

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

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

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

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

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

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

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

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

53. Maintenance and repairs is an operations activity that includes
- A. product inspection.
  - B. production planning.
  - C. custodial work.
  - D. financial analysis.
54. Employees who witness noninjury accidents should \_\_\_\_\_ them.
- A. ignore
  - B. discuss
  - C. treat
  - D. report
55. One part of a project often needs to be completed before another part can begin, which makes it important for a project manager to
- A. seek input.
  - B. track deadlines.
  - C. recruit staff.
  - D. develop options.
56. What is the most important factor for a west-coast business to consider if it plans to use a supplier who is located in the same country on the east coast?
- A. Delivery timeliness
  - B. Personnel policies
  - C. Exchange rates
  - D. Return on sales
57. One of the benefits of production to consumers is that production
- A. provides a way to earn profits.
  - B. creates form utility.
  - C. makes use of automation.
  - D. provides a way to be competitive.
58. Housekeeping responsibilities in a business include making sure that the
- A. customer area is orderly.
  - B. employees come to work on time.
  - C. safety rules are obeyed.
  - D. records are properly kept.
59. When handling cleaning chemicals, hotel housekeeping attendants should
- A. complete a purchase order when inventory is low.
  - B. avoid direct skin contact and wear disposable gloves.
  - C. avoid using eye goggles or ventilation masks.
  - D. keep a log of ingredients found in the cleaning materials.
60. What procedure do many businesses tell their employees to follow during a robbery?
- A. Turn off the alarms
  - B. Call the police
  - C. Hide the cash
  - D. Obey the demands
61. Security considerations are important in the travel and tourism industry because tourists are often
- A. targets of crime.
  - B. looking for trouble.
  - C. prone to injury.
  - D. part of a group.
62. The relationship between recreation and good health is that recreation is
- A. of minimal benefit to health.
  - B. essential to good health.
  - C. considered a luxury.
  - D. unrelated to one's health.
63. Which of the following is considered a "stepping stone" toward achieving a specific objective:
- A. Subgoal
  - B. A want
  - C. Long-term goal
  - D. Unlimited resources
64. Most businesses today are looking for employees who have at least basic \_\_\_\_\_ skills.
- A. management
  - B. accounting
  - C. computer
  - D. legal
65. One way that an applicant can indicate a sincere interest in the job during an employment interview is to
- A. speak loudly.
  - B. talk constantly.
  - C. listen attentively.
  - D. answer quickly.

66. Does the hospitality and tourism industry offer career opportunities for entrepreneurs?
- A. No. Businesses in the hospitality and tourism industry are too large for start-up businesses.
  - B. No. Businesses in the hospitality and tourism industry are franchises.
  - C. Yes. Businesses in the hospitality and tourism industry can start small and expand.
  - D. Yes. Businesses in the hospitality and tourism industry are started with state funding.
67. Which of the following is one of the main reasons why businesses participate in trade shows:
- A. To visit new locations
  - B. To attend social functions
  - C. To promote community events
  - D. To exhibit their products
68. Lisa is opening a new bed and breakfast and might benefit from joining a hospitality trade association because she can
- A. network with others who have expertise in the industry.
  - B. earn a college degree and become a certified hotelier.
  - C. obtain credit to purchase equipment for the business.
  - D. discuss personal business with her colleagues.
69. Which of the following statements is true about price in the hospitality industry:
- A. Rates are consistent and do not vary more than five percent from those of a property's direct competitors.
  - B. Hotel room prices vary and depend on many factors, such as supply and demand.
  - C. Most hotels provide conventions the same discounted room rates regardless of group size.
  - D. Lodging businesses often base price on operating costs, which requires minimal management.
70. Which of the following is an example of developing new products:
- A. Marketing specialty products
  - B. Modifying existing products
  - C. Manufacturing convenience goods
  - D. Merchandising retail goods
71. When people think of Disney World, they know that it's the happiest place on earth; a place where dreams really do come true. The place that Disney World's image occupies in people's minds is known as its
- A. trade character.
  - B. product position.
  - C. brand name.
  - D. touch points.
72. What is one way that a gift shop can identify the goods that its customers want and need?
- A. Ask salespeople
  - B. Analyze economy
  - C. Monitor spending
  - D. Interview management
73. Which of the following is a factor that cruise lines consider when deciding when to buy new linens and towels:
- A. Annual rate of consumption
  - B. Relationship with vendors
  - C. Style of passenger cabin
  - D. Preferences of passengers
74. What characteristic of the hospitality and tourism product is described in the following scenario:
- If an airline sells 150 of 200 seats on an airplane, the airline cannot inventory the seats until the next flight and sell 250 seats.
- A. Perishability
  - B. Seasonality
  - C. Standardization
  - D. Inseparability
75. Which of the following is an example of a travel agent providing a product extension to customers:
- A. Booking an all-inclusive trip to Mexico
  - B. Making reservations with a scheduled airline
  - C. Selling a cruise and a city tour before departure
  - D. Arranging a motor-coach tour through the mountains

76. Which of the following best enables marketers to target specific groups of customers so that the marketers can focus their promotional efforts to get the best results:
- A. Advertising
  - B. Direct marketing
  - C. Publicity
  - D. Sales promotion
77. Which of the following is an example of how businesses are using adver gaming:
- A. Showing a product being used in a movie scene
  - B. Featuring products on billboards in online games
  - C. Running advertisements during a national sports game
  - D. Using pop-up ads on a competitor's website
78. One of the disadvantages to marketers of using streaming video e-mail is that it requires the recipient to have a(n)
- A. complicated operating system.
  - B. sophisticated computer keyboard.
  - C. high-speed Internet connection.
  - D. cloud computing.
79. To generate excitement about its newly remodeled facilities, Wilmer's Hotel plans to send advertising messages to past guests via their cell phones. Each message will contain a brief video showcasing new features and services that the hotel offers. Which type of mobile messaging service should Wilmer's use?
- A. Digitized messaging services (DMS)
  - B. Short messaging services (SMS)
  - C. Complex messaging services (CMS)
  - D. Multimedia messaging services (MMS)
80. What type of illustrations often are used to create a sense of realism in advertisements?
- A. Sketches
  - B. Diagrams
  - C. Photographs
  - D. Trademarks
81. The type styles used in advertisements often are selected because they are
- A. condensed.
  - B. distinctive.
  - C. lowercase.
  - D. italicized.
82. Which of the following is an impact of color harmonies on the composition of a print ad:
- A. Emphasizes the advertiser's logo
  - B. Creates informal balance
  - C. Develops logical sequence
  - D. Highlights specific element
83. What is a good tip to follow when developing effective copy for mobile advertisements?
- A. Keep it short
  - B. Make it vague
  - C. Use symbols
  - D. Include coupons
84. Which of the following Internet promotional messages for hair-care products would best appeal to men in the 20-30-year-old age group:
- A. "Don't suffer from another bad-hair day when our hair-care products are available."
  - B. "Cover the gray and look years younger in minutes with our shampoo."
  - C. "Only your barber will know it's a toupee that makes you look younger."
  - D. "Get a free sample of Maxim Conditioner to maximize your hair's potential."
85. A business manager who made no changes on the advertising proof should write which of the following on the proof:
- A. Send another proof.
  - B. Print as is.
  - C. Print as corrected.
  - D. Return to designer.



86. Over the years, the Mayberry Theme Park has worked to develop its image as a safe place for kids. So, which of the following community issues should you propose to an amusement park's public relations director:
- A. An evening for fifth graders while their parents shop at the mall
  - B. A block party for the surrounding neighborhood that will be held after the park closes at midnight
  - C. A workshop to teach English to the community's non-English speaking new residents
  - D. A wine-tasting event whose funds will support the local community college
87. Tony owns a charter fishing boat business on the Outer Banks of North Carolina. Which of the following web sites would you recommend for Tony to place a pay-per-click advertisement:
- A. [www.whitewater rafting.net](http://www.whitewater rafting.net)
  - B. [www.surfboardsusa.net](http://www.surfboardsusa.net)
  - C. [www.redlobster.com](http://www.redlobster.com)
  - D. [www.obxbaitandtackle.com](http://www.obxbaitandtackle.com)
88. A travel agent who prepares a factual announcement and asks the media to present it free of charge to the public is
- A. setting up an advertising campaign.
  - B. advertising the business.
  - C. using a public relations agency.
  - D. using a news release.
89. The best type of display for a hotel coffee shop to use to protect freshly baked desserts while still promoting their sales is a(n) \_\_\_\_\_ display.
- A. closed
  - B. island
  - C. open
  - D. end cap
90. Since displays are a valuable selling tool, it is important that they should be
- A. kept clean and well maintained.
  - B. filled with informative signs.
  - C. pointed out to customers.
  - D. kept up as long as possible.
91. Why should a marketing specialist at a convention and visitors bureau want to track its promotional activities?
- A. To determine the best time for shows to begin
  - B. To determine the best ticket price to offer
  - C. To determine its target market
  - D. To determine their impact on sales
92. In order to obtain positive publicity in the community, a local motor lodge might sponsor a(n)
- A. employee orientation.
  - B. advertising campaign.
  - C. television show.
  - D. charitable event.
93. Which of the following items would a travel agency display to promote travel to a Mexican beach destination:
- A. Sailboat model, sunscreen, Eiffel Tower poster, and sombrero
  - B. Sunglasses, maracas, poster of Athens, and beach towel
  - C. Sunscreen, brochures of the Bahamas, sunglasses, and maracas
  - D. Sombrero, poster of Cancun, beach towel, and sunglasses
94. Which of the following is a true statement about customers' buying decisions:
- A. Only business customers use rational reasons for buying.
  - B. Buying decisions are often a combination of emotional and rational reasons.
  - C. Salespeople don't have the ability to influence buying decisions.
  - D. Customers make the buying decision within the first minute of the sales presentation.
95. When answering customers' objections, which of the following should the salesperson avoid:
- A. Empathizing with customers' objections
  - B. Listening carefully to the objection
  - C. Turning objections into selling points
  - D. Answering as quickly as possible

96. After a party of six has finished the main course at a resort restaurant, the server brings over a tray of pastries and asks which ones they would like for dessert. This is an example of which of the following sales techniques:
- A. Suggestion selling
  - B. Feature-benefit selling
  - C. Prospecting
  - D. Follow-up
97. Which of the following factors might make it difficult for a salesperson to sell a new product to a customer who has been buying a competing product for many years:
- A. Training
  - B. Ethics
  - C. Attitude
  - D. Complaints
98. When is the best time for a front-desk hotel employee to recommend hospitality services, such as dining and exercise facilities, to a hotel guest:
- A. After posting charges
  - B. After posting credits
  - C. During check-in
  - D. During check-out
99. A hotel restaurant is offering lobster dinners for a special price of \$22.99 for one week only. If a table of four orders the dinners and two customers have coupons for a 15% discount on their dinners, calculate the total cost for the table.
- A. \$91.96
  - B. \$78.16
  - C. \$87.26
  - D. \$85.06
100. Dean makes sure that each new worker assigned to him receives the necessary guidance, training in specific tasks, and a reward for hard work. Dean's techniques are used in his management function of
- A. directing.
  - B. organizing.
  - C. planning.
  - D. controlling.

1. C

Resolve disputes. The legal procedure is the process of reviewing disputes or claims and resolving them in a fair manner. Businesses are often involved in disputes with other entities, such as suppliers or competitors. If a business believes it has been wronged by another, the business follows the appropriate legal procedure to resolve the issue. Enacting legislation, establishing laws, and dissolving businesses are not the main functions of the legal procedure.

SOURCE: BL:070

SOURCE: Miller, R.L., & Jentz, G.A. (2005). *Fundamentals of business law* (6th ed.) [pp. 32-40]. Mason, OH: Thomson/South-Western.

2. A

Business-format franchise. A business-format franchise is a franchise agreement in which the franchisee must operate under the trade name of the parent company that provides continuous assistance in setting up and operating the business. This kind of business arrangement would give Jake more assistance than any of the other alternatives. A sole proprietorship is a form of business ownership in which the business is owned by one person who takes all of the risk and responsibility. A private corporation is a type of corporation owned by a few people that does not offer its shares for sale to the public. A product trade-name franchise is based on an independent sales relationship between a franchisor and a franchisee to stock and sell a specific line of goods.

SOURCE: BL:003

SOURCE: BL LAP 1—Own It Your Way (Business Ownership)

3. A

Traffic. Tour-bus drivers must understand traffic laws in each jurisdiction where they travel because laws differ by jurisdiction. For example, one city might allow a vehicle to turn left onto a one-way street at a red light, while another city does not. If the driver does not understand and follow the law, the bus might be involved in an accident that injures the tourists, other vehicles, and pedestrians. Airline pilots must understand laws relating to airspace. Laws relating to shipping processes regulate the way certain products are moved or transported. Property laws regulate the ways in which land and buildings are used or maintained.

SOURCE: BL:065

SOURCE: Find Law. (n.d.). *State traffic laws*. Retrieved November 1, 2012, from <http://public.findlaw.com/traffic-ticket-violation-law/state-traffic-law/>

4. A

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

SOURCE: CM:005

SOURCE: Sherman, A.J. (n.d). *Understanding antitrust and related regulatory aspects of building distribution channels*. Retrieved October 30, 2012, from <http://www.entrepreneurship.org/en/resource-center/understanding-antitrust-and-related-regulatory-aspects-of-building-distribution-channels.aspx>

5. B

Use appropriate promotional techniques to inform channel members. Promotion is a critical consideration when introducing a new product because this function lets channel members and customers know that the good or service is available. The promotional efforts should be carefully planned and coordinated with the product's release. For example, a manufacturer might provide catalogs, brochures, coop-advertising funds, and product training to its intermediaries (e.g., dealers, wholesalers) before the product is released so that the intermediaries can explain the products to their customers or end users. Some channel members (e.g., retailers) might need to coordinate promotion so that newspaper and television advertising or special events are appropriately timed with the product's arrival on the stores' shelves. If the communication between a manufacturer and its intermediaries is already very good, the manufacturer needs to continue using good communication rather than improve it. Applying for a line of credit is a financial consideration. Ethics policies must not only be established, but they must be communicated to the appropriate people or organizations.

SOURCE: CM:007

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

6. A

Smile. A smile shows the speaker that you support and encourage him/her. It is a good idea to ask questions when asked. It shows interest in the topic. A straight face is difficult for a speaker to interpret. It may mean a person is upset, is daydreaming, or is seriously listening. Talking to others during a presentation is rude to the speaker and may cause him/her to lose his/her train of thought.

SOURCE: CO:082

SOURCE: Leskiar, R.V., & Flatley, M.E. (2005). *Basic business communication: Skills for empowering the Internet generation* (10<sup>th</sup> ed.) [p. 439]. Boston: McGraw-Hill/Irwin.

7. C

She gave out a guest's room number. Although Dawn was courteous with the caller, she was distracted by the fact that the caller seemed upset and said the call was about an emergency. In her haste to be helpful, she forgot that she should try to locate the guest, not give out her room number, even in what was described as an emergency. It was appropriate for Dawn to tell the caller that she would transfer the call and to ring the guest's room before transferring the caller to the guest's voicemail, especially in an emergency situation.

SOURCE: CO:114

SOURCE: Bruninghaus, M. (2006, August 21). *Protecting guest data: Why hotel information security awareness training is so important*. Retrieved October 30, 2012, from <http://enterpriseinnovator.com/index.php?articleID=7291&sectionID=25>

8. B

Identifying the sequential steps of a process. When describing activities that need to be done in a specific order, the writer might want to number the steps to set the process apart from the text and to clarify the process. One testimonial or a single piece of information does not require a numerical designation to reinforce the order of content. Charts are graphics that summarize numerical data. A narrative writing format is usually most appropriate when providing an example to clarify a concept.

SOURCE: CO:088

SOURCE: Bovée, C.L., & Thill, J.V. (2008). *Business communication today* (9th ed.) [p.155]. Upper Saddle River, NJ: Pearson Prentice Hall.

9. A

Possible objections. The purpose of a persuasive letter is to convey information that encourages the reader to take a specific course of action. For example, the purpose of a sales letter is to motivate a person to buy a particular product. An objection is a reason for not taking a specific course of action. When developing persuasive messages, it is important for the writers to think about the readers' possible objections and acknowledge them. By acknowledging the objections and providing a rationale that removes the objections, the writers better position themselves in persuading the readers to take specific actions. Because each reader has different personal images and decision-making styles, it is not feasible for the writer to consider these factors if the letter is going to a lot of people. The readers' nonverbal cues cannot be seen when writing persuasive messages.

SOURCE: CO:031

SOURCE: Hayden, K. (2012, March 12). *Persuasive letter writing lesson*. Retrieved October 30, 2012, from <http://www.brightubeducation.com/high-school-english-lessons/16333-persuasive-letter-writing-activity/>

10. D

Handwritten signature. Some memos are signed, but a memorandum usually has the name of the sender typed rather than written. The sender may write his/her initials next to the typed name. A date and a businesslike tone are appropriate in all memorandums. The subject is identified in the heading of the memo.

SOURCE: CO:094

SOURCE: Locker, K.O. (2006). *Business and administrative communication* (7th ed.) [pp. 582, 584]. Boston: Irwin/McGraw-Hill.

11. A

Grapevine. The grapevine is an oral communication method in which information is passed around the company but not formally announced or verified. Employees often communicate with each other through the grapevine and pass on accurate information about developments within the business. The problem with the grapevine is that sometimes the message is incorrect. Businesses often communicate formally with employees through the company newsletter or an official memorandum. The Internet is a worldwide interconnection of computer networks.

SOURCE: CO:014

SOURCE: Wallace, H.R., & Masters, L.A. (2006). *Personal development for life & work* (9th ed.) [p. 68]. Mason, OH: South-Western Cengage Learning.

12. B

Repeat business. Employees who solve customers' problems quickly and satisfactorily often are able to obtain repeat business from those customers. Customers who are well treated will likely return to the business, in spite of previous problems, because they know the employees will resolve whatever problems arise. Customers, not employees, obtain individual priority, personal service, and a pleasant experience when employees quickly handle problems and complaints.

SOURCE: CR:004

SOURCE: Perreault, W. D., Cannon, J. P., & McCarthy, E. J. (2008). *Basic marketing: A marketing strategy planning approach* (16th ed.) [pp. 20-21]. Boston: McGraw-Hill/Irwin.

13. C

Argumentative. Eva's customer is argumentative. He's trying to pick a fight with her and tell her that she's wrong. A suspicious customer questions everything and is constantly worried that your business might take advantage of him/her. A leave-me-alone customer does not want your advice or assistance even though you might be able to help. An impatient customer shows verbally or nonverbally that s/he does not want to wait in line.

SOURCE: CR:009

SOURCE: CR LAP 3—Making Mad Glad (Handling Difficult Customers)

14. A  
Personalized activity schedules. A competitive advantage is the edge that businesses achieve when they can offer something better than their competitors. A business that provides a service, or a better type of service, often has an advantage over competitors that do not provide the same service. Offering personalized activity schedules may persuade customers to buy from that cruise line. A business that does not have a competitive advantage if it offers room service or standard products that are provided by other, similar businesses. Open-door policy is a business practice whereby management encourages communication between employees and management by indicating that their doors are always open.  
SOURCE: DS:029  
SOURCE: Soloman, M.R., Marshall, G.W., & Stuart, E.W. (2008). *Marketing: Real people, real choices* (5th ed.) [p. 315]. Upper Saddle River, NJ: Pearson Prentice Hall.
15. A  
Production. The movement of goods, services, and resources is possible because of four economic activities: consumption, production, exchange, and distribution. In order for consumption to occur, goods and services must be made or produced. Production relies on consumers to provide resources, and consumption relies on producers to provide goods and services. Opportunity is a chance or benefit. Financing is a marketing function that involves understanding the financial concepts used in making business decisions. Management is the process of coordinating resources in order to accomplish an organization's goals.  
SOURCE: EC:001  
SOURCE: EC LAP 6—Are You Satisfied? (Concept of Economics)
16. B  
Information about prices. Information about prices is necessary in deciding whether to buy, what to buy, and how much to buy. Information is one of the functions of relative prices. Economic incentives are monetary motivators that encourage producers to change and reallocate their resources. In our economy, these incentives are profit. Rationing is a function of relative prices that determines who gets the goods and services produced or how scarce resources will be distributed. Limited liability is a condition in which business owners risk only the amount of their investment.  
SOURCE: EC:006  
SOURCE: EC LAP 12—When More Is Less (Functions of Prices)
17. B  
Human resources management. This activity involves planning, staffing, leading, and organizing. It includes locating employees, organizing work, and monitoring employees. Financial analysis is the process of planning, maintaining, monitoring, controlling, and reporting the use of financial resources. Marketing is a primary business activity that involves creating, communicating, and delivering value to customers and managing customer relationships in ways that benefit the organization and its stakeholders. Operations management is the process of planning, controlling, and monitoring the day-to-day activities required for continued business functioning.  
SOURCE: EC:071  
SOURCE: EC LAP 19—Strictly Business (Business Activities)
18. A  
Efficiency. When employees are working faster or better, they are increasing their efficiency. They may increase their value to the firm in the process—and perhaps their wages and benefits, too. But their efficiency is directly tied to how fast and how well they do their work.  
SOURCE: EC:010  
SOURCE: EC LAP 2—Risk Rewarded (Profit)

19. B

The manager of a restaurant selects the monthly menu and designs a newspaper advertisement. Selecting the menu and designing an advertisement represent a variety of tasks and also a high degree of latitude concerning decision making. The relationship of scope and depth can change with a specific task, so the amounts of scope and depth vary at different times. A manager developing a monthly work schedule is an example of high depth. Signing time cards is low scope. Following guidelines to evaluate performance is an example of low depth.

SOURCE: EC:014

SOURCE: EC LAP 7—Divide and Conquer (Specialization of Labor)

20. B

Subculture. Kyle's group is a subculture at his work—a smaller culture that develops under the dominant organizational culture. The organizational culture is the overall culture of the entire company. His group is not based on religion. A collective society strongly relies on groups, but it is not the term used within organizations.

SOURCE: EC:045

SOURCE: EC LAP 24—On Top of the World (Impact of Culture on Global Trade)

21. D

Guide the actions of others. Individuals who are leaders not only have the ability to decide what needs to be done, but they can guide the actions of others to do the work. Good leaders generally plan and organize their work, but that is not what makes them good leaders. Analyzing employee productivity is often a responsibility of leaders rather than a personality trait. Displaying empathy by feeling what others are feeling is a desirable personality trait but does not indicate leadership.

SOURCE: EI:018

SOURCE: EI LAP 9—You've Got Personality (Personality Traits in Business)

22. B

Positive attitude. Interest and enthusiasm are part of a positive attitude which gives you a good outlook on life. Although you will still encounter frustrations and disappointments, you won't be kept down very long by them. Your interest in life and your enthusiasm will soon reassert themselves. Business cycles are periods of expansion and contraction in economic activities. An orderly, systematic environment can be obtained without interest and enthusiasm. A partnership agreement is a written agreement signed by business partners which specifies the terms of the partnership.

SOURCE: EI:020

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Succeeding in the world of work* (p. 198). New York: Glencoe/McGraw-Hill.

23. C

Make excuses to justify your behavior. Making excuses means that you are trying to convince yourself that what you are doing or thinking of doing is okay—that you are justifying a wrong or inappropriate choice. Maintaining confidential information (unless it is harmful to others) and being objective are ethical behaviors. Simply disagreeing with certain rules does not always indicate that you are making an unethical choice.

SOURCE: EI:004

SOURCE: EI LAP 4—Work Right (Ethical Work Habits)

24. A

Make changes of their own. Some outside changes create problems for businesses and make it necessary for them to make changes of their own. These may be changes in the organizational structure, work loads, or functions. Most successful businesses realize that change is a fact of life and that they should not resist changes that will benefit the company. Economic changes would only prompt the business to expand if the economic change is for the better. Technological changes would cause the business to hire more skilled workers with special training.

SOURCE: EI:026

SOURCE: QS LAP 15— Stuff Happens! (Adaptability)

25. C

Verbal, assertive. Verbal, assertive behavior is a confident attitude that involves the use of words, such as speaking up when you don't fully understand something or asking questions to get information. Nonverbal, assertive behavior is a confident attitude expressed through body language. Avoidance behavior is conduct with the goal of avoiding conflict at any cost. Offensive behavior is anything that causes others to feel discomfort, embarrassment, or anger.

SOURCE: EI:008

SOURCE: EI LAP 18—Assert Yourself (Assertiveness)

26. C

Work well together. Valuing the differences in others helps people get along and work well together. They understand the differences and appreciate them. Arguing about politics is a common characteristic among all people and is not limited to those with different backgrounds. People who value the differences in others do not avoid them. Valuing the differences in others does not depend upon living in the same area.

SOURCE: EI:036

SOURCE: EI LAP 20—Fair and Square (Treat Others Fairly at Work)

27. A

Interdependent. People who depend upon one another are interdependent, rather than independent. They may or may not be dependable, or reliable. They would not be interrelated or related to each other.

