

Competency-Based
Competitive Events
Written Exam

Test Number 937A
Booklet Number _____

Hospitality Services

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

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

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1. Which of the following forms of business ownership must obtain a charter from the state(s) in which it operates:
 - A. Consolidation
 - B. Sole proprietorship
 - C. Partnership
 - D. Corporation
2. What is the federal agency responsible for enforcing environmental regulations?
 - A. Environmental Protection Agency
 - B. Food and Drug Administration
 - C. Federal Trade Commission
 - D. National Transportation Safety Board
3. The hotel manager needs a new car for the hotel staff and decides to purchase a Lexus. The manager visits the only Lexus dealership in the area and orders a car that will be delivered in six weeks. What type of distribution is being demonstrated?
 - A. Restrictive
 - B. Exclusive
 - C. Selective
 - D. Intensive
4. Which of the following makes it possible for a hotel supply business's drivers to determine their exact location and obtain accurate directions to destinations:
 - A. Video frequency technology
 - B. Global positioning system
 - C. Cellular telephone system
 - D. Image scanning technology
5. Resort pro shops that buy products from suppliers that are not the authorized distributors for the products' manufacturers are involved in the
 - A. gray market.
 - B. outlet industry.
 - C. export business.
 - D. discount trade.
6. If a hotel supply business considers where the consumers are and who they are before selecting a channel of distribution, the business is considering the _____ factor.
 - A. promotion
 - B. market
 - C. human
 - D. sales
7. Why is it important for convention hotel employees to identify the audience before developing an oral presentation?
 - A. To send invitations to the event
 - B. To select a comfortable seating area
 - C. To determine the date of attendance
 - D. To include appropriate information
8. The reason hotel chain employees often do research and write proposals is to
 - A. understand complex data.
 - B. organize information.
 - C. investigate resources.
 - D. provide recommendations.
9. Which of the following questions should front desk clerks ask guests requesting wake-up calls:
 - A. Are you in a nonsmoking or a smoking room?
 - B. How many persons are staying with you?
 - C. Could I have your name and your room number?
 - D. Will you be ordering room service?
10. The human relations element that contributes to success in the hotel gift shop is
 - A. offering a wide variety of merchandise.
 - B. establishing good customer/client relations.
 - C. having an easy return policy.
 - D. offering high-quality merchandise.
11. Why should motel employees act as if customers are their employers?
 - A. Employees would not have jobs if there were no customers.
 - B. Customers pay employees' bonuses.
 - C. Employees might work for the customers in the future.
 - D. Customers own the motel.

12. The Days Inn lodging chain considers the factors of accessibility and interception when building properties. These factors are part of which aspect of the place (distribution) element?
- A. Familiarization tours
 - B. Global reservation systems
 - C. Open house
 - D. Appropriate location
13. One of the main purposes of taking a physical inventory is to determine whether the hotel gift shop has
- A. filed its invoices properly.
 - B. satisfied its customers.
 - C. lost any of its stock.
 - D. given its employees adequate training.
14. Justin is trying to decide whether he wants to spend a \$50 birthday check on a new DVD player or dinner at a hotel restaurant. If he chooses the DVD player, what is the opportunity cost of this decision?
- A. Dinner
 - B. DVD player
 - C. Birthday check
 - D. \$50
15. Which of the following is an external factor that affects market price:
- A. Location of item in store
 - B. Consumer buying power
 - C. Number of items in stock
 - D. Available credit terms
16. Financial analysis occurs when a hotel chain
- A. communicates with potential customers.
 - B. keeps accurate expense records.
 - C. plans for long-term success.
 - D. effectively retrieves data.
17. What consumers want and need helps to answer the basic economic question of
- A. who will do the production.
 - B. what products will be produced.
 - C. how products will be produced.
 - D. how products will be allocated.
18. Which of the following often is the result of a tight monetary policy:
- A. Inflation decreases
 - B. Interest rates decrease
 - C. Money supply increases
 - D. Spending increases
19. Which of the following is a technique that ski resorts often use to increase job satisfaction among employees:
- A. Offering flexible work schedules
 - B. Eliminating the need to make decisions
 - C. Providing repetitious assignments
 - D. Developing strict performance guidelines
20. Unemployment hurts the economy because unemployed people are unable to contribute to the
- A. balance of payments.
 - B. gross domestic product.
 - C. annual federal deficit.
 - D. standard of living.
21. In 1999, both Congress and the Senate passed a tax cut for the citizens of the United States. If President Clinton hadn't vetoed the cut, it would have helped the economy by affecting which internal cause of business cycles?
- A. Money supply
 - B. Aggregate demand
 - C. Inventory levels
 - D. Investment in capital goods
22. Mr. Field makes all the important decisions and gives his motel employees very specific instructions. Which of the following describes Mr. Field's management style:
- A. Authoritarian
 - B. Democratic
 - C. Laissez-faire
 - D. Open
23. Which of the following is a character trait that effective leaders usually possess:
- A. Lifestyle
 - B. Self-interest
 - C. Domineering personality
 - D. Emotional intelligence

24. Which of the following is a powerful motivator that often prompts hotel employees to take action:
- A. Criticism
 - B. Recognition
 - C. Feedback
 - D. Leadership
25. Motel chain employees who have different opinions about how a certain task should be performed often negotiate in order to
- A. avoid rejection.
 - B. reach a compromise.
 - C. make a statement.
 - D. create opposition.
26. What is often the last recourse for a hotel supply business trying to collect a delinquent account?
- A. Legal action
 - B. Frequent harassment
 - C. Regular follow-up
 - D. Formal notification
27. Many people pay for meals and lodging on credit through a(n)
- A. unsecured loan.
 - B. installment credit account.
 - C. budget credit account.
 - D. travel and entertainment card.
28. By developing a personal budget, individuals will be able to review their
- A. daily transactions.
 - B. spending patterns.
 - C. investment plans.
 - D. bank statements.
29. One of the main causes of economic risks in the hotel business is
- A. changes in the market.
 - B. prices being lowered.
 - C. employees being hired.
 - D. alterations in a product.
30. Which of the following does not describe the information produced when accounting standards are applied:
- A. Complex
 - B. Relevant
 - C. Credible
 - D. Transparent
31. How is the resort gift shop affected if its sales forecast is too high?
- A. The shop won't need to take markdowns.
 - B. The shop's profits may be increased.
 - C. The shop may have to increase its promotions.
 - D. The shop may not order enough goods.
32. A hotel gift shop's profit-and-loss statement contains the following financial information: Total revenue, \$100,000; Cost of goods sold, \$39,000; Expenses, \$48,000. What is the shop's net profit?
- A. \$12,000
 - B. \$13,000
 - C. \$23,000
 - D. \$31,000
33. Sales price of hotel restaurant food items, minus their preparation cