



SAMPLE EXAM

HOSPITALITY + TOURISM CAREER CLUSTER

THE HOSPITALITY AND TOURISM CAREER CLUSTER
EXAM IS USED FOR THE FOLLOWING EVENTS:

HOTEL AND LODGING

RESTAURANT AND FOOD SERVICE MANAGEMENT

TRAVEL AND TOURISM

These test questions were developed by the MBA Research Center. Items have been randomly selected from the MBA Research Center's Test-Item Bank and represent a variety of instructional areas. Performance indicators for these test questions are at the prerequisite, career-sustaining, and specialist levels. A descriptive test key, including question sources and answer rationale, has been provided.

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

Test Number 1156
Booklet Number _____

Hospitality and Tourism Exam

Hotel and Lodging Event

Restaurant and Food Service Management Event

Travel and Tourism Event

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

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1. Environmental law attempts to protect
 - A. people from the environment.
 - B. the environment from damaging actions.
 - C. corporations from the environment.
 - D. corporations from the government.

2. Quantex is organized as a partnership with eight equal partners. The partners would like to expand their business but limit the amount of money they could personally lose if the business were to fail. What form of ownership should Quantex consider?
 - A. Partnership
 - B. Sole proprietorship
 - C. Monopoly
 - D. Corporation

3. Which of the following is true regarding passenger rights in the air travel industry:
 - A. Airlines must provide monetary compensation if a flight is delayed due to bad weather.
 - B. If baggage is lost, airlines pay a flat fee to reimburse the passenger.
 - C. There is an international "Bill of Rights" to protect air travel consumers.
 - D. It is legal for an airline to overbook a flight.

4. A hotel follows governmental regulations that are developed to protect the general population's
 - A. trade and licensing agreements.
 - B. health and safety.
 - C. taxation earnings.
 - D. advertising practices.

5. The Parnell Company buys a variety of similar goods and sells them to specialty shops for resale. What type of intermediary is the Parnell Company?
 - A. Agent
 - B. Wholesaler
 - C. Industrial user
 - D. Ultimate consumer

6. A bus-tour company develops a brochure that describes new tours it is offering in the upcoming year and sends it to the travel agencies that sell its tours. The travel agencies will use the brochures to communicate the tour information to their clients. This is an example of coordinating _____ with _____.
 - A. operations management; selling
 - B. channel management; promotion
 - C. information management; pricing
 - D. product/service management; production

7. Bill works for a large computer manufacturer that sells its products by means of a retailer. The manufacturer opens a new channel by selling computers directly to the customer from the company website. As a result, the retailer drops the manufacturer's brand from its shelves. This is an example of _____ conflict.
 - A. vertical
 - B. role
 - C. rewards
 - D. horizontal

8. Which of the following business resources provides information about the company's dress codes and vacation policies, and general rules for appropriate behavior:
 - A. Employee handbook
 - B. Productivity manual
 - C. Customer newsletter
 - D. Personnel record

9. What do business employees often include in oral presentations to make the presentations more interesting to the audience?
 - A. Detailed instructions
 - B. Written notes
 - C. Attractive visuals
 - D. Coffee breaks

10. An executive summary should
 - A. be at least 20 pages long.
 - B. give an expanded version of a report.
 - C. not be longer than 10% of the full report.
 - D. be read only after reading the full report.

11. What is a factor that affects a business's relations with its customers?
 - A. Attitude of employees
 - B. Location of suppliers
 - C. Behavior of competitors
 - D. Condition of associates

12. The ethics of big data are most likely to be a major issue for which of the following organizations:
 - A. Ford Motor Company
 - B. The National Football League
 - C. Main Street Diner
 - D. Facebook

13. Providing online distribution of products is one way that some businesses are able to use the distribution function to
 - A. reduce the cost of advertising.
 - B. eliminate warehousing.
 - C. speed up the billing process.
 - D. improve customer service.

14. Which of the following best describes a consumer good or service:
 - A. A product purchased by individuals for personal use
 - B. A product that is purchased for convenience
 - C. A product that can be used repeatedly
 - D. A product purchased by businesses for industrial use

15. If the supply of a product decreases while demand remains the same, the price the consumer is charged for the product will probably
 - A. decrease.
 - B. remain the same.
 - C. stabilize.
 - D. increase.

16. Which of the following is a basic question that all economic systems must answer:
 - A. How long will these goods and services last?
 - B. How much money will these goods and services make?
 - C. How will these goods and services be produced?
 - D. How many of these goods and services will sell?

17. Most businesses can increase their profits by
 - A. obtaining a subsidy.
 - B. increasing sales quotas.
 - C. improving worker efficiency.
 - D. cutting workers' hours.

18. Melanie's country is experiencing an economic recession. What is the best thing for her to do to help the economy expand?
- Collect her money
 - Save her money
 - Earn her money
 - Spend her money
19. Which of the following would **not** contribute to a country's comparative advantage:
- Limited technology
 - Skilled labor force
 - Climatic conditions
 - Availability of natural resources
20. What type of currency system is most likely to benefit a small country that relies heavily on exports to support its economy?
- Pegged
 - Free floating
 - Speculative
 - Decentralized
21. Whenever Jamie runs out of change, she helps herself to a little money from the business's petty cash fund. What Jamie is doing is
- reasonable.
 - dishonest.
 - justified.
 - impartial.
22. Which of the following negotiating strategies is appropriate to use when you won't see the other person again:
- Collaborative
 - Accommodating
 - Combative
 - Compromising
23. Lucy wants to have her painting complete by Wednesday so she can take it to the gallery, but she can't get the shade of blue she needs in time. Which step in developing an achievement orientation does Lucy need to remember?
- To be a leader
 - To ask for feedback
 - To be patient and persistent
 - To reward yourself for your accomplishments
24. Before you can lead change in the workplace, you must first
- recruit others to help you make the change.
 - communicate how the change will be implemented.
 - indicate why the change is necessary.
 - plan the change with others.
25. The goal-setting process should be
- vague.
 - collaborative.
 - complex.
 - solitary.
26. Which of the following is an action you could take to show respect:
- Start arguments with people
 - Avoid eye contact
 - Listen to other people's opinions
 - Interrupt others when they speak

27. What is the key reason that credit is used so widely by consumers and businesses?
- Credit allows consumers and businesses to purchase goods and services when they are needed.
 - Credit allows new employees and new businesses to purchase items before income levels out.
 - Credit allows consumers to stretch their spending beyond the actual limits of income.
 - Credit allows consumers and businesses to purchase major products without paying for them.
28. Margot wants to be sure that when she dies, her money, house, and cars will go to her sister. Margot should create a
- retirement fund.
 - will.
 - college savings fund.
 - bank account.
29. If William wants to determine the dollar amount that he has earned before taxes and other deductions for the pay period, he should look at the _____ on his paycheck stub.
- gross wages
 - net pay
 - year-to-date gross earnings
 - year-to-date net income
30. A person with a negative attitude toward risk is called
- risk-tolerant.
 - paranoid.
 - dauntless.
 - risk-averse.
31. On a balance sheet, a business categorizes its inventory and accounts receivable as
- current assets.
 - owner's equity.
 - long-term assets.
 - current liabilities.
32. Which of the following is essential to record at the time money is taken from petty cash:
- Name of person who witnessed the cash withdrawal
 - Account to which transaction should be charged
 - Name of person or business that will receive the money
 - General purpose of the transaction
33. William is a human resources manager who communicates on a professional website with acquaintances and former business associates for the purpose of finding new employees for his company. William is using
- an online networking method for recruitment purposes.
 - the company intranet for interviewing candidates.
 - a database for employee-performance reviews.
 - the company blog for hiring recent college graduates.
34. Which of the following is an example of ethical behavior in marketing-information management:
- Using complex processes for customers to opt out of email correspondence
 - Changing survey feedback to reflect a positive research outcome
 - Distributing the telephone numbers of customers without their permission
 - Implementing procedures to protect the privacy of survey respondents

35. Majestic Hotels is a chain of lodging facilities that focuses its efforts on serving business and convention travelers. Currently, the chain is collecting demographic and tourism information from the various locales with multiple musical and theatrical venues. The most likely reason why Majestic is collecting this information is to
- review its strengths and weaknesses in relation to its competitors.
 - evaluate guest-satisfaction levels with its existing services.
 - analyze problems associated with a decrease in overall sales.
 - determine if it should enter another market.
36. A decision problem may be translated into several
- research problems.
 - sets of secondary data.
 - other decision problems.
 - situation analyses.
37. Which of the following marketing research designs is often referred to as statistical research:
- Descriptive research
 - Causal research
 - Numerical research
 - Exploratory research
38. Which of the following is a true statement regarding personal interviews:
- They are an inexpensive data-collection method.
 - They are superficial (surface level).
 - They tend to be accurate and reliable.
 - It is easy to find respondents for personal interviews.
39. Which of the following is a website that is likely to provide statistical tourism information for a specific destination:
- The local chapter of the American Marketing Association
 - The Farmer's Almanac
 - Transportation Security Administration
 - The local chamber of commerce
40. Last year's quarterly sales for Mountain High Ski Resort were as follows:
1st Quarter: \$652,276; 2nd Quarter: \$947,550; 3rd Quarter: \$423,835; 4th Quarter: \$345,766
- What does the data reveal about the resort's sales?
- The combined first and third quarter revenues are over half of the resort's annual sales.
 - The fourth quarter's sales indicate that the resort is experiencing financial problems.
 - The resort failed to meet its annual sales objectives.
 - The resort's peak season occurred during the second quarter.
41. An airline surveyed business travelers to evaluate their flying habits. Out of 325 persons surveyed, 56 of the respondents fly once a year; 93 of the respondents fly three times a year; 67 of the respondents fly four times a year; 81 of the respondents fly five times a year; and 28 of the respondents fly seven times a year. Determine the mode of the number of times per year that respondents fly.
- 67
 - 93
 - 3
 - 3.7
42. The research data indicate a correlation of $-1 > r > 0$. What does that tell you?
- The two variables tend to increase or decrease together.
 - One variable increases as the other variable decreases.
 - There is perfect correlation between the two variables.
 - The two variables do not vary together at all.