SOURCE: EI:037

SOURCE: EI LAP 5—Can You Relate? (Positive Working Relationships)

28. D

Medium of exchange. A medium of exchange is something of value that can be used to obtain goods and services. Money is a common form of exchange. Individuals, businesses, and governments use money to purchase the products (e.g., milk) they need. When money is saved rather than spent, it is functioning as a means of accumulating wealth. Negotiating is the process of resolving a disagreement. Bartering involves trading one good or service for another good or service.

SOURCE: FI:060

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2006). *Marketing dynamics* (pp. 34-35). Tinley Park, IL: Goodheart-Willcox.

29. C

Bank. Bank credit cards can be used at any business that is affiliated with the system. This gives cardholders a wide range of businesses from which to choose. Retail store, hotel, and petroleum cards are issued by individual companies and may be used only at their facilities.

SOURCE: FI:002

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 684-687). Woodland Hills, CA: Glencoe/McGraw-Hill.

30. D

Credit report, credit bureau. Because businesses often base their decisions about extending credit or providing a loan on credit history, it is important for individuals and businesses to periodically check and ensure that their credit information is accurate. Credit history is provided in the form of a credit report. By reviewing the credit report, individuals and businesses can determine if there are any problems (e.g., identity theft) or discrepancies on the report that need resolved. Credit reports are available through recognized credit bureaus or agencies, which maintain files of credit information on individuals and businesses. Credit histories are not documented on bank statements, lending statements, or credit certificates. The primary purpose of financial institutions, tax agencies, and credit unions is not to maintain comprehensive credit histories for individuals and businesses.

SOURCE: FI:072

SOURCE: Credit.com. (1996-2012). *Credit report basics*. Retrieved October 30, 2012, from [http://www.credit.com/credit\\_information/credit\\_report/Credit-Report-Basics.jsp](http://www.credit.com/credit_information/credit_report/Credit-Report-Basics.jsp)



31. B

Damage to credit history. If steps are not immediately taken to rectify any damages caused by identity theft, the victim of the theft could spend years trying to rebuild his/her credit and savings. If one's identity is stolen, s/he will not need to get a new identity. Unemployment and homelessness are not results of having one's identity stolen.

SOURCE: FI:073

SOURCE: Kapoor, J.R., Dlabay, L.R., & Hughes, R.J. (2009). *Personal finance* (9th ed.) [pp. 176-178, 182-184]. New York: McGraw-Hill Irwin.

32. B

To hire additional staff. Managers use accounting information in making effective financial decisions involved in carrying out such management functions as staffing. For example, managers responsible for staffing may decide not to hire additional staff if the accounting information they receive shows the business's profits have decreased. However, positive accounting information might help managers decide to hire additional staff because profits have increased. Businesses do not use the information provided by the accounting department to prepare work orders, monitor procedures, or organize inventory.

SOURCE: FI:085

SOURCE: FI LAP 5—Show Me the Money (Nature of Accounting)

33. D

Revenue. Revenue is the money received by resource owners and by producers for supplying goods and services to consumers. Revenue is an important component of an income statement because it indicates the total amount of money a business earns from all sources such as sales, interest, and dividends. A business's revenue should exceed its expenses in order for the business to make a profit. Taxes are calculated on the net income determined by the income statement. Assets are anything of value that a business owns. Liabilities are debts that a business owes.

SOURCE: FI:094

SOURCE: FI LAP 4—Watch Your Bottom Line (Income Statements)

34. C

Censorship. Although collaboration and cooperation among individuals can be used to achieve a common goal, groupthink conditions can be detrimental to ethical decision making. Groupthink is an extreme form of cohesiveness in which all members of the group strive for unanimity (harmony) at any cost. This condition stifles independent thinking and objectivity. Group members who question another member's idea or action may be censored or cut off by the group majority. In addition, individuals begin to self-censor, which means they quiet their own conflicting thoughts for the "good of the group." Groupthink can erode personal ethics and lead group members to do things they normally wouldn't do. In today's competitive business environment, the pressure to earn high profits has often resulted in fraudulent behavior, embezzlement, money laundering, etc. Such actions are often a result of groupthink conditions. Empathy is the ability to place oneself in another person's place or circumstances. Empathy is not a characteristic of groupthink, which embraces harmonious or like-minded thinking.

SOURCE: FI:355

SOURCE: Griffin, R.W., & Moorhead, G. (2010). *Organizational behavior: Managing people and organizations* (9th ed.) [pp. 239-242]. Mason, OH: South-Western Cengage Learning.

35. A

Employee recruitment. Human resources management is the process of planning, staffing, leading, and organizing the employees of the business. An important aspect of the human resources function is seeking out and attracting qualified potential employees, which is employee recruitment. capital investment, domain development, and social media are not primary activities of the human resources function in business.

SOURCE: HR:410

SOURCE: Gaspar, J., Bierman, L., Kolari, J., Hise, R., Smith, L., & Arreola-Risa, A. (2006). *Introduction to business* (p. 199). Boston: Houghton Mifflin.

36. D

A competitive advantage. When a tour company acquires up-to-date, relevant marketing information from reputable sources, it can make thoughtful business decisions and take action to offer new travel products, increase its profits, and gain market share. A tour company that takes steps to increase its market share may gain a competitive advantage, which is the edge achieved by the business for offering something better or different from its competitors. Quality assurance is the process by which a business achieves its desired level of quality. Balance of trade is the difference between the value of a nation's exports and its imports. Although favorable business decisions should provide the business with more brand recognition, recognition is not guaranteed.

SOURCE: IM:420

SOURCE: Raza, I. (2005). *Heads in beds: Hospitality and tourism marketing* (pp. 18-22, 217-218, 237). Upper Saddle River, NJ: Pearson Education.

37. D

Primary. Primary information is information collected for the purpose at hand. Because the resort collected feedback for a specific purpose—to obtain its former guests' opinions about its facility and services—it is primary information. Secondary information is information that has already been collected for other purposes. There is not enough information provided to determine if the feedback was collected to support a theory or hypothesis or if the feedback was collected as a preliminary or preparatory step for a larger project.

SOURCE: IM:422

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 126-130]. Upper Saddle River, NJ: Prentice Hall.

38. B

Tax change. Governments that raise hotel or sales tax rates can affect a region's hospitality and tourism. If the tax rates are too high, vacationers or tourists are more likely to travel to destinations that have lower tax rates, which will reduce their travel expenses. Natural disasters (e.g., hurricanes) and the unemployment rate are economic factors that can affect the hospitality and tourism industry. Terrorism is a political factor.

SOURCE: IM:425

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2006). *Marketing for hospitality and tourism* (4th ed.) [pp. 132-133]. Upper Saddle River, NJ: Pearson Prentice Hall.

39. B

25%. It is important for hospitality and tourism businesses and organizations to measure and analyze the composition of various markets to determine how to best market their services to different market segments. The businesses or organizations' objectives, the market segment's demographics, and the size of the market segment affect how much money they will allocate to various marketing activities for a particular market segment. To determine the percentage size of the international market during peak season, first divide the number of domestic tourists during peak season by the total market to obtain the percentage of domestic visitors during peak season ( $562,875 \div 750,500 = .75$  or 75%). Then, subtract the percentage of domestic visitors during peak season by the total market to obtain the percentage of international visitors during peak season ( $100\% - 75\% = 25\%$ ).

SOURCE: IM:427

SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 210-212]. Upper Saddle River, NJ: Prentice Hall.

40. B

Provide the interviewers with training. It is important for hospitality businesses (e.g., resorts) to train interviewers to ask the appropriate questions in the appropriate manner. Training helps to reduce the risks associated with interviewer bias and error, which can affect the interviewees' answers. Asking only close-ended questions will not provide in-depth, qualitative feedback. Limiting the length of the interview and allowing the interviewers to develop and ask their own questions can negatively affect the integrity of the information the interviewers collect.

SOURCE: IM:328

SOURCE: Zikmund, W.G., & Babin, B.J. (2010). *Exploring marketing research* (10th ed.) [pp. 474, 483-487]. Mason, OH: South-Western Cengage Learning.

