to impact whether the guests have room to move around. A cyclorama is a drape used at the back of a stage to create a sense of distance. It has no impact on how much space guests have to move in during a special event.

SOURCE: PR:068

SOURCE: Van Der Wagen, L., & Carlos, B.R. (2005). *Event management for tourism, cultural, business, and sporting events* (pp. 153-156). Upper Saddle River, NJ: Pearson Prentice Hall.

91. D

Processing. A number of different measurements can be used to track promotional activities such as advertising. For example, processing measures can be used to track how customers respond to the advertising. Exposure measures are used to track how many potential customers have been exposed to advertisements. Market-share measures help marketers determine if they have achieved the sales that they wanted. Communication effects measures can be used to track if customers are reacting to advertising in the way that advertisers had hoped.

SOURCE: PR:335

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [p. 409]. Albany, NY: Delmar/Thomson Learning.

92. C

Historic Hudson River Towns, Inc. Many different levels of government develop tourism promotion agencies to market their state, county, city, or general area to potential tourists. These agencies do not promote any one particular hotel, travel agency, restaurant, etc. Instead, a tourism promotion agency promotes an entire region as a tourist destination. Historic Hudson River Towns, Inc., for example, is a consortium of small towns up and down the Hudson River in New York. The agency promotes all of the towns and provides information on many different lodging, entertainment, dining, and other hospitality operations in the area. Conference centers, museums, and frequent flyer programs are not tourism promotion agencies.

SOURCE: PR:121

SOURCE: Cook, R.A., Yale, L.J., & Marqua, J.J. (2010). *Tourism: The business of travel* (4th ed.) [p. 287]. Upper Saddle River, NJ: Prentice Hall.

93. B

Escape! Although Luisa's posters, brochures, and props may be very eye-catching, she needs to put a written theme or catch phrase in her display. Effective displays usually contain some type of key copy that sums up the whole idea or theme that the business is trying to communicate to customers. Like effective advertising headlines, effective catch phrases are usually short and very memorable. The catch phrase "Escape!" is short, conveys the message that the travel agency wants to send to customers (to escape from the cold and go someplace warm), and is likely to be remembered. "Talk to Our Travel Agents to Learn More!" is rather long and is too generic to use as a catch phrase for this particular display. "Sale!" is short, but it, too, is rather generic. "Caribbean Cruises on Sale Now!" is likely to make an impression with some individuals, but it does not sum up the whole theme of the display as well as "Escape!" does.

SOURCE: PR:162

SOURCE: Pegler, M. M. (2006). *Visual merchandising and display* (5th ed.) [p. 268]. New York: Fairchild Publications, Inc.

94. C

Calmly explain why the objection is not accurate/relevant. Rather than ignoring customer objections and concerns, sales representatives should face them head-on. However, that doesn't mean that a salesperson should give in to whatever the customer wants or argue with the customer about his/her objection or concern. Instead, a sales representative should acknowledge the objection or concern and calmly explain why the objection is not correct or important.

SOURCE: SE:874

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 472-473]. Albany, NY: Delmar/Thomson Learning.

95. C

Up-selling. Up-selling is a sales technique in which a higher priced product than the one originally requested by the customer is suggested. The customer-service agent suggested that Maddie pay a bit more for a higher-priced business-class ticket rather than sitting in economy-class, which is what Maddie had planned to do. Affiliate marketing is the process of promoting and selling another business's products on a web site in exchange for a sales commission. The ticket agent is selling her/his company's products, not another business's merchandise. Comparison shopping is the act of visiting other businesses to learn what competing stores are selling and the prices they charge. Maddie is not comparison shopping. A trade-in allowance is a price reduction offered for selling back an old model of the product being purchased. There is no indication that the airline would reduce the price of a business-class ticket for Maddie.

SOURCE: SE:476

SOURCE: Kaser, K., & Freeman, J.T. (2002). *Hospitality marketing* (p. 57). Mason, OH: South-Western.

96. A

Physical. Physical motivators relate to a need to relieve stress in some way. Different people relieve stress in different ways on their vacations, including through sports, entertainment, or relaxing. Annie is likely to choose a hospitality and tourism site that provides her with the opportunity to rest and rejuvenate, such as a spa or a beach. People who make travel decisions based on their desire to learn about a new place are influenced by cultural motivators. Interpersonal motivators cause travelers to seek out destinations where they can make new friends and meet different people. Status- and prestige-related motivators cause individuals to seek out ways to garner recognition from others or improve themselves in some way.

SOURCE: SE:220

SOURCE: Burke, J., & Resnick, B. (2000). *Marketing & selling the travel product* (2nd ed.) [p. 141]. Albany, NY: Delmar/Thomson Learning.

97. D

Sleeping room or hostel. Sleeping rooms and hostels are inexpensive lodging alternatives that are frequented by young adults and others who are interested in paying very little for their sleeping accommodations. An extended-stay hotel is a mid-priced hotel that caters to guests who need accommodations for an extended length of time. Although Frankie plans to be in Europe for three months, he probably doesn't intend to stay in any one place for a long period of time. In addition, extended-stay hotels, destination resorts, and timeshares are much more expensive than sleeping rooms and hostels. Destination resorts are full-service hotels that provide additional attractions and recreational alternatives for travelers. Timeshares are not necessarily resorts. Time shares are lodging properties that sell their rooms to travelers for use each year during a specific period of time.

SOURCE: SE:221

SOURCE: Ninemeier, J.D., & Perdue, J. (2008). *Discovering hospitality and tourism: The world's greatest industry* (2nd ed.) [pp. 61-62,152]. Upper Saddle River, NJ: Pearson Prentice Hall.

98. C

To increase the number of families dining at Big Roy. Although Big Roy is potentially selling the gift certificates at a huge loss (\$25.00 in gift certificates for \$3.99), the restaurant expects to more than cover this loss through future sales. Big Roy is anticipating that when a child receives one of these gift certificates, her/his entire family will accompany the child to Big Roy. The restaurant's overall sales among families will increase because the child's parents will purchase meals for themselves and possibly dessert for everyone in the family. The restaurant's primary motivation is not likely to be to publicize its cakes and pies, feed underprivileged children, or generate any initial profit from the sale of each packet of gift certificates.

SOURCE: SE:479

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 449-450]. Albany, NY: Delmar/Thomson Learning.

99. C

Time-fused. Time-fused coupon offers usually include multiple coupons that are only good during specified days, weeks, or months. If a coupon says that it is valid only during the second week of April, for example, line employees should only accept that particular coupon during its corresponding week—the second week of April. Bounce-back coupons are given to customers with their food orders to encourage them to use the restaurant again. There is no indication of how Clucky's coupons are distributed to potential customers. Price-offs are not coupons. Instead, they are advertised price reductions that may only be good for certain food items or target markets. A premium is also not a coupon. Premiums are items that a business offers free to the purchaser of a particular product (e.g., buy a spicy chicken sandwich and get a large order of fries for free).

SOURCE: SE:149

SOURCE: Morrison, A.M. (2002). *Hospitality and travel marketing* (3rd ed.) [pp. 444-446]. Albany, NY: Delmar/Thomson Learning.

100. D

Ensures that the daily activities are carried out. First-line managers work directly with the employees who carry out the business's routine work. They are responsible for ensuring that the employees perform their work accurately and efficiently. Top-level managers set the organization's goals and make decisions about the overall business, such as determining if it is feasible to enter new markets. Middle-level managers develop tactical or short-term plans to carry out the executive (top-level) management's strategic plans.

SOURCE: SM:001

SOURCE: SM LAP 3—Manage This! (Concept of Management)