43. A business has very little information about the way its customers view its new product line. Which of the following is a marketing research method that will help the business acquire a variety of perspectives and opinions in a short period of time:
- A. Service evaluation form
 - B. In-depth personal interview
 - C. Focus group
 - D. Environmental scan
44. Which of the following statements is true about B2B (business-to-business) marketing:
- A. Professional buyers tend to seek product information from their peers.
 - B. Businesses tend to focus on personal selling rather than promotion.
 - C. One employee tends to make all of the business's buying decisions.
 - D. After-the-sale service is not a primary factor when making a buying decision.
45. A major pharmaceutical company is considering replacing meetings with teleconferences and substituting regional meetings for national meetings. This consideration is in response to which factor affecting marketing in the travel environment?
- A. Technology
 - B. Competition
 - C. Economic
 - D. Legislation and regulation
46. Which of the following is a true statement about marketing-plan formats:
- A. They must be double-spaced.
 - B. They vary from business to business.
 - C. They must include charts and graphs.
 - D. They must put situation analysis before desired target market.
47. A tour operator put together a tour package for baby boomers who are interested in southwestern art. The tour group will visit a variety of locations in the southwest but will operate individually rather than as a guided tour. What factors did the tour operator use to segment the market?
- A. Age and life cycle
 - B. Gender and culture
 - C. Geography and gender
 - D. Personality and life cycle
48. To complete a report about commercial loans, Lola needs to review a specific online article called, "The Truth About Commercial Interest Rate Increases." Which of the following search entries will provide Lola with the most accurate results:
- A. "-the_truth_about_commercial_interest_rate_increases-"
 - B. {truth_ commercial interest rate_ increases}
 - C. [-the -truth -about -commercial- interest -rate -increases]
 - D. "the truth about commercial interest rate increases"
49. An MIS (management information system) involves people, processes, and
- A. practices.
 - B. payroll.
 - C. financial statements.
 - D. decisions.
50. Employees should use the find-and-replace function in a word-processing program to
- A. track the changes made to the document.
 - B. change a phrase that appears several times in a long document to another phrase.
 - C. verify that the document is free of spelling and punctuation errors.
 - D. change the default language in the document to another language.

51. A hotel wants to purchase computer software that would store, manage, and retrieve customer information in order to better serve customer needs and increase sales. What type of software should the hotel buy?
- A. Database
 - B. Spreadsheet
 - C. Word processing
 - D. Computer-aided design
52. What type of business record can a gift shop review to determine how many customers purchased items on Tuesday?
- A. Inventory status records
 - B. Quarterly credit statements
 - C. Cash balances
 - D. Daily sales receipts
53. A primary reason for a business to interpret statistical findings is to
- A. increase production.
 - B. promote creativity.
 - C. aid decision making.
 - D. influence buyers.
54. Hospitality businesses are developing strategies to accommodate niche markets. Skydivers are an example of a group in a growing segment called the _____ market.
- A. agritourism
 - B. environmental
 - C. adventure
 - D. geotourism
55. Minimizing expenses to boost profitability may result in
- A. higher product quality.
 - B. higher taxes.
 - C. government fines.
 - D. reduced wages or benefits.
56. Requiring employees to wear appropriate clothing on the job is one way that businesses can maintain a(n)
- A. safe work environment.
 - B. comfortable atmosphere.
 - C. industrial image.
 - D. sanitary facility.
57. Which of the following is an internal human resource that a business can use to perform the work to complete a project:
- A. Intermediaries
 - B. Vendors
 - C. Customers
 - D. Employees
58. In which of the following situations might a project planner estimate that it will take three 40-hour weeks to complete a task that can be performed in 50 hours:
- A. The assigned employee schedules a one-week vacation.
 - B. Management organizes a two-day weekend meeting.
 - C. Many employees work flexible 40-hour schedules.
 - D. The business plans to observe a one-day national holiday.

59. How does marketing-research data help a business's production planning?
- By determining how products will be produced
 - By identifying consumers' needs and wants
 - By identifying resources needed in production
 - By setting the timetable to use in production
60. A business determines how much it costs to make a product and then adds a predetermined markup to set its selling price. This is an example of
- gross profit.
 - price-based costing.
 - economies of scale.
 - cost-based pricing.
61. How do some hotels use automated systems in emergency fire situations?
- To identify hazardous materials
 - To open the fire doors
 - To contact all guest rooms
 - To prevent bomb threats
62. A cruise ship security specialist may advise a tourist who is going ashore at a port of call to
- use any of the transportation services available.
 - travel alone instead of in an organized group.
 - limit shore tours to ones approved by the cruise line.
 - wear valuable jewelry while on shore.
63. Which problem-solving method requires you to think of things that could make the problem worse?
- Reverse brainstorming
 - Brainstorming
 - Seven-step
 - Finding the root of the problem
64. To stay current on industry trends, promotional methods, and educational opportunities, a hotel manager might
- hire an assessment consultant for staff evaluation.
 - develop a staff training manual.
 - attend a session with a motivational speaker.
 - join a professional trade association.
65. Matthew has been promoted to vice president of a tour company. Which of the following is the career progression that Matthew most likely followed to get to his current position:
- Assistant tour guide manager, tour-guide manager, director of rooms, marketing director
 - Tour guide, assistant tour-guide manager, food and beverage manager, director of sales
 - Tour guide, assistant tour-guide manager, tour-guide manager, product manager
 - Assistant tour-guide manager, tour-guide manager, sales assistant, food and beverage manager
66. What is a negative consequence to a business that engages in the unethical practice of price gouging?
- Excessive profits
 - High sales
 - Poor image
 - Weak competition
67. A travel agency offers a travel package that consists of airfare, hotel accommodations, and car rental for a single price that is lower than the price of all of the package elements if they were purchased separately. The travel agency is using a(n) _____ pricing strategy.
- captive
 - odd
 - prestige
 - bundle

68. Which of the following factors impacts the price of hospitality and tourism products:
- Inelasticity
 - Tangibility
 - Fragility
 - Seasonality
69. What can help product/service managers predict whether a new product will be successful before a business makes a major investment?
- Company goals
 - Market research
 - Product life cycles
 - Product monitoring
70. While dining at Lombardi's Italian Restaurant, Mrs. Barnhart asked the restaurant manager about catering services. The manager told her that the restaurant does not offer catering services. When the manager mentioned Mrs. Barnhart's question to the restaurant owner, the owner thought that catering services would be a great way to grow the business. In this situation, a product opportunity resulted from a(n)
- employee's suggestion.
 - manager's complaint.
 - customer's inquiry.
 - dissatisfied patron.
71. After a tour operator brainstorms ideas for new tours, the next step is to _____ the ideas.
- develop
 - test
 - implement
 - screen
72. Which of the following systems eliminates the need for customers to inspect each product before making a purchase:
- Warranties and guarantees
 - Grades and standards
 - Brands and packaging
 - Health and sanitation
73. Can any brand name be selected and used by a business?
- Yes, a business can use any name it wants to use.
 - No, the name must be legally available for use.
 - No, the name must be registered before it can be used.
 - Yes, brand names cannot be owned by a business.
74. The Queen Mary is a retired ocean liner that transported passengers between England and the United States from the 1930s through the mid-1960s. For a brief time during World War II, the military retrofitted the ship to use as a troopship. In 1967, the ship moved to Long Beach, California, and now serves as a stationary "floating" hotel and event venue that reflects the décor of days gone by. Based on the information provided, what is the Queen Mary's competitive advantage?
- Its unique historical attributes
 - Its tropical excursion options
 - Its gaming and entertainment attractions
 - Its customer-service efforts
75. Which of the following is the core product in the hospitality industry:
- Food service
 - Entertainment
 - Retailing
 - Lodging

76. A tour operator who owns two tour boats that offer dinner cruises purchases a custom-made boat to offer deep-sea fishing trips. This is an example of
- brand positioning.
 - product bundling.
 - a product extension.
 - a corporate brand.
77. Some of the criteria that a business should use in the selection of a vendor include the vendor's credit and delivery terms, services, and
- open-to-buy.
 - discounts.
 - cash flow.
 - planned sales.
78. How do competing businesses within the same industry usually react to each other's promotional mixes?
- By trying not to outdo each other
 - By reducing their promotional budgets
 - By playing follow the leader
 - By changing distribution channels
79. Which of the following is an advantage of using the Internet for direct marketing:
- It eliminates the need for other types of marketing.
 - It is a relatively affordable form of marketing.
 - It is less flexible than other forms of marketing.
 - It involves face-to-face contact with customers.
80. Effective corporate blogs are typically
- search-engine friendly.
 - updated once per month.
 - highly technical in nature.
 - written by one author.
81. The Fun-O-Rama Amusement Park is located in Albany, New York. Which of the following websites is the park's target market most likely to visit:
- AlbanyCatering.net
 - AlbanyLibrary.gov
 - albanylegalservices.com
 - albanytourismbureau.org
82. The Treetop Resort and Spa wants to increase its website'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:
- Extensive use of JavaScript
 - Detailed, accurate site map
 - Widespread HTML code
 - Website age and longevity
83. Which of the following colors would create cheerfulness in an advertisement:
- Green
 - Blue
 - Yellow
 - Red
84. A print advertisement contains a drawing of a turtle dressed up to look like a tourist taking pictures with a camera. This type of illustration involves the use of
- remediation.
 - animation.
 - personification.
 - simulation.

85. Which public-relations activity is most likely to help a local tour business create a favorable image within its community:
- A. Launching an advertising campaign that introduces its new logo
 - B. Sponsoring a charitable event to raise funds for the area's hospital
 - C. Supporting a controversial issue that potentially endangers wildlife
 - D. Developing a feature story for the business's employee newsletter
86. As an element of its public-relations program, a travel agency decides to support the local community's literacy initiatives. Which of the following would be the most appropriate activity for the travel agency to implement:
- A. Donating books to local elementary schools
 - B. Providing a college scholarship
 - C. Organizing a 5K to raise funds for cancer research
 - D. Sponsoring a blood drive at a local high school
87. Which of the following activities occurs during the **planning** phase of the website development process:
- A. Designing the page layout
 - B. Writing easy-to-understand copy
 - C. Determining how to take orders
 - D. Ensuring compatibility of website with browsers
88. To reinforce a positive image with the local community, a business's public-relations department may coordinate activities that involve
- A. services marketing.
 - B. product branding.
 - C. charitable causes.
 - D. organizational issues.
89. Which of the following items are the most appropriate to include in the Whispering Pines Bed and Breakfast Inn's press kit:
- A. Photos of the inn, breakfast menu, informational brochure, and press releases
 - B. Business card, press releases, a current guest list, and copies of published feature articles
 - C. Press releases, photos, recipe ideas, and a copy of the community newspaper
 - D. List of awards, photos of the rooms, a current guest list, and press releases
90. What activity should occur first when planning a special event?
- A. Brainstorming
 - B. Scheduling
 - C. Shopping
 - D. Budgeting
91. What component of the promotional plan describes the specific tools that the business will use to promote its goods and services?
- A. Budget
 - B. Objectives
 - C. Tactics
 - D. Evaluation
92. A riverboat tour company placed an ad containing a 20% discount coupon for its May weekend tours in a printed destination guidebook. What marketing metric will help the tour company determine the effectiveness of the promotion?
- A. Coupon-redemption rate
 - B. Mail-in rebate rate
 - C. Market-share percentage rate
 - D. Click-through rate

93. Because Jasmine is an outside sales representative, she spends a lot of her time driving her car to call on her clients at their offices. What form of technology may help Jasmine avoid traffic jams and prevent her from getting lost?
- A. Automated personal planner
 - B. Global positioning system
 - C. Electronic data interchange
 - D. Business analysis software
94. Acquiring product information makes sales presentations more
- A. simple.
 - B. exciting.
 - C. accurate.
 - D. incredible.
95. Patrick has taken his car to Parnell's auto repair shop for several years. He feels comfortable taking his car to Parnell's because the employees perform their work competently, and the business charges a reasonable fee for the work. In this situation, Patrick's buying motive is based on
- A. status.
 - B. testimonials.
 - C. culture.
 - D. patronage.
96. Which of the following is a benefit to the salesperson of questioning customers:
- A. Enables salesperson to avoid offending customers
 - B. Enables salesperson to obtain information from customers
 - C. Helps salesperson to understand the business's needs
 - D. Helps salesperson to make the buying decision
97. Which of the following is a mistake to avoid when closing a sale:
- A. Rushing customers through the product demonstration
 - B. Demonstrating the features and benefits of products
 - C. Waiting patiently for the customer to make up his/her mind
 - D. Using terms that refer to the customer's ownership of the product
98. Which of the following best describes trading-up:
- A. Suggesting that the customer buy an assortment of goods
 - B. Attempting to build up the total amount of the sale
 - C. Persuading a customer to buy better quality, higher priced goods
 - D. Using high-pressure methods to sell more
99. Which of the following techniques might a salesperson use to try to sell goods to customers who say that they are just looking:
- A. Follow them around
 - B. Ask personal questions
 - C. Point out specials
 - D. Leave them entirely alone
100. The management function of business is usually responsible for
- A. preparing ads.
 - B. serving customers.
 - C. setting policy.
 - D. stocking shelves.



KEY

Test Number 1156

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1. B
The environment from damaging actions. Environmental law encompasses state and federal laws and regulations that protect the air, water, wilderness, and other aspects of the environment from damaging actions by companies and the public. Environmental law is not intended to protect people or corporations from the environment. It is also not intended to protect corporations from the government.
SOURCE: BL:073
SOURCE: Clean Water Partners. (2008). *What is environmental law?* Retrieved November 22, 2016, from <http://www.cleanwaterpartners.org/environmental-law.html>
2. D
Corporation. A corporation would benefit the partners by allowing them to have limited liability and greater financial power by issuing stock. A partnership is a form of business ownership in which the business is owned by two or more persons who combine the capital, but the partners have unlimited financial liability. A sole proprietorship is a form of business ownership in which the business is owned by one person who has limited capital and unlimited liability. A monopoly is a condition in which a market is controlled by one supplier, and there are no substitute goods or services readily available.
SOURCE: BL:003
SOURCE: BL LAP 1—Own It Your Way (Types of Business Ownership)
3. D
It is legal for an airline to overbook a flight. Since there are no laws preventing airlines from overbooking flights, bumping passengers from flights is common when traveling by air. The U.S. Department of Transportation does, however, require that airlines first ask for volunteers to give up their seats in exchange for compensation. This may be in the form of cash or a voucher. The amount a passenger is compensated for lost luggage is subject to negotiation. Most airlines have a ceiling on the amount paid (\$2,500/passenger); international travelers are paid \$9.07/lb. Currently, there is no international "Bill of Rights." However, in 2011 the U.S. Department of Transportation expanded its airline passenger protections to better safeguard passengers from lost baggage fees, overbooked flights, and hidden airline fees. Airlines are not required to pay any compensation for flight delays due to bad weather.
SOURCE: BL:135
SOURCE: Travel Images. (n.d.). *United States: The rights of air passengers*. Retrieved December 13, 2016, from <http://www.travel-images.com/passenger-rights-us.html#overbooking>
4. B
Health and safety. Hotels that do not maintain a safe and clean environment increase the risk of injuries and illness to guests and employees. Governments develop regulations for hospitality businesses (e.g., hotels) to follow in order to protect the general public from injury, disease, and unethical business activities. The general population does not engage in advertising practices or trade and licensing agreements, businesses and governments do. Businesses and individuals do not earn profits through taxation.
SOURCE: BL:065
SOURCE: Stone, J. (2016). *How OSHA regulations affect the hotel business*. Retrieved November 22, 2016, from <http://smallbusiness.chron.com/osha-regulations-affect-hotel-business-67443.html>
5. B
Wholesaler. A wholesaler is an intermediary who helps to move goods between producers and retailers by buying goods from producers and selling them to retailers (e.g., specialty shops). The retailers then sell the goods to the end users or ultimate consumers. Agents are intermediaries who assist in the sale and/or promotion of goods and services but do not take title to them. An industrial user is a business that buys materials, services, or goods, which it uses to make other goods or uses for company operations.
SOURCE: CM:003
SOURCE: CM LAP 3—Channel It (Channels of Distribution)

6. B

Channel management; promotion. It is important for a business (e.g., tour-bus company) to coordinate its promotional efforts with its channel members (e.g., travel agencies) so they know that the products (e.g., tours) are available for the end users (e.g., tourists) to purchase. Operations management is the process of planning, controlling, and monitoring the day-to-day activities required for continued business functioning. Selling is the marketing function that involves determining client needs and wants and responding through planned, personalized communication that influences purchase decisions and enhances future business opportunities. Information management is the process of accessing, processing, maintaining, evaluating, and disseminating knowledge, facts, or data to assist business decision making. Pricing is the marketing function that involves determining and adjusting prices to maximize return and meet customers' perceptions of value. Product/Service management is the marketing function that involves obtaining, developing, maintaining, and improving a product or service mix in response to market opportunities. Production is the process or activity of producing goods and services.

SOURCE: CM:007

SOURCE: Kotler, P., & Armstrong, G. (2008). *Principles of marketing* (12th ed.) [pp. 10-11, 12-17, 44-45]. Upper Saddle River, NJ: Prentice-Hall.

7. A

Vertical. This is an example of conflict between two different levels of a distribution channel, the manufacturer and the retailer; therefore, it is an example of vertical conflict. Role and rewards conflict are fictitious terms. Horizontal conflict is conflict between firms on the same level of a distribution channel, for example between franchisees of a hotel chain.

SOURCE: CM:008

SOURCE: Kotler, P., & Armstrong, G. (2008). *Principles of marketing* (12th ed.) [p. 339]. Upper Saddle River, NJ: Prentice-Hall.

8. A

Employee handbook. Businesses often develop employee handbooks that provide information about their general policies and procedures. For example, a business might outline overtime and vacation policies, disciplinary and grievance procedures, pay schedules, dress codes, and behavioral expectations in its employee handbook. Employee handbooks are usually given to new employees when they first start their jobs. Productivity manuals, customer newsletters, and personnel records are not sources that workers use to obtain information about a company's general policies and procedures for employees.

SOURCE: CO:057

SOURCE: Clark, B., & Commers, J. (2013). *Entrepreneurship* (pp. 400-401). Tinley Park, IL: The Goodheart-Willcox Co.

9. C

Attractive visuals. The use of attractive visuals often enhances an oral presentation because visuals make the information easier to understand. Also, visuals attract attention and help to keep the audience focused on the message. Having charts, graphs, photographs, or slides helps to make the presentation more interesting to the audience. Employees do not include written notes, detailed instructions, or coffee breaks to make oral presentations more interesting to the audience.

SOURCE: CO:025

SOURCE: Kissmetrics. (2016). *6 types of visual content you need to use in your marketing campaigns*. Retrieved November 22, 2016, from <https://blog.kissmetrics.com/visual-content-you-need-to-use-in-your-marketing-campaign/>

10. C

Not be longer than 10% of the full report. An executive summary gives an overview of a full document. They should not go beyond 10% of the length of the full report. They give a condensed version of a report, not an expanded one. They should not exceed 10 pages. They are generally read before reading the report or instead of reading the report.

SOURCE: CO:091

SOURCE: Bird, B. (2016). *How to write an executive summary*. Retrieved November 22, 2016, from http://www.ehow.com/how_16566_write-executive-summary.html.

11. A
Attitude of employees. The attitude that employees project towards customers has a significant effect on the type of relationship that businesses develop with customers. Employees who are friendly, polite, and helpful to customers help a business to establish and maintain positive customer relations. On the other hand, employees who appear bored and ignore customers make a poor impression and may damage a business's relations with its customers. Location of suppliers, behavior of competitors, and condition of associates are not factors that affect a business's relations with its customers.
SOURCE: CR:003
SOURCE: Peopleink. (2012, November 1). *Psychology at work: Happy employees give better customer service*. Retrieved November 22, 2016, from <http://www.peopleink.com/blog/psychology-at-work-happy-employees-give-better-customer-service/>
12. D
Facebook. The ethics of big data are a major issue for Internet companies that have the ability to collect data from millions of users each day, such as Facebook, Amazon, or Google. Businesses such as the NFL, Main Street Diner, and the Ford Motor Company may deal with big data, but they do not face the ethical responsibilities of big data in the same way a company like Facebook does.
SOURCE: CR:017
SOURCE: CR LAP 17—Trust Is a Must (Ethics in Customer Relationship Management)
13. D
Improve customer service. Being able to quickly deliver products to customers often results in improved customer service. Some businesses are able to do this by providing online distribution, depending on the nature of the products. For example, some magazines and newspapers distribute online versions of their publications that consumers can access free or on a subscription basis. Other businesses sell software online that customers can download immediately. The advantage of online distribution is that customers can obtain products at their convenience, which often improves service. Online distribution does not necessarily eliminate warehousing because the business may sell other products that cannot be delivered in that manner. Online distribution does not speed up the billing process or reduce the cost of advertising.
SOURCE: DS:029
SOURCE: Ashe-Edmunds, S. (2016). *Methods of distributing a product*. Retrieved November 22, 2016, from <http://smallbusiness.chron.com/methods-distributing-product-45501.html>
14. A
A product purchased by individuals for personal use. Individuals who purchase and use goods or services to satisfy their own wants and needs are called ultimate consumers. Capital goods are manufactured or constructed items purchased by businesses for use in their operations. Convenience products are consumer goods (e.g., milk) that are purchased quickly without much thought or effort. Whether products can be used repeatedly refers to product durability.
SOURCE: EC:002
SOURCE: EC LAP 10—Get the Goods on Goods and Services (Economic Goods and Services)
15. D
Increase. A decrease in supply without a corresponding decrease in demand will result in an increase in the price of an item. This may create a seller's market in which demand is so great that consumers will buy regardless of high prices.
SOURCE: EC:005
SOURCE: EC LAP 11—It's the Law (Supply and Demand)
16. C
How will these goods and services be produced? Each economic system must explain what goods and services will be produced, how these goods and services will be produced, and for whom these goods and services will be produced. Economic systems do not have to answer the questions of how much money goods and services will make, how long goods and services will last, or how many goods and services will sell.
SOURCE: EC:009
SOURCE: EC LAP 15—People Power (The Private Enterprise System)

17. C
Improving worker efficiency. The more efficiently workers produce, the more likely the business is going to make added profits. Profit is the monetary reward a business owner receives for taking the risk involved in investing in a business. Cutting workers' hours would reduce expenses, but it would not necessarily increase profits. Increasing sales quotas would only increase profits if salespeople are able to meet the higher quotas without added expense. Not all businesses qualify for a subsidy, which is a form of government support.
SOURCE: EC:010
SOURCE: EC LAP 2—Risk Rewarded (Factors Affecting Profit)
18. D
Spend her money. If consumers do not go out and spend, businesses have less revenue to bounce back during a recession. Businesses will then lay off more employees who, in turn, will spend less, and the recession will deepen. Saving, collecting or earning money will keep it from being reinvested in the economy, thereby not helping the economy to grow.
SOURCE: EC:081
SOURCE: Whitney, M. (2013, February 4). *Want to fix the economy? Spend more money*. Retrieved November 22, 2016, from <http://www.counterpunch.org/2013/02/04/want-to-fix-the-economy-spend-more-money/>
19. A
Limited technology. Whenever one country specializes in and produces the goods or services at which it is relatively most efficient, the country has a comparative advantage. This advantage can result from climatic conditions, availability of natural resources, a skilled labor force, advanced technology, modern machines and equipment, etc.
SOURCE: EC:016
SOURCE: EC LAP 4—Beyond US (Global Trade)
20. A
Pegged. In a pegged currency system, the nation's currency value is fixed to the value of something else, usually another country's currency. A government may peg its currency to another country's currency as a way to stabilize it and to make trade between the two countries simpler and smoother. Small or emerging economies often use a pegged currency system. In a free-floating currency system, the currency exchange rate is determined by the unimpeded interaction of supply and demand in the foreign exchange market with no government intervention. Speculative and decentralized are not types of currency systems.
SOURCE: EC:100
SOURCE: EC LAP 30—Get Your Money's Worth (Exchange Rates)
21. B
Dishonest. What Jamie is doing is wrong because it is stealing. The money in the petty cash fund belongs to the business and is meant to be used to buy small items the business may need. Taking this money is unethical, dishonest, and unacceptable, and Jamie is likely to be fired if caught. Her behavior is not reasonable, impartial, or justified.
SOURCE: EI:022
SOURCE: Duff, V. (2016). *Examples of unethical behavior in the workplace*. Retrieved November 22, 2016, from <http://smallbusiness.chron.com/examples-unethical-behavior-workplace-10092.html>
22. C
Combative. A person who uses the combative negotiating style considers only her/his interests and is ready to fight to achieve a desired outcome at any cost. This negotiating style is appropriate to use when the relationship is not important and you won't see the other person again. When a person uses the accommodating negotiating style, s/he agrees to a certain course of action that benefits someone else, even though s/he does not equally benefit from the transaction. A person who uses the collaborative negotiating style wants an outcome in which everyone is satisfied. Compromising is not a negotiating style but a tactic that involves giving on some points and gaining on others.
SOURCE: EI:062
SOURCE: EI LAP 8—Make It a Win-Win (Negotiation in Business)

23. C
To be patient and persistent. Lucy must remember to be patient and persistent when working toward her goals. Not being able to get the right paint is a setback that's out of her control. She needs to work around the problem and find a solution. In this scenario, Lucy does not need to ask for feedback, demonstrate leadership, or reward herself for her accomplishments.
SOURCE: EI:027
SOURCE: EI LAP 10—High Hopes (Developing an Achievement Orientation)
24. C
Indicate why the change is necessary. A change leader is someone who has the ability to guide or direct others with the intention to transform or alter something. So that people will go along with the change and not resist it, they need to know why the change is necessary. Once the change leader explains why the change is necessary, s/he can recruit others to help plan the change, communicate how the change will be implemented, and make the change happen.
SOURCE: EI:005
SOURCE: Hyacinth, B. (2015, July 15). *How to be an effective change leader*. Retrieved November 22, 2016, from <https://www.linkedin.com/pulse/how-effective-change-leader-brigitte-hyacinth>
25. B
Collaborative. The goal-setting process should be collaborative. When coaches and coachees work together to come up with goals, the coachees are more likely to feel personally invested. The goal-setting process should not be solitary or vague. Instead, it's important to be as specific as possible. The goal-setting process does not have to be complex.
SOURCE: EI:041
SOURCE: EI LAP 24—Bring Out the Best (Coaching Others)
26. C
Listen to other people's opinions. Respectful people listen to other people's opinions. They do not argue with people, interrupt them when they speak, or avoid eye contact.
SOURCE: EI:036
SOURCE: EI LAP 36—Everyone's Worthy (Treating Others With Dignity and Respect)
27. A
Credit allows consumers and businesses to purchase goods and services when they are needed. Credit is the arrangement by which businesses or individuals can purchase now and pay later. Credit enables people to purchase when products are needed and pay for them over a period of time, which is the key reason that credit is used. Credit is not a factor in leveling out income. Ultimately, income must pay for the credit purchases and cannot be stretched. Credit must be repaid.
SOURCE: FI:002
SOURCE: FI LAP 2—Give Credit Where Credit Is Due (Credit and Its Importance)
28. B
Will. A will is a legal document that outlines how a person wishes his/her assets to be distributed once s/he dies. If Margot wants to be sure that her sister receives her assets, she should set up a will. Retirement funds, college savings funds, and bank accounts do not guarantee that Margot's assets will be given to her sister.
SOURCE: FI:064
SOURCE: Williams, G. (2014, September 19). *10 steps to writing a will*. Retrieved November 22, 2016, from <http://money.usnews.com/money/personal-finance/articles/2014/09/19/10-steps-to-writing-a-will>

29. A

Gross wages. Gross wages are the total income earned for the pay period before income taxes and other deductions are subtracted from the wages. Net pay is the amount of money that the worker receives after the taxes and other deductions have been subtracted from his/her wages. Year-to-date gross earnings are an employee's total gross pay from the beginning of the calendar year to a specific pay period. Year-to-date net income or net pay is an employee's total net pay from the beginning of the calendar year to a specific pay period.

SOURCE: FI:068

SOURCE: Pay Stubs. (2016). *Sample pay stub*. Retrieved November 22, 2016, from <http://www.pay-stubs.com/sample-pay-stub/>

30. D

Risk-averse. A person with a negative attitude toward risk is called risk-averse. Being risk-averse does not necessarily make a person paranoid (suspicious, distrustful). A person with a positive attitude toward risk is called risk-tolerant. A risk-tolerant person is more likely to be dauntless (fearless).

SOURCE: FI:077

SOURCE: FI LAP 77—Invest for Success (Types of Investments)

31. A

Current assets. A balance sheet is a financial statement that captures the financial condition of the business at that particular moment. Inventory and accounts receivable are categorized as current or short-term assets because the levels of inventory and income from sales tend to fluctuate. Owner's equity is the amount an owner has invested in the business plus or minus profits and losses. Long-term assets are items of value—buildings, vehicles, and capital equipment—that businesses use to generate revenue for more than a year. Current liabilities are debts that must be paid within a year.

SOURCE: FI:093

SOURCE: Dlabay, L.R., & Burrow, J.L. (2008). *Business finance* (p. 73). Mason, OH: South-Western Cengage Learning.

32. D

General purpose of the transaction. Petty cash is used for small purchases/payments such as parking meter charges, flowers, COD charges, stamps, etc. When money is removed from petty cash, the date, amount of the transaction, and the general purpose of the transaction should be recorded. The account to which the transaction will be charged can be noted later when all petty cash charges to that account can be totaled and one entry made. It's not necessary to record the name of the person or business that will receive the money. Many businesses require the signature of the person taking the money from petty cash, but not the name of a witness.

SOURCE: FI:310

SOURCE: Murray, J. (2016, June 23). *How do I set up and manage petty cash?* Retrieved December 13, 2016, from <http://biztaxlaw.about.com/od/createarecordssystem/f/managepettycash.htm>

33. A

An online networking method for recruitment purposes. Human resources managers often use websites such as LinkedIn to connect and network with business associates, as well as former managers and coworkers. Using this method of recruiting, human-resources managers hope that their networking connections will provide information about job seekers who might be qualified for various job openings with the company. William is not using the company intranet to interview job candidates, a database to perform employee reviews, or the company blog to hire recent college graduates.

SOURCE: HR:412

SOURCE: Healthfield, S.M. (2016, August 11). *Use LinkedIn to recruit employees*. Retrieved November 22, 2016, from http://humanresources.about.com/od/recruiting/a/recruit_linked.htm

34. D

Implementing procedures to protect the privacy of survey respondents. Taking steps to protect the privacy of survey respondents is an ethical action. Manipulating feedback, distributing personal information without permission, and using complex email opt-out processes are unethical behaviors.

SOURCE: IM:025

SOURCE: Churchill, G.A., Brown, T.J., & Suter, T.A. (2010). *Basic marketing research* (7th ed.) [pp. 46-47]. Mason, OH: South-Western Cengage Learning.

35. D
Determine if it should enter another market. Hospitality and tourism businesses collect marketing information for many reasons. In the situation provided, the hotel is gathering information about a different market segment (entertainment seekers) rather than the market that it currently serves (business and convention). Therefore, the hotel chain is most likely reviewing the information to determine if it wants to enter another market. The information that the hotel chain is collecting does not include customer feedback, so it is not evaluating its existing market's satisfaction levels with its services. There is not enough information provided to determine if the chain's sales have decreased. Businesses use a SWOT analysis to evaluate their strengths, weaknesses, opportunities, and threats. The chain will likely evaluate its potential competitors to determine the feasibility of an expansion; however, the information that the chain is currently collecting does not contain information about competitors.
SOURCE: IM:420
SOURCE: Netigate. (2016). *7 reasons to conduct your own market research*. Retrieved November 22, 2016, from <http://www.netigate.net/blog/conduct-your-own-market-research/>
36. A
Research problems. A decision problem may be translated into several research problems, questions that ask what information is needed to solve the decision problem. Decision problems cannot be translated into secondary data, other decision problems, or situation analyses.
SOURCE: IM:282
SOURCE: IM LAP 282—What's the Problem? (Marketing Research Problems)
37. A
Descriptive research. Descriptive research is often referred to as statistical research since it deals with quantitative results. Although these results are often represented numerically, descriptive research is not called numerical research. Exploratory research deals with qualitative results, which are based on thoughts, feelings, opinions, etc. Causal research tests hypotheses and focuses on cause and effect; it is often referred to as conclusive research.
SOURCE: IM:284
SOURCE: IM LAP 284—Better By Design (Marketing Research Designs)
38. C
They tend to be accurate and reliable. Personal interviews tend to be very accurate and reliable because the researcher is sitting down one-on-one with the respondent and can ask follow-up questions, clarify responses, etc. The interviews are usually quite in depth, rather than superficial. Personal interviews can be costly to conduct, and it is often difficult to find willing respondents to participate in them.
SOURCE: IM:289
SOURCE: IM LAP 17—Hunting and Gathering (Data-Collection Methods)
39. D
The local chamber of commerce. Many local chambers of commerce post tourism information on their websites. The sites post different types of statistics—from occupancy rates of lodging facilities and the demographic characteristics of typical visitors to the number of cars that drive the toll roads during vacation season. This type of information helps travel agents to determine the best destinations for travel clients. It may also help convention planners to determine the optimal site for a trade show or business meeting. The Farmer's Almanac provides long-range weather forecasts. The Transportation Security Administration is a government agency that protects the nation's transportation systems. The American Marketing Association is a professional organization for individuals who work in the field of marketing.
SOURCE: IM:423
SOURCE: Cape Cod Chamber of Commerce. (2016). *Tourism statistics*. Retrieved November 22, 2016, from <http://www.ecapechamber.com/cape-cod-chamber-tourism-statistics.asp>

40. D

The resort's peak season occurred during the second quarter. Successful hospitality businesses monitor their sales data on a continuous basis. Monitoring sales data helps resorts to identify trends and selling cycles, establish sales forecasts, and determine if they are meeting their sales objectives. The provided sales information reveals a substantial sales increase during the second quarter, which indicates that this is the resort's peak season. This is likely due to higher resort occupancy rates, and the purchase of more ski passes and ski rentals during the winter months, when guests stay at the resort to snow ski. There is not enough information provided to determine if the resort is experiencing financial problems or if it did not meet its annual sales objectives. Total sales for the year were \$2,369,427 ($\$652,276 + \$947,550 + \$423,835 + \$345,766 = \$2,369,427$). The first and third quarter sales were \$1,076,111 ($\$652,276 + \$423,835 = \$1,076,111$). Half of the annual sales would be \$1,184,713.50 ($\$2,369,427 \div 2 = \$1,184,713.50$). Therefore, the combined sales for the first and third quarters did not exceed half of the year's annual sales.

SOURCE: IM:426

SOURCE: Abbott, M. (2014, May 25). *Why monitor your sales statistics*. Retrieved November 22, 2016, from <http://www.melinaabbott.com/why-monitor-your-sales-statistics/>

41. C

3. Mode is the value or number that appears the most often. It is the response given by the most people. In this example, the most people (93) said that they fly three times a year. Therefore, three is the number or value that appears the most often.

SOURCE: IM:416

SOURCE: Zikmund, W.G., & Babin, B.J. (2010). *Exploring marketing research* (10th ed.) [pp. 444-445]. Mason, OH: South-Western Cengage Learning.

42. B

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: Investopedia. (2016). *Correlation coefficient*. Retrieved November 22, 2016, from <http://www.investopedia.com/terms/c/correlationcoefficient.asp>

43. C

Focus group. A focus group is a group that gathers to discuss a specific topic. Businesses often hold focus groups to obtain marketing information about their goods and services. The advantage of holding a focus group is that the marketer can obtain a variety of opinions about a topic (new product line) in one setting. An in-depth personal interview involves a face-to-face discussion between the research interviewer and a respondent. The marketing research company would need to schedule several interviews, often at different times, to obtain the desired feedback. An environment scan involves collecting information about the environment (e.g., competitors and economic conditions) surrounding the business. There is not enough information provided about the product to determine if it is a good or a service; therefore, a service evaluation form may not be the most appropriate marketing research method.

SOURCE: IM:428

SOURCE: Crandall, B. (1997-2016). *To focus group or not to focus group?* Retrieved December 13, 2016, from http://www.decisionanalyst.com/publ_art/focus.dai

44. B
Businesses tend to focus on personal selling rather than promotion. B2B marketing involves selling goods and services to other businesses and organizations. Effective B2B marketers understand that businesses' needs and wants differ from final consumers. B2B marketing tends to focus on personal selling. This is because businesses often purchase complex or expensive equipment for their operations. In addition, after-the-sale service is important to businesses because they often need installation, repair, and maintenance services for their purchases. Business purchases often involve multiple decision makers. Professional buyers—those who purchase goods and services for businesses/organizations—tend to have extensive knowledge about the products that they buy and sell. Consumers, on the other hand, must often seek information from their peers or experts.
SOURCE: MK:014
SOURCE: MK LAP 6—Cause and Effect (Buying Behavior)
45. C
Economic. In a time of economic uncertainty, companies look for substitute goods and services such as teleconferencing instead of holding a meeting or having one national meeting instead of several regional meetings. The competition factor in the travel environment refers to competition within the travel industry itself. Regulations in the travel industry do not affect the drug industry. Technology has made teleconferencing possible but does not affect the substitution of regional meetings for national meetings.
SOURCE: MK:013
SOURCE: Ninemeier, J.D., & Perdue, J. (2008). *Discovering hospitality and tourism: The world's greatest industry* (2nd ed.) [p. 73]. Upper Saddle River, NJ: Pearson Education.
46. B
They vary from business to business. Marketing-plan formats vary from business to business, based on the type of business and its specific products and needs. There are no hard-and-fast rules concerning the spaces in the document, the inclusion of charts and graphs (though they are helpful), or the order in which the components appear (though executive summary almost always comes first).
SOURCE: MP:007
SOURCE: MP LAP 7—A Winning Plan (Nature of Marketing Plans)
47. A
Age and life cycle. Baby boomers were born between 1946 and 1964. Baby boomers, therefore, represent people of a particular age range that is aging. Many baby boomers are empty nesters, and they have the money and time to travel. Art appeals to males and females; therefore, gender was not used as a basis for segmentation. Although the tour group will experience different cultures, personalities, and geographies, those were not used as the basis for market segmentation.
SOURCE: MP:035
SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [p. 202]. Upper Saddle River, NJ: Prentice Hall.
48. D
"The truth about commercial interest rate increases." When you place quotes around a phrase or title in the search field, the search engine will show results only for those websites containing that exact phrase. Placing a dash in front of the word means that you do not want the word included in the search. Placing an underscore between words and parentheses around the phrase is less likely to retrieve the exact results desired.
SOURCE: NF:078
SOURCE: Google. (2016). *Search operators*. Retrieved November 22, 2016, from <https://support.google.com/websearch/answer/2466433?hl=en>
49. A
Practices. An MIS (management information system) is a form of technology that assists with a business's information management needs. It involves people, processes, and practices. It may or may not involve payroll or financial statements. An MIS helps with managing information, but it cannot make decisions for a business.
SOURCE: NF:110
SOURCE: NF LAP 110—In the Know (Nature of Information Management)

50. B

Change a phrase that appears several times in a long document to another phrase. The find-and-replace function allows computer users to make changes to their documents quickly. This function is beneficial when working with large documents that contain multiple words or phrases that need to be changed. The track-changes function enables computer users to track and record the changes that they make to a document. The spelling-and-grammar check scans the document to identify spelling and grammatical errors. The translate function translates the document's default language to another language, which appears in an adjacent window near the source document.