41. B  
Survey results. The research process often involves surveying customers or vendors to find out how they feel about the company and its products. The survey results are often included in a written report to support the report findings and the recommendations. The survey results are research information that will help business managers make decisions because the surveys ask questions that usually pertain to a specific problem or issue that the managers are considering. Product announcements, brand names, and committee notes are not types of research information that would be included in a written report to help business managers make decisions.  
SOURCE: IM:390  
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (p. 190). New York: Glencoe/McGraw-Hill.
42. C  
Problem/issue being addressed. There is a logical sequence for presenting research orally. The presenter needs to first discuss why the study was conducted. This involves explaining the problem/issue. The researcher then moves on to explain what was done, what was found out, and what is recommended.  
SOURCE: IM:391  
SOURCE: Miculka, J. (2007). *Speaking for success* (2nd ed.) [p.152]. Mason, OH: Thomson South-Western.
43. B  
Decide to buy. There are several techniques that business employees can use to motivate customers to make the decision to buy. One of these involves appealing to customers on a personal level by creating a feeling of ownership for a product. When employees use this technique, they talk about the product in terms of the customer using the product by including words such as "you" and "your." Customers often feel a sense of ownership and are motivated to buy. Other ways to involve customers on a personal level to motivate them to buy is by having them participate in a demonstration or handle a product. Employees do not motivate customers to pay a higher price for a product.  
SOURCE: MK:015  
SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (p. 316). New York: Glencoe/McGraw-Hill.
44. C  
Variable. Travel and tourism marketing involves the marketing of services to customers who participate in producing and experiencing the services. As a result, the service varies for each customer. For example, one person's experience with an escorted tour might be completely different from another person's experience. Furthermore, the way the service is marketed varies depending on the target market. For example, a travel agency might market a luxury cruise to senior citizens and a Disney cruise to families with young children. Consequently, the marketing varies, and the outcome is often unpredictable. It is not a precise, controllable, or standard process because of the many variables.  
SOURCE: MK:013  
SOURCE: Silva, K.E. & Howard, D.M. (2006). *Hospitality & tourism* (pp. 8-9). Woodland Hills, CA: Glencoe/McGraw-Hill.
45. C  
Identify a target market. Many hotels maintain guest-history records from information guests provide on their registration cards. When these records are kept up-to-date, the hotel has an accurate profile of its target market to whom it can send promotional materials. This does not reduce the need for advertising or control the hotel's expenses. Housekeeping may be improved if guest complaints are recorded and acted upon, but that is not a purpose of guest records.  
SOURCE: MP:034  
SOURCE: Kotler, P., Bowen, J.T., & Makens, J.C. (2010). *Marketing for hospitality and tourism* (5th ed.) [pp. 116-120]. Upper Saddle River, NJ: Prentice Hall.

46. D

It may be one part of a business's overall information management program. A management information system (MIS) is a form of technology that assists with a business's information management needs. It is not the same thing as an information management program; however, it may be one part of an overall information management program. An MIS is just hardware and software, but an overall information management program involves people, processes, and practices.

SOURCE: NF:110

SOURCE: NF LAP 3—In the Know (Nature of Information Management)

47. D

Electronic transfer of funds. When a business uses computer technology to manage its money and move it among different accounts, it is taking advantage of the electronic transfer of funds. This is the same technology you use at the ATM. Hardware refers to the physical components of a computer. Expert systems are software programs that mimic the knowledge of human experts. Electronic data interchange refers to documents rather than money.

SOURCE: NF:003

SOURCE: NF LAP 4—TECH-tastic (Technology's Impact on Business)

48. A

Word processing. Word-processing software programs are used to create documents that are primarily text but may contain some graphics. Database and spreadsheet programs are used to organize and analyze different types of data. Presentation software programs are used to develop visual presentations.

SOURCE: NF:007

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (p. 199). Woodland Hills, CA: Glencoe/McGraw-Hill.

49. B

Share information quickly. Collaborative computer software allows many employees to access and share the same business information. Some applications, such as e-mail, allow employees to instantly transmit messages and business documents to coworkers who are traveling or working in other facilities, which can facilitate a quick response. By sharing information quickly, employees can take immediate action and then proceed to work on other tasks. Businesses do not use collaborative computer software to enable employees to search the Web, prepare written reports, or develop keyboarding skills.

SOURCE: NF:011

SOURCE: wiseGeek. (2003-2012). *What is groupware?* Retrieved November 1, 2012, from <http://www.wisegeek.com/what-is-groupware.htm>

50. C

Economic. An environmental scan is an analysis of external forces that influence a business's success. By examining political, economic, socio-cultural, and technological factors that affect it, the business can take steps to ward off threats and to take advantage of opportunities based on the information that the scan provides. Economic factors provide information about the way a country earns and spends its money. Information that reveals information about consumer spending habits is an economic factor. Political factors that a business might examine include changes in regulations and the laws that govern how the business operates. Information about demographics or lifestyles falls into the socio-cultural category. Technological factors often include information about advancements in technology, such as computers and satellites.

SOURCE: NF:015

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 30-32, 84-86). New York: Glencoe/McGraw-Hill.

51. D

Improved performance. Statistics are information presented in numerical form. Businesses analyze and interpret statistics to make various business decisions. By analyzing statistical information, a tour operator might determine ways in which to improve sales, productivity (higher outputs), or overall performance in order to compete more effectively in the marketplace. Lower demand, increased competition, and lower outputs do not benefit tour operators.

SOURCE: NF:093

SOURCE: Winthorp, A. (2007, September 21). *Using statistics to measure business performance*. Retrieved October 30, 2012, from <http://ezinearticles.com/?Using-Statistics-To-Improve-And-Measure-Business-Performance&id=744164>

52. D

To provide a way for travelers to share their experiences. The Internet has provided a mechanism for satisfied and unsatisfied customers to tell others about their experiences with a business. The comments of other customers are viewed as more credible statements than advertisements from the business. Therefore, travel and tourism businesses are providing this forum so that satisfied customers can spread the good word, while the problems identified can be addressed and corrections made, if needed. Hospitality and tourism businesses are not using social networking to connect travelers with similar interests, to book travelers' upcoming trips, or to notify travelers of flight cancellations.

SOURCE: NF:048

SOURCE: Tripping.com. (2012). *Top travel blogs*. Retrieved November 1, 2012, from <https://www.tripping.com/about/news/top-travel-blogs>

53. C

Custodial work. Maintenance and repairs is an operations activity that includes custodial work, as well as other routine upkeep of a business's equipment and facilities. It does not include planning the production process, inspecting goods for quality, or analyzing finances.

SOURCE: OP:189

SOURCE: OP LAP 3—Smooth Operations (Nature of Operations)

54. D

Report. Employees should report not only injurious accidents to their supervisors but also accidents that do not result in injuries. Employees must report non-injury accidents because the same accident may happen again, and the next time it may cause an injury. As a general safety precaution, hazardous conditions and hazardous acts should also be reported. Employees should not ignore non-injury accidents. Employees may discuss non-injury accidents after they report them. Employees do not treat non-injury accidents because no one was injured.

SOURCE: OP:009

SOURCE: Clark, B., Sobel, J., & Basteri, C.G. (2010). *Marketing dynamics: Teacher's edition* (2nd ed.) [pp. 407-410]. Tinley Park, IL: Goodheart-Willcox Company, Inc.

55. B

Track deadlines. Meeting deadlines is an important part of successfully completing a project. Project managers need to track deadlines because one part of a project often needs to be completed before another part can begin. For example, a location must be selected before an event can take place. If the deadlines are not met, the project cannot proceed. Project managers do not necessarily need to seek input, recruit staff, or develop options because one part of a project needs to be completed before another part can begin.

SOURCE: OP:002

SOURCE: QS LAP 18—Make It Happen

56. A  
Delivery timeliness. When selecting a supplier, businesses must consider delivery timeliness. The business must ask if the supplier can deliver the goods when they are needed. In some situations, it may be better for a business to use a supplier who may be a little more expensive, but in closer physical proximity of the business, if that supplier can consistently meet delivery requirements. Personnel policies are guidelines for employees' behavior in the workplace. The exchange rate is the value of one nation's currency in relation to another nation's currency. Return on sales or target return is a profit-oriented pricing objective in which the business bases the amount of profit it wants to earn on the amount of its sales.  
SOURCE: OP:161  
SOURCE: Hayes, D.K. & Ninemeier, J.D. (2010). *Purchasing: A guide for hospitality professionals* (p. 91). Upper Saddle River, NJ: Pearson Education.
57. B  
Creates form utility. One of the benefits of production is that it creates form utility—usefulness created by altering or changing the form or shape of a good to make it more useful to the consumer or user. Without production, many resources would be of little use to consumers. All of the other alternatives are benefits of production to businesses, not consumers.  
SOURCE: OP:017  
SOURCE: OP LAP 4—Can You Make It? (Nature of Production)
58. A  
Customer area is orderly. Housekeeping duties include returning equipment/supplies to the correct location, wiping up dust, arranging stock, and keeping the cashier's area in good order. Making sure that records are properly kept and employees get to work on time or obey safety rules are supervisory responsibilities not related to housekeeping.  
SOURCE: OP:032  
SOURCE: Berman, B., & Evans, J.R. (2004). *Retail management: A strategic approach* (9th ed.) [pp. 318-319]. Upper Saddle River, NJ: Prentice Hall.
59. B  
Avoid direct skin contact and wear disposable gloves. To protect from bacteria transmission and skin irritation, hotel housekeeping attendants should wear disposable gloves when using cleaning chemicals. Housekeeping attendants generally alert their manager when cleaning-chemical inventory is low and do not complete the purchase order. When mixing or using toxic or strong cleaning chemicals, eye goggles or ventilation masks may need to be used. It is not necessary for attendants to keep a log of ingredients found in the cleaning materials; the ingredients are listed on the cleanser storage containers.  
SOURCE: OP:134  
SOURCE: Educational Institute of the American Hotel & Lodging Association (2005). *Lodging management program: Year 1* (2nd ed.) [pp. 275-276, 283]. Lansing, MI: Educational Institute of the American Hotel & Lodging.
60. D  
Obey the demands. Most robbers are interested only in obtaining cash and leaving the business as quickly as possible so as not to be identified. Business employees should obey the robber's demands and be cooperative in order to avoid a situation that might result in violence. The employees should consider their own personal safety first because the business probably carries insurance for such events. It may be impossible for employees to call the police or adjust the alarm system during a robbery without putting themselves in danger. They should obey the robber's demand rather than try to hide the cash.  
SOURCE: OP:113  
SOURCE: American Bankers Association (2005). *Today's teller: Developing basic skills* (pp. 150-155). Washington: Author.

61. A

Targets of crime. Tourists are often easy to identify because of the way they dress and behave and because of the sites and attractions they visit. For example, tourists in certain parts of the world are easily recognized because they do not look like the local people, and they do not speak the language. Furthermore, the perception often is that tourists carry a lot of money and are not particularly careful. Also, tourists may not be aware of high-crime districts and accidentally walk into those areas. All of these factors set up tourists as targets of crime. As a result, the travel and tourism industry stresses security and tries to prepare tourists for possible problems. For example, tour operators may point out areas of cities that the group should avoid, or cruise ships might tell passengers to use only certain taxis in ports of call. Tourists are not looking for trouble, nor are they any more prone to injury than other people. Many tourists travel only with family members rather than as part of a group.

SOURCE: OP:115

SOURCE: Poma, E.L. (n.d.). *Staying safe in port: A three-step program*. Retrieved November 1, 2012, from <http://www.cruisecritic.com/articles.cfm?id=148>

62. B

Essential to good health. Recreational activities help us to get away from life's frustrations and tensions and to relax. It is beneficial to mental, physical, and emotional health when people regularly enjoy some form of recreation. Recreation is not a luxury and may be as simple as taking a walk.

SOURCE: PD:002

SOURCE: PD LAP 5—Brand Me! (Personal Appearance)

63. A

Subgoal. A subgoal is a lesser goal that must be achieved in order to reach the main goal. A want is a desire. A long-term goal is one that takes more than a year to achieve. Few, if any, people have unlimited resources but must use the resources available to them in order to achieve their goals.

SOURCE: PD:018

SOURCE: PD LAP 16—Go For the Goal (Goal Setting)

64. C

Computer. Today, most businesses expect employees to have at least basic computer skills because many business functions and activities involve the use of computers. Businesses communicate with employees, customers, and vendors by e-mail. Many businesses have web sites and offer online ordering. As a result, most employees need to know how to use a computer even if only to send an e-mail or to access a competitor's web site. Accounting, management, and legal skills are more specialized. Therefore, most employees are not expected to have these skills.

SOURCE: PD:025

SOURCE: Bailey, L.J. (2007). *Working* (4th ed.) [pp. 268, 270]. Mason, OH: South-Western Cengage Learning.

65. C

Listen attentively. Listening attentively during an employment interview is very important because it allows the applicant to completely understand questions before answering. Listening attentively also tells the interviewer that the applicant is sincerely interested in the job and wants to learn as much as possible in order to respond appropriately. Answering quickly, talking constantly, and speaking loudly might indicate that the applicant is nervous or unprepared for the interview rather than sincerely interested in the job.

SOURCE: PD:028

SOURCE: Kimbrell, G., & Vineyard, B.S. (2006). *Entering the world of work* (pp. 196-198). New York: Glencoe/McGraw-Hill.

66. C

Yes. Businesses in the hospitality and tourism industry can start small and expand. There are lots of opportunities for people to dream and actualize those dreams when they open their businesses. Not all hospitality and tourism businesses start out as large companies—many are one-person operations and are not part of a franchise. Most hospitality and tourism businesses are started with the owner's debt or equity financing rather than with state funding.

SOURCE: PD:272

SOURCE: Walker, J.R. (2009). *Introduction to hospitality* (5th ed.) [p. 6]. Upper Saddle River, NJ: Pearson Prentice Hall.

67. D

To exhibit their products. A trade show is an exhibition at which businesses display their products. One of the main reasons why businesses participate in trade shows is to exhibit their goods and services to potential buyers. Businesses develop attractive displays and provide information to show attendees to generate sales contacts. Businesses do not participate in trade shows in order to attend social functions, to promote community events, or to visit new locations.

SOURCE: PD:036

SOURCE: Clow, K.E. & Baack, D. (2010). *Integrated advertising, promotion, and marketing communications* (4th ed.) [pp. 345-346]. Upper Saddle River, NJ: Prentice Hall.

68. A

Network with others who have expertise in the industry. A trade association is a group of persons in the same industry or geographic area who form a society to solve their common problems. Because Lisa is a business owner, she might join a hospitality and tourism trade association to network with others who work in the hospitality and tourism industry. By networking with others who have expertise in that industry, Lisa has an opportunity to get ideas that will help her business grow. She may also get advice about how to solve problems and deal with difficult issues that occur in the industry. Although some trade associations provide certification, they are not a means to earn a college degree. A trade association might help Lisa locate financial sources, but it would not extend credit to her so she can purchase equipment. As a business owner, the primary reason Lisa should join a trade association is to discuss professional business with colleagues rather than personal issues.

SOURCE: PD:061

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 789-790). Woodland Hills, CA: Glencoe/McGraw-Hill.

69. B

Hotel room prices vary and depend on many factors, such as supply and demand. Rates (price) change and vary greatly in the hospitality industry. When demand is high, such as during certain seasons, the rates tend to be higher. The facility location, the room size, the room type, and the type of guest the facility attracts also affect the room rates. Members of groups, conventions, and organization affiliations (e.g., AAA) often obtain discounts from hotels. Travelers who regularly frequent a specific hotel receive discounts. Therefore, price varies and is affected by the demand for and supply of rooms at any given time. Because rates change often, hotels must manage the price function carefully. Rates can vary greatly among hotels at any given time. Convention groups' needs vary, and the hotel facility works with each group to negotiate rates.

SOURCE: PI:029

SOURCE: Stutts, A.T., & Wortman, J.F. (2006). *Hotel and lodging management: An introduction* (2<sup>nd</sup> ed) [pp. 132-133]. Hoboken, NJ: John Wiley & Sons, Inc.



70. B

Modifying existing products. Developing new products often is an ongoing process that involves modifying existing products in some way. Modifications might include making a product more powerful, changing the color of a product, or creating a slightly different version of a product. For example, a company that adds frosting to a basic cereal is developing a new product by modifying an existing product. Marketing specialty products, manufacturing convenience goods, and merchandising retail goods are not examples of developing new products.

SOURCE: PM:241

SOURCE: Nielsen, L. (n.d.) *Product development strategy definition: Product modification strategy*. Retrieved November 1, 2012, from <http://smallbusiness.chron.com/product-development-strategy-definition-5144.html>

71. B

Product position. Disney has used its marketing skills to position the theme park as the happiest place on earth and a place where dreams really do come true. Marketing activities, employee behavior, and the entire Disney World environment are designed to support and reinforce that image in people's minds. Touch points are the opportunities that Disney has to interact with its customers. Brand name is a special name or mark that is used to distinguish products from each other. A trade character is a person, animal, or animated character used in advertising and is associated with a product or company.