SOURCE: NF:007

SOURCE: Schwartz, S. (2013, April 23). *Getting started with Word 2013: Finding and replacing text*. Retrieved November 22, 2016, from <http://www.peachpit.com/articles/article.aspx?p=2044335&seqNum=8>

51. A

Database. A database program allows the organized collection of information with pieces of information related to one another. This information can be used to maintain, analyze, and combine customer information. Spreadsheets, word-processing software, and computer-aided design do not perform the functions required by the hotel.

SOURCE: NF:009

SOURCE: Chapple, M. (n.d.). *What is a database?* Retrieved November 22, 2016, from <http://databases.about.com/od/specificproducts/a/whatisadatabase.htm>

52. D

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: Nelson, S. (2016). *How to record a sale or payment*. Retrieved November 22, 2016, from <http://www.dummies.com/software/business-software/quickbooks/how-to-record-a-sale-or-payment/>

53. C

Aid decision making. Statistics are information presented in numerical form. For the statistics to be useful, businesses must analyze and interpret them. Businesses often base business decisions on statistical information. For example, a business may obtain statistical information that indicates a product is not selling well. Based on the statistical information, the business may decide to phase out or stop making the product. Or, if statistical information indicates that the demand for the product exceeds the available supply of the product, the business may decide to increase production. Businesses use promotional activities to influence people to buy their products. Although analyzing statistical information might spark an employee's creativity (e.g., for problem-solving purposes), it is not a primary reason for interpreting it.

SOURCE: NF:093

SOURCE: Bianca, A. (2016). *The advantage of statistics in business*. Retrieved November 22, 2016, from <http://smallbusiness.chron.com/advantages-statistics-business-18698.html>

54. C

Adventure. The hospitality industry is developing ways to accommodate niche markets. Trends indicate that many niche markets are growing. Some of these markets include the baby boomers, health conscious people, and adventure travelers. Adventure travelers include people who enjoy nature and often enjoy taking risks. Adventure travelers enjoy activities such as skydiving, mountain biking, and race car driving. Geotourism (or environmental tourism) refers to a market that is interested in unique or threatened outdoor environments, such as the rainforest. Agriculture enthusiasts are members of a niche market called the agritourists and often visit working farms.

SOURCE: NF:048

SOURCE: Hospitality Leaders. (2013, August 26). *Adventure travel market up 65% per annum since 2009*. Retrieved November 22, 2016, from <https://www.hospitality.pro/news/adventure-travel-market-up-65-per-annum-since-2009/>

55. D
Reduced wages or benefits. Minimizing expenses to boost profitability may result in reduced wages or benefits for workers. It should not result in higher taxes or higher product quality. It may or may not create a situation in which a business would have to pay government fines.
SOURCE: OP:190
SOURCE: OP LAP 190—Above Board (Ethics in Operations)
56. A
Safe work environment. Businesses usually develop procedures and policies for employees to follow in order to maintain a safe work environment. One policy might involve the type of clothing that employees are permitted to wear on the job. Depending on the type of work, employees may be required to wear certain types of shoes or clothing that cover their arms and legs. Employees may not be allowed to wear clothing that might get tangled up in equipment. The intent is to keep the work environment safe for employees. Businesses do not require employees to wear appropriate clothing to maintain a comfortable atmosphere, an industrial image, or a sanitary facility.
SOURCE: OP:008
SOURCE: State of California Department of Industrial Relations. (2016). *Creating and maintaining a safe work environment*. Retrieved November 22, 2016, from <http://www.dir.ca.gov/smallbusiness/CreatingandMaintainingaSafeWorkEnvironment.htm>
57. D
Employees. Because employees work for the business, they are an internal resource the business can use to complete a project. Vendors (suppliers), customers, and intermediaries (supply-chain channel members) are external resources.
SOURCE: OP:003
SOURCE: Benjamin, T. (2016). *External & internal environmental factors influencing HR activities*. Retrieved November 22, 2016, from <http://smallbusiness.chron.com/external-internal-environmental-factors-influencing-hr-activities-34745.html>
58. A
The assigned employee schedules a one-week vacation. Project planners need to consider many variables when estimating the actual length of time it will take to complete certain tasks. If the employee assigned to perform the task will be unavailable because of a scheduled vacation, the project planner should allot additional time. In this situation, the task can be completed in 50 hours; but the assigned employee who works a 40-hour week will be on vacation for one week. Therefore, the employee will be able to work on the task for one 40-hour week, be away for one week, and work on the project for 10 hours the third week for a total of 50 hours. Observing a one-day national holiday will reduce the amount of available time by eight hours which would still provide 72 hours in two weeks to perform the task. Flexible 40-hour schedules total 80 hours in two weeks. A two-day weekend meeting will not take away time from the regular 40-hour week.
SOURCE: OP:001
SOURCE: Project Management Institute (2013). *A guide to the project management body of knowledge: PMBOK guide* (5th ed.) [pp. 165-185]. Newtown Square, PA: Project Management Institute.
59. B
By identifying consumers' needs and wants. A wide variety of marketing-research data is available from libraries, government agencies, and trade publications. Or, the business can conduct its own research. The data can help the business to produce products that consumers need or want and are willing to buy. Determining how products will be produced is a planning step that involves deciding what equipment will be needed, the number of workers, and the time required. Identifying the resources needed in production is part of the purchasing function. Setting the timetable to be used in production is part of scheduling.
SOURCE: OP:017
SOURCE: SoloRio, K. (2012, October 10). *How to use market research for identifying customer needs*. Retrieved November 22, 2016, from <http://blog.marketresearch.com/blog-home-page/bid/183748/How-to-Use-Market-Research-for-Identifying-Customer-Needs>

60. D

Cost-based pricing. Determining how much it costs to make a product and adding a predetermined markup is a method known as cost-based pricing. Price-based costing is determining how much customers will pay for a product, and then whittling down costs so the business can still make a profit. Economies of scale are cost savings created by increased levels of production. Gross profit is a company's revenue after subtracting the costs of the products it has sold.

SOURCE: OP:024

SOURCE: OP LAP 9—Watch Your (Over) Head (Operating Costs)

61. C

To contact all guest rooms. To increase the safety of their guests, many hotels have installed automated systems to assist with fire control and fire emergencies. One feature of most automated systems is that they are able to contact all guest rooms and notify the occupants of the fire emergency. These systems usually provide specific instructions as to how to safely exit the hotel. Another feature of most systems is that they automatically close the fire doors in an attempt to control the spread of fire. These systems do not identify hazardous materials or prevent bomb threats.

SOURCE: OP:119

SOURCE: Gunewardane, R. (2013, April 25). *Ensuring guest safety in hotels*. Retrieved November 22, 2016, from <http://www.hospitalitynet.org/news/4060426.html>

62. C

Limit shore tours to ones approved by the cruise line. Cruise lines conduct extensive research and planning to determine the best route and destination points. The companies are familiar with many of the local tour and transportation services at the ports of call, and not all of them meet the standards of service and ethical responsibility that the cruise line or traveler expects. Therefore, tourists should use tour companies that are approved or recommended by the cruise line. This recommendation also applies to any transportation service (e.g., bus or taxi). Valuables, such as jewelry, should be locked in a safe on the ship to reduce the chance of theft onboard the ship or while on shore. For safety measures, a tourist should travel in organized groups instead of alone while on shore.

SOURCE: OP:115

SOURCE: Royal Caribbean Cruises. (2016). *Safety, security & health*. Retrieved November 22, 2016, from <http://www.rclcorporate.com/safety-security-health/>

63. A

Reverse brainstorming. Reverse brainstorming is a problem-solving method that is helpful when you can't seem to get anywhere with the other tools. Instead of brainstorming possible solutions, you think of all the things that could make the problem worse. At the end of the session, you explore each negative statement to see if you can find new ideas for improvement. The seven-step method requires problem solvers to follow a specific process for solving problems. Brainstorming is a problem-solving method in which members of a group throw out possible solutions to the problem. Finding the root of the problem is a simple method that identifies the source of the problem so it can be fixed. None of these three methods is described in this situation.

SOURCE: PD:077

SOURCE: PD LAP 77—No Problem (Demonstrating Problem-Solving Skills)

64. D

Join a professional trade association. Most segments within the hospitality industry (e.g., travel agents, hotels, restaurants, intermediaries) have organizations that provide information regarding research, education and promotion as well as current trends. Most organizations charge membership fees to belong. The fees can be used to develop programs and conduct research. Information can be communicated by meetings, seminars, newsletters and websites. These organizations also provide leverage and input regarding legislation pertaining to the hospitality industry. A motivational speaker might encourage the manager to succeed on the job but does not necessarily provide detailed industry-related information. Training manuals are written documents that outline procedures to complete tasks; they do not provide industry trends, education, and promotion information. An assessment consultant who evaluates staff does not necessarily have information regarding trends, education, and promotion within the hospitality industry.

SOURCE: PD:061

SOURCE: 4CTechnologies. (2013, November 5). *Top 10 reasons to join a professional organization*. Retrieved November 22, 2016, from <http://blog.cccctech.com/top-10-reasons-to-join-a-professional-organization/>

65. C

Tour guide, assistant tour-guide manager, tour-guide manager, product manager. A career progression begins by gaining knowledge and experience in an entry-level position, and then moving to a higher position in the same area of expertise. In the example, the vice president of a tour company most likely started in the company as an entry-level tour guide and progressed through the ranks as the assistant tour-guide manager, tour-guide manager and (tour) product manager before becoming the vice president. Food and beverage managers require special training that is not related to tourism. Directors of rooms work in the lodging industry. It is possible that Matthew may have worked as a marketing director, sales assistant, or director of sales before becoming the vice president, but not in a progression related to food, beverage, and rooms.

SOURCE: PD:274

SOURCE: Dessert, L. (2012, June 4). *How to evaluate career progression within a company*. Retrieved December 13, 2016, from <http://www.elephantsatwork.com/how-to-evaluate-career-progression-within-a-company/>

66. C

Poor image. Price gouging is a pricing practice that involves raising prices above market value when demand is high, and no alternative is available to consumers. A business that temporarily increases prices for goods (e.g., lumber, milk, medicine) during a crisis is behaving in an unethical and, in many jurisdictions, an illegal manner. When a business engages in price gouging activities, it runs the risk of losing credibility with the public, which can result in a poor image or damaged reputation. When a business has a poor public image, its customers often begin to buy products from the business's competitors, which can reduce the business's sales and profits.

SOURCE: PI:015

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 139-140, 537). Woodland Hills, CA: Glencoe/McGraw-Hill.

67. D

Bundle. When a travel business combines several travel products and sells them for one all-inclusive price, it is using a bundle product pricing strategy. Tour and travel businesses often bundle travel products (e.g., airfare, hotel accommodations, rental car) to encourage clients to buy travel products that they otherwise might not purchase. The price of the bundled products is usually lower than the combined price of the products sold separately. The lower price provides the travel client with an incentive to buy. The odd pricing strategy involves setting selling prices below even-dollar amounts to suggest a bargain. Prestige pricing involves deliberately putting an artificially high price on a good or service to suggest high quality and status. Captive pricing involves setting a price for support products that must be used with a main product. In many situations, the business sets a low price for the main product, and high prices for the support products.

SOURCE: PI:029

SOURCE: Kotler, P., & Armstrong, G. (2008). *Principles of marketing* (12th ed.) [p. 312]. Upper Saddle River, NJ: Prentice-Hall.

68. 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.
69. B
Market research. Market research is often used to aid product/service managers in gathering information concerning customer needs and preferences. This information can help managers to predict whether a new product will be successful before the firm makes a major investment. Product monitoring, on the other hand, takes place after a product is established in the market and after monies have been invested in a product. A company's goals influence the choice of products to offer and suggest ways for the business to grow and remain competitive, either by developing entirely new products or developing products similar to those being introduced by the competition. After products are introduced to the market, they move through life cycles—the courses that products follow in the market, including their introduction, growth, maturity, and decline.
SOURCE: PM:001
SOURCE: PM LAP 17—Rapping Up Products (Nature of Product/Service Management)
70. C
Customer's inquiry. A product opportunity is a favorable circumstance that presents itself to provide a good or service that consumers are willing to buy. In the situation described, the customer asked or inquired about a product (catering services) that the business (restaurant) did not have. By offering a new product that many customers want, the business could reach new markets and increase its sales and profits. The situation does not indicate that the manager complained, that the patron (Mrs. Barnhart) was dissatisfied, or that an employee offered the suggestion to the restaurant owner.
SOURCE: PM:134
SOURCE: Katz, J., & Green, R. (2011). *Entrepreneurial small business* (3rd ed.) [p. 81]. New York: McGraw-Hill Irwin.
71. D
Screen. The screening process involves weeding out the feasible ideas from those that are unlikely to succeed. After the screening process, the tour operator selects, develops, tests, and implements the best tour idea(s).
SOURCE: PM:241
SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 248-249]. Upper Saddle River, NJ: Prentice Hall.
72. B
Grades and standards. A system of grades and standards guarantees that products meet established criteria for quality, size, weight, and other variables. Grades and standards are frequently set by federal or state governments to reduce the need for consumers to inspect each item before making a purchase. Customers know that products will have nearly the same quality and characteristics regardless of which producer they come from. Warranties and guarantees promise that defective products will be repaired or replaced, or the purchase price refunded. Brands and packaging refer to the names of products and their wrappings or containers. Health and sanitation involve cleanliness.
SOURCE: PM:019
SOURCE: PM LAP 8—Raise the Bar (Grades and Standards)

73. B

No, the name must be legally available for use. The business needs to make sure the brand name is not the property of another company since it is illegal to use another company's brand name. Brand names can be registered with the federal government in order to protect them, but this is not necessary in order to use a brand name that is legally available.

SOURCE: PM:021

SOURCE: PM LAP 6—It's a Brand, Brand, Brand World! (Nature of Product Branding)

74. A

Its unique historical attributes. Long Beach marketers communicate the ship's rich history to attract lodging guests and visitors. The ship is stationary, so it does not offer tropical excursions. There is not enough information to determine if the Queen Mary offers gaming and entertainment venues or the level of customer service the ship provides.

SOURCE: PM:246

SOURCE: The Queen Mary. (n.d.). *The Queen Mary timeline*. Retrieved December 13, 2016, from <http://www.queenmary.com/history/timeline/>

75. D

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

SOURCE: PM:081

SOURCE: Reynolds, M. (2016). *Three categories of the hospitality industry*. Retrieved November 22, 2016, from <http://smallbusiness.chron.com/three-categories-hospitality-industry-58524.html>

76. C

A product extension. A product extension involves adding a similar good or service to an existing product line or product category. In the example, the dinner cruise is the original boating service and the deep-sea fishing trip is the additional service or extension of the original product. Product bundling involves packaging two or more similar products together and selling them at a single price that is lower than if the customers purchase the items separately. Brand positioning is a branding strategy in which marketers create a certain image or impression of a brand as compared to those of competitors' brands. A corporate brand is all of the combined customer impressions and experiences associated with a particular company.

SOURCE: PM:099

SOURCE: Hirsh, L. (2016). *What is product extension in marketing?* Retrieved November 22, 2016, from <http://smallbusiness.chron.com/product-extension-marketing-65988.html>

77. B

Discounts. Discounts reduce the cost of a business's purchases. Discounts offered by suppliers are, therefore, important considerations in choosing suppliers, or vendors. The vendor's cash flow would not be known to purchasers. Open-to-buy is the amount of money available at a particular time for buying goods. Planned sales is a line item in a store budget.

SOURCE: PM:263

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (p. 555). Woodland Hills, CA: Glencoe/McGraw-Hill.

78. C

By playing follow the leader. Competing businesses within the same industry usually use quite similar promotional mixes because many of the factors affecting the promotional mix are the same for those businesses. Businesses also use the same promotional activities to prevent losing customers to competitors. Changing the distribution channel would not necessarily make the business more competitive. Reducing the promotional budget or trying not to outdo the competition would make the business less competitive.

SOURCE: PR:003

SOURCE: PR LAP 1—Spread the Word (Nature of Promotional Mix)

79. B

It is a relatively affordable form of marketing. Internet marketing is a popular direct marketing choice because it can be more affordable than other direct marketing methods. It is also more flexible, more targeted, and more responsive than other direct marketing choices. It does not necessarily eliminate the need for other types of marketing. Direct marketing via the Internet does not involve face-to-face contact with customers, which is one of the reasons why it is so affordable.

SOURCE: PR:089

SOURCE: Berry, T. (n.d.) *Direct marketing fundamentals*. Retrieved November 22, 2016, from <http://www.mplans.com/articles/direct-marketing-fundamentals/>

80. A

Search-engine friendly. Corporate blogs are typically used to draw attention to particular products and/or businesses. To attract readers to the blogs so that they learn about these products and businesses, the blogs must be search-engine friendly. Blog posts must contain key words and phrases that customers typically search for, and the links to these posts must appear early in search results. Rather than being updated once per month, effective corporate blogs are typically updated at least once per week. To appeal to a broad audience, corporate blogs should avoid jargon and technical language. Instead, effective blog posts tend to be easy to read and understand. A corporate blog does not have to be written exclusively by one author. Some of the most effective corporate blogs are written by multiple individuals with varying points of view and positions with their companies. Involving more than one author can prevent a blog from becoming bland and boring.

SOURCE: PR:281

SOURCE: Andersen, B. (2010, July 6). *10 SEO tips to make your blog search engine friendly*. Retrieved November 22, 2016, from <http://www.cision.com/us/2010/07/10-seo-tips-to-make-your-blog-search-engine-friendly/>

81. D

albanytourismbureau.org. Businesses typically place online advertisements on websites that are most likely to attract their target audiences. Because the city's tourism bureau promotes tourist activities in and near the community, the amusement park is likely to reach more members of its target market on the tourism bureau's website than it is on library, legal, or catering websites.

SOURCE: PR:164

SOURCE: SEMrush Blog. (2013, April 25). *Social media advertising: Reaching your target audience fast and easy*. Retrieved November 22, 2016, from <https://www.semrush.com/blog/social-media-advertising-reaching-your-target-audience-fast-and-easy/>

82. B

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 website'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 website. 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 website 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.