SOURCE: PM:228

SOURCE: More, M.E. (2010, September 27). *A picture is worth a thousand words*. Retrieved February 26, 2011, from <http://morethanbranding.com/tag/positioning/>

72. A

Ask salespeople. Salespeople are an excellent source of information as to what customers want and need. Salespeople deal with customers daily and know what they are buying and why. When determining what goods to buy, a gift shop should obtain input from the salespeople who have direct contact with customers and are in touch with what is currently selling. Analyzing the economy and monitoring spending would provide information about customers' financial ability to buy. Management is often removed from direct contact with customers and would not likely have firsthand information.

SOURCE: PM:260

SOURCE: Smith, T. (2004, April). *Tapping salespeople's market knowledge*. Retrieved November 1, 2012, from <http://www.wiglafjournal.com/marketing/2004/04/tapping-salespeoples-market-knowledge/>

73. A

Annual rate of consumption. The annual rate of consumption refers to the quantity that must be replaced each year because of loss or damage. Cruise lines calculate the average amount of linens and towels that must be replaced over a period of a year. Because these items wear out or are lost throughout the year, cruise lines often set up schedules for buying. For example, a cruise line might place an order every quarter to make sure new linens and towels are available when needed. The preferences of passengers might have an effect on the type and quality of linens and towels that a cruise line buys. The cruise line's relationship with vendors might have an effect on the price of goods and delivery date. The style of passenger cabin might have an effect on the quality of the items.

SOURCE: PM:262

SOURCE: Educational Institute of the American Hotel & Lodging Association (2005). *Lodging management program: Year 1* (2nd ed.) [pp. 262-265, 267-269]. Lansing, MI: Educational Institute of the American Hotel & Lodging.

74. A

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

SOURCE: PM:081

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

75. C

Selling a cruise and a city tour before departure. A product extension is an additional product related to, but different than, the main travel product. Travel agents often provide these products as a service to customers. For example, the main product in this situation is the cruise. If customers want to take a tour of the port city before the cruise departs, a travel agent might arrange the tour as a product extension. The product extension adds value to the original product and meets the needs of customers. In the other examples, the travel agent is providing only the main travel product.

SOURCE: PM:099

SOURCE: Kokemuller, N. (n.d.). *What is a product extension in marketing?* Retrieved November 1, 2012, from [http://www.ehow.com/info\\_7758111\\_product-extension-marketing.html](http://www.ehow.com/info_7758111_product-extension-marketing.html)

76. B

Direct marketing. Direct marketing can be targeted to those customers who are most likely to buy. Examples of direct marketing include e-mail marketing, telemarketing, mailshots, SMS, and social media. Advertising, publicity, and sales promotion cannot be targeted to the extent of direct marketing.

SOURCE: PR:301

SOURCE: AllBusiness.com. (1999-2012). *Direct mail basics*. Retrieved October 30, 2012, from <http://www.allbusiness.com/marketing/direct-marketing-direct-mail/744-1.html#axzz2AoUjKFD>

77. B

Featuring products on billboards in online games. Advergaming is an online video game that promotes a product, brand, or company by incorporating it into the game. There are a variety of ways in which businesses are using advergaming. One such way is by featuring products on billboards that show up during the game. Another popular advergaming technique is to feature a company's mascot or symbol in a game. Showing a product being used in a movie scene is an example of product placement. Running advertisements during a national sports game is an expensive use of advertising. Competitors would not grant permission to use pop-up ads on their websites.

SOURCE: PR:280

SOURCE: Green Lion Digital Marketing. (2010, July 6). *Advergaming—A virtual billboard for real brands*. Retrieved October 30, 2012, from <http://greenliondigitalblog.com/2010/07/advergaming-a-virtual-billboard-for-real-brands/>

78. C

High-speed Internet connection. Streaming media are sound, video, or animations that play in real time. E-mail is capable of delivering streaming media such as videos when the recipient opens the message or clicks on a "play" button. For streaming video to work properly, the recipient needs a high-speed Internet connection. Streaming media do not require the recipient to have cloud-computing capabilities, a sophisticated computer keyboard, or a complicated operating system.

SOURCE: PR:165

SOURCE: Chruscinski, D. (n.d.). *Requirements for streaming live videos*. Retrieved November 1, 2012, from [http://www.ehow.com/facts\\_5025636\\_requirements-streaming-live-videos.html](http://www.ehow.com/facts_5025636_requirements-streaming-live-videos.html)

79. D

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

SOURCE: PR:276

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

80. C

Photographs. Illustrations are photographs, drawings, paintings, or graphics such as a chart, table, or graph. Photographs often are used to create a sense of realism in advertisements because photographs are pictures of actual people, things, and events. In some cases, a photograph showing people using a certain product in a specific way helps to sell the product because consumers can associate with the real situation. Diagrams, sketches, and trademarks are not types of illustrations that are used to create a sense of realism in advertisements.

SOURCE: PR:322

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (p. 427). New York: Glencoe/McGraw-Hill.

81. B

Distinctive. Certain type styles are more distinctive and unusual than others. In many cases, the type styles used in advertisements are selected because they stand out and are distinctive. The intent is to attract the readers' attention and encourage them to continue reading. Often, distinctive type styles are used in headlines to set one advertisement apart from all of the others. Most type styles are available in both a condensed and an italicized form. All type styles include lowercase letters. However, the style is used because it is distinctive.

SOURCE: PR:326

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2006). *Marketing essentials* (pp. 431-433). New York: Glencoe/McGraw-Hill.

82. D

Highlights specific element. Color is an important part of the composition of a print ad. The various colors in an ad need to go together, or be in harmony, for the ad to be visually appealing. In some cases, one color is used to highlight a specific element of the ad such as the business's name which is associated with a specific color. However, the other colors in the ad need to be in harmony with the highlight color. For example, shades of brown and white go well with a highlight color of orange. Color harmonies in a print ad do not create informal balance, develop logical sequence, or always emphasize the advertiser's logo.

SOURCE: PR:314

SOURCE: Lane, W.R., King, K.W., & Russell, J.T. (2005). *Kleppner's advertising procedure* (16th ed.) [pp. 521-523]. Upper Saddle River, NJ: Pearson/Prentice Hall.

83. A

Keep it short. Because mobile advertisements are displayed on cell phones, it is important to keep the message short and direct. If the message is too long, the intended audience is likely to delete the ad without reading it. The use of symbols (e.g., an offer 4 u) in mobile ad copy depends on characteristics of the target audience. For example, tech-savvy 16- to 25-year-olds are more likely to understand the use of symbols than those who do not "text" or use technology on a regular basis. Coupons are a sales-promotion technique.

SOURCE: PR:318

SOURCE: Miller, A. (2010, July 12). *AdWords mobile ad text best practices*. Retrieved November 1, 2012, from <http://calltrackingblog.com/2010/07/adwords-mobile-ad-text-best-practices/>

84. D

“Get a free sample of Maxim Conditioner to maximize your hair's potential.” This message offers a clear call to action and specifies the name of the product and its product category (conditioner). Although some men in the 20-to-30-year-old age group might need to cover their gray or wear toupees, the products are more appropriate for older age groups. Although men may suffer from bad-hair days, the message is too general to be found easily through a search engine.

SOURCE: PR:332

SOURCE: Arens, W.F. (2004). *Contemporary advertising* (9th ed.) [pp. 378-379]. Boston: Irwin/McGraw Hill.

85. B

Print as is. If there are no changes or corrections on an advertising proof, it should be marked to print as is. This is the final stage in accepting the content and format of the advertisement before it goes to the printer. Since there are no changes, the business manager would not request another proof. If there are only a few minor changes, the business manager might mark the proof to be printed as corrected. The proof would not be returned to the designer if there are no changes.

SOURCE: PR:130

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

86. A

An evening for fifth graders while their parents shop at the mall. This topic ties into the image of the park being a safe place for kids. It will appeal to both fifth graders who ask to go to the theme park as well as to their parents who pay for the theme-park visits. A midnight block party would be too late for children to participate. An ESL workshop and wine-tasting do not relate to the park's image of a safe place for kids.