83. C
Yellow. Yellow is a sunny color associated with good cheer. Red creates excitement, while blue and green create coolness and calmness.
SOURCE: PR:123
SOURCE: QSX Software Group. (2002-2015). *Color wheel pro: Color meaning*. Retrieved November 22, 2016, from <http://www.color-wheel-pro.com/color-meaning.html>
84. C
Personification. Personification is an effective technique that graphic artists use to draw attention to advertisements. This involves giving human qualities to objects or animals such as drawing a turtle to look like a tourist. Animation involves developing a series of drawings to create the illusion of movement when creating videos, commercials, and films. Since the example is a print advertisement, motion is not involved. Remediation is a supervisory activity that aims to correct employees' inappropriate behavior and attitudes. Used for training purposes, simulation is an imitation of an actual or plausible situation that enables trainees to practice their behavior and responses under certain circumstances.
SOURCE: PR:322
SOURCE: Trend Hunter. (n.d.). *19 personified animal depictions*. Retrieved November 22, 2016, from <http://www.trendhunter.com/slideshow/personified-animal>
85. B
Sponsoring a charitable event to raise funds for the area's hospital. Being involved in community activities can facilitate positive publicity for a business. Positive publicity is likely to create or reinforce a favorable image of the business with members of the local community. Supporting a controversial issue is likely to generate some negative publicity for the business. Launching an advertising campaign to introduce a new logo and developing a feature story for the employee newsletter are not activities that affect the well-being of the community. Therefore, those activities are less likely to generate a favorable image than sponsoring a charitable event that does affect the community.
SOURCE: PR:315
SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). *Advertising & integrated brand promotion* (5th ed.) [p. 657]. Mason, OH: South-Western Cengage Learning.
86. A
Donating books to local elementary schools. Literacy initiatives focus on helping people learn to read. Donating books to schools, libraries, and hospital waiting rooms are ways to support literacy initiatives. Providing a college scholarship is a way to support educational endeavors. An event to raise money for cancer research and sponsoring a blood drive are health-related causes.
SOURCE: PR:347
SOURCE: Clow, K.E., & Baack, D. (2010). *Integrated advertising, promotion, and marketing communications* (4th ed.) [pp. 361-363]. Upper Saddle River, NJ: Prentice Hall.
87. C
Determining how to take orders. During the planning phase of the website development process, the developer is making decisions that will impact the website's design. Deciding whether and how to take orders is one of those initial decisions that needs to occur. Writing copy, designing page layout, and ensuring compatibility of the website with browsers occur during the design phase of the process.
SOURCE: PR:328
SOURCE: Pawson, C. (2010, August 23). *Website development process for newbies*. Retrieved November 22, 2016, from <http://ezinearticles.com/?Website-Development-Process-for-Newbies&id=4913903>

88. C

Charitable causes. To reinforce a positive image and maintain goodwill with the public, a business's public-relations department often works with external organizations such as other local businesses, the media, and nonprofit organizations. Often, a business works with fundraising groups and nonprofit organizations to raise money for charitable causes such as homelessness, cancer research, and environmental issues. The public-relations department is responsible for reinforcing the corporate "brand" rather than the product brand. The business's marketing function is responsible for activities that relate to services and product branding. Organizational issues are internal factors that affect the business rather than the local community.

SOURCE: PR:253

SOURCE: Clow, K.E. & Baack, D. (2010). *Integrated advertising, promotion, and marketing communications* (4th ed.) [pp. 361-363]. Upper Saddle River, NJ: Prentice Hall.

89. A

Photos of the inn, breakfast menu, informational brochure, and press releases. Hospitality and tourism businesses develop and distribute press kits to members of the media, such as travel magazines. The purpose of the press kits is to provide tools to obtain publicity through various media outlets. The press kit should contain information about the business. In the example, the bed and breakfast inn might include interior and exterior photos of the inn, the breakfast menu, a print brochure, and press releases. It might also include the owner's business card, copies of published articles, feature-article ideas, a list of awards the inn has received, background information about the owners or the inn, etc. A bed and breakfast would not include recipe ideas, nor would it include a guest list because this would violate the guests' privacy. The inn might want to include a map of the area and a copy of the community newspaper in the press kit to provide information about the community surrounding the inn.

SOURCE: PR:226

SOURCE: Turner, H. (September 8, 2011). *Developing a media kit for your bed and breakfast.*

Retrieved November 22, 2016, from

<http://chefforfeng.wordpress.com/2011/09/08/developing-a-media-kit-for-your-bed-and-breakfast/>

90. A

Brainstorming. When planning special events, the event planners should brainstorm ideas to identify events that would be of interest to the target audience. Once the idea for the special event is identified, the event planners can move forward with budgeting, scheduling, and shopping.

SOURCE: PR:360

SOURCE: Neighbors, D. (2012, January 9). *10 Steps for planning a great event.* Retrieved December 13, 2016, from <http://derekneighbors.com/2012/01/10-steps-for-planning-a-great-event/>

91. C

Tactics. A promotional plan is a framework for the promotional activities of a business. A primary reason for developing a promotional plan is to create effective communication programs that will help the business achieve its marketing goals. A comprehensive promotional plan outlines the specific tactics or actions that the business will use to carry out its promotional strategies. Objectives are the desired outcomes that the business hopes to achieve by carrying out the various tactics. The budget is a tool that projects the expenses and income related to the promotional activities. The evaluation component describes how the business plans to measure the success of its promotional activities.

SOURCE: PR:073

SOURCE: Small Business Notes. (n.d.). *Promotion plan.* Retrieved November 22, 2016, from <http://www.smallbusinessnotes.com/marketing-your-business/promotion-plan.html>

92. A

Coupon-redemption rate. Hospitality and tourism businesses use a variety of metrics to measure the performance of their promotions. Coupons are a form of sales promotion. A riverboat tour company can evaluate the effectiveness of its coupon sales promotion by calculating the number of redeemed coupons from a specific publication in relation to the publication's reach, which is the coupon-redemption rate, expressed as a percentage. If the redemption rate is low in relation to the ad-placement costs, the business may decide that it isn't worthwhile to advertise or place coupons in the publication in the future. A rebate is a return of part of the price a customer pays for a good or service, which is usually offered by the product's manufacturer. The riverboat tour company is not determining its market share in relation to its competitors. The click-through rate measures the number of times that website visitors click on an online advertisement on the Internet that automatically transports the visitors to the advertiser's web page. The business is not evaluating Internet activity.

SOURCE: PR:335

SOURCE: Greenberg, K. (2014, February 25). *Marketers increase coupons, but redemption down*. Retrieved November 22, 2016, from <http://www.mediapost.com/publications/article/220261/marketers-increase-coupons-but-redemption-down.html?edition=>

93. B

Global positioning system. Global positioning systems (GPS) make it possible for drivers to determine their exact location and obtain accurate directions to destinations. Because outside salespeople usually have established meeting times with their clients, a GPS provides directions and routes that will get them to their destinations in the shortest amount of time and reduces the risk of getting lost. An electronic data interchange (EDI) is used to place orders, invoice, or provide shipping information. An electronic data interchange, an automated personal planner, and business analysis software are not forms of technology that outside salespeople use to obtain directions to their destinations.

SOURCE: SE:107

SOURCE: Garmin. (2016). *What is GPS?* Retrieved November 22, 2016, from <http://www8.garmin.com/aboutGPS/>

94. C

Accurate. Acquiring product information makes sales presentations more accurate because salespeople know exactly what they're talking about. This doesn't necessarily mean the sales presentation will be more exciting or simpler. Incredible means "unbelievable"—salespeople generally want their sales presentations to be credible.

SOURCE: SE:062

SOURCE: SE LAP 131—Get Informed (Acquiring Product Information for Use in Selling)

95. D

Patronage. People buy goods and services for many reasons or motives. Patronage motives are reasons for buying that are based on loyalty to a particular business. Customers often are motivated to buy from a certain business because of price, quality, or service. Businesses encourage patronage motivation because loyal customers buy regularly, which helps the business remain competitive in the marketplace. A testimonial is a statement by an identified user of a product proclaiming the benefits received from the use of the product. Patrick's buying motive is not based on testimonials, culture, or status.

SOURCE: SE:359

SOURCE: MbaSkool.com. (2016). *Patronage motives*. Retrieved November 22, 2016, from <http://www.mbaskool.com/business-concepts/marketing-and-strategy-terms/12802-patronage-motives.html>

96. B
Enables salesperson to obtain information from customers. Questioning helps the salesperson to obtain information which is needed to make successful, satisfying sales. Getting to know customers better helps salespeople to establish relationships with customers, get customers talking, satisfy customer needs, and evaluate their own selling skills. Questioning must be done carefully, however, as some questions could be offensive to customers. The customer, not the salesperson, makes the buying decision. The salesperson should learn about the business's needs from individuals within the business.
SOURCE: SE:111
SOURCE: SmartCompany. (2010, January 24). *Why are questions so important in selling?* Retrieved November 22, 2016, from <http://www.smartcompany.com.au/marketing/sales/12993-20100125-why-do-we-ask-questions/>
97. A
Rushing customers through the product demonstration. Sometimes salespeople rush customers through the presentation and try to close too soon. Salespeople should take the time to explain the products fully and to present all the features and benefits. If they rush through the demonstration, they might skip the feature or benefit that would have most appealed to the customer. This can prevent closing the sale. The salesperson should be patient while the customer decides, encourage the customer to buy by using terms that refer to the customer's ownership of the product, and demonstrate the features and benefits of products.
SOURCE: SE:895
SOURCE: Patel, N. (2011, September 15). *7 common sales mistakes, and how to avoid them.* Retrieved December 13, 2016, from <https://www.quicksprout.com/2011/09/15/7-common-sales-mistakes-and-how-to-avoid-them/>
98. C
Persuading a customer to buy better quality, higher priced goods. This technique offers better service to the customer and higher profits to the store. Selling larger quantities and an assortment of goods are legitimate techniques of suggestion selling but are not trading-up. One should not use high-pressure methods because of the risk of offending customers and losing sales.
SOURCE: SE:875
SOURCE: SE LAP 110—Up the Ante (Suggestion Selling)
99. C
Point out specials. Many customers who say they are just looking are in the mood to buy but aren't sure what they want. Salespeople can point out special items that are unique or on sale in order to encourage customers to buy. Just-looking customers appreciate being told about special items and good bargains and may decide that one of those items is right for them. Salespeople should never ask personal questions. Following around customers who are just looking may irritate them and cause them to leave without buying. Customers who are just looking should not be left alone entirely, but the salesperson should check with them occasionally and be available to answer questions.
SOURCE: SE:046
SOURCE: The Retail Doctor. (2015, February 6). *Retail selling tips.* Retrieved November 22, 2016, from <https://www.retaildoc.com/blog/retail-selling-tips-the-5-lies-customers-tell-you-and-how-to-sell-around-them>
100. C
Setting policy. Most businesses have established policies and set standards by which the business is governed. Setting policy is a function of management, which is the process of planning, organizing, directing, and controlling activities in order to achieve goals or objectives. Serving customers, stocking shelves, and preparing ads are different kinds of work carried out by a company's employees under the direction of management.
SOURCE: SM:001
SOURCE: SM LAP 3—Manage This! (Concept of Management)