SOURCE: PR:347

SOURCE: Smith, E. (1999-2012). *Outreach project ideas*. Retrieved November 1, 2012 from [http://www.ehow.com/list\\_6703172\\_outreach-project-ideas.html](http://www.ehow.com/list_6703172_outreach-project-ideas.html)

87. D

[www.obxbaitandtackle.com](http://www.obxbaitandtackle.com). Pay-per-click ads involve paying a web-site vendor a set fee each time a visitor clicks on the sponsor's ad, directing visitors to the ad sponsor's web site. In the presented situation, Tony is the ad sponsor and he wants to place an ad on the web site that his target market is most likely to visit. Because tourists who visit the Outer Banks and like to fish are most likely to access a local bait and tackle shop's web site, Tony should place his ad on [www.obxbaitandtackle.com](http://www.obxbaitandtackle.com). Surfboarders are most likely to visit a surfboard web site, whitewater rafters are most likely to visit a whitewater rafting web site, and people who like to eat seafood are most likely to access the Red Lobster restaurant's web site.

SOURCE: PR:333

SOURCE: Sick, S. (2010, July 23). *Attract visitors to your website-top 12 ways*. Retrieved November 1, 2012, from <http://youcreatewebsite.com/attract-visitors-your-website>

88. D

Using a news release. A news release is a factual announcement sent to the media to be used as a news item. Businesses use news releases so that they can inform the public about their operations without having to pay a fee. A business that uses a public relations agency pays the agency to prepare the news release. Advertising is any paid form of nonpersonal presentation of ideas, images, goods, or services.

SOURCE: PR:057

SOURCE: Arens, W.F. (2004). *Contemporary advertising* (9th ed.) [p. 348]. Boston: McGraw-Hill Irwin.

89. A

Closed. The closed display case is usually made of glass and prevents the transfer of germs or the possibility of theft while motivating customers to buy. Island, open, and end cap displays do not protect freshly baked desserts.

SOURCE: PR:026

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 386-387). Woodland Hills, CA: Glencoe/McGraw-Hill.

90. A

Kept clean and well maintained. Once a display is in place, it is important to keep it looking as appealing as possible in order to attract customers. This may involve dusting props, rearranging display items, and/or replacing the products on display. A display should not be filled with informative signs and in some cases will not need any signs. A well-executed display will attract customers and not need to be pointed out to them. Displays should be changed after a reasonable length of time, not kept up as long as possible or customers will lose interest in them.

SOURCE: PR:052

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (p. 393). Woodland Hills, CA: Glencoe/McGraw-Hill.

91. D

To determine their impact on sales. The marketing specialist needs to establish a baseline number on whatever s/he wants to measure. And then, s/he needs to determine increases and decreases in that baseline number when promotional activities appear. Ticket prices, target market, and show times would not be impacted by promotional activities.

SOURCE: PR:335

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). *Advertising & integrated brand promotion* (5th ed.) [pp. 455-456]. Mason, OH: South-Western Cengage Learning.

92. D

Charitable event. Positive publicity can improve the image of a motor lodge and encourage the local people to use its services. Sponsoring a charitable event is one way that a local motor lodge can obtain positive publicity and promote itself to the community. The good publicity will generate interest among local residents and ultimately lead to increased sales. A motor lodge would not obtain publicity, which is free, by sponsoring an advertising campaign or a television show for which it must pay. Employee orientation is job preparation or induction training for new employees and does not generate publicity.

SOURCE: PR:082

SOURCE: O'Guinn, T.C., Allen, C.T., & Semenik, R.J. (2009). *Advertising & integrated brand promotion* (5th ed.) [pp. 657, 668-670]. Mason, OH: South-Western Cengage Learning.

93. D

Sombrero, poster of Cancun, beach towel, and sunglasses. A travel agency that is running a special offer for Mexican beach destinations is likely to display items that relate to the beach and to the Mexican culture. Therefore, the travel agency is most likely to display "beach" items such as sunscreen, sunglasses, beach towels, or even a model of a sailboat. It would also display items that relate to the Mexican culture, such as maracas (hand-held shaking instrument), a sombrero (hat), and a poster of Cancun, which is a popular beach destination in Mexico. Athens is a city in Greece, the Eiffel Tower is in Paris, France, and the Bahamas are part of the Caribbean Islands. The travel agency would not display materials for these destinations when it is promoting beach destinations in Mexico.

SOURCE: PR:162

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 388-389). Woodland Hills, CA: Glencoe/McGraw-Hill.

94. B

Buying decisions are often a combination of emotional and rational reasons. Often, customers' buying decisions are based on both emotional and rational reasons. Individual customers as well as business customers rely on rational reasoning. Salespeople have a great ability to influence customers' buying decisions by recommending specific products. Customers don't necessarily make buying decisions within the first minute of a sales presentation.

SOURCE: SE:114

SOURCE: SE LAP 111—Get Specific (Recommend Specific Product)

95. D

Answering as quickly as possible. Instead, the salesperson should pause before answering objections rather than rushing to answer. A salesperson should let customers say what they feel and listen carefully to everything customers are saying. They should empathize with customers' feelings and appreciate their point of view. Objections can often be turned into selling points, which are reasons to buy.

SOURCE: SE:874

SOURCE: Ingram, T.N., LaForge, R.W., Avila, R.A., Schwepker, C.H., & Williams, M.R. (2008). *Professional selling: A trust-based approach* (4th ed.) [pp. 217-222]. Mason, OH: South-Western Cengage Learning.

96. A

Suggestion selling. The server is attempting to increase the purchase by offering tempting desserts. Follow-up is sales activities which occur after a sales presentation or a sale has been made to ensure customer satisfaction. Prospecting is the act of identifying any person or organization with the potential to buy a product and compiling that information in an organized manner for future use. Feature-benefit selling is convincing customers that a good or service has the features that will provide the benefits for which they are looking.

SOURCE: SE:875

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 321-323). Woodland Hills, CA: Glencoe/McGraw-Hill.

97. C

Attitude. A customer's attitude or feeling towards a certain product is usually developed through experience over time. Attitudes are often difficult to change, particularly if a customer is not dissatisfied with a current product. To change a customer's attitude, a salesperson must be able to convince the customer that the new product has advantages and benefits not available in the competing product. Ethics are the basic principles that govern a person's behavior. Training is developing a certain skill. A complaint is a customer's expression of a dissatisfaction.

SOURCE: SE:046

SOURCE: Weitz, B.A., Castleberry, S.B., & Tanner, J.F. (2007). *Selling: Building partnerships* (6th ed.) [pp. 380-382]. New York: McGraw-Hill.

98. C

During check-in. Hotel employees should inform guests of the hotel's services and amenities during the check-in process. Guests who are not aware that the hotel offers certain services will not use them, which can affect the guests' experience during their stay and can affect the hotel's sales. For example, a guest who does not realize that the hotel has an on-site restaurant will not dine there. As a result, the hotel's food and beverage division loses potential revenue. Advising guests about services during checkout is not beneficial to the guest or to the hotel. Posting is a term that describes adding or subtracting charges to a guest's bill.

SOURCE: SE:221

SOURCE: Vallen, G.K., & Vallen, J.J. (2005). *Check-in: Check-out* (7th ed.) [p. 292]. Upper Saddle River, NJ: Pearson Education.

99. D

\$85.06. Many restaurants offer special prices on certain types of dinners to attract customers. Customers order those dinners because they are priced lower than usual. If customers also have coupons for discounts, the restaurant calculates the discount to determine the total cost. In this example, the restaurant is offering lobster dinners for \$22.99. A table of four orders the dinners, but two of the customers have coupons for discounts. To process the coupons, the restaurant subtracts the discount amount from the cost of the two dinners. To determine the amount of discount, add the cost of the two dinners and calculate the 15% discount ( $\$22.99 \times 2 = \$45.98$ ;  $\$45.98 \times 15\%$  or  $.15 = \$6.897$  or  $\$6.90$ ). Then, subtract the discount from the cost of the two dinners ( $\$45.98 - \$6.90 = \$39.08$ ). Add the discounted price of the two dinners to the regular price of the other two dinners to calculate the total cost for the table ( $\$39.08 + \$22.99 + \$22.99 = \$85.06$ ).

SOURCE: SE:149

SOURCE: Farese, L.S., Kimbrell, G., & Woloszyk, C.A. (2009). *Marketing essentials* (pp. 165-166, 555-556). Woodland Hills, CA: Glencoe/McGraw-Hill.

100. A

Directing. Directing is the management function of providing guidance to workers and work projects.

Organizing is the management function of setting up the way the business's work will be done.

Controlling is the management function that monitors the work effort. Planning is the management function of deciding what will be done and how it will be accomplished.

SOURCE: SM:001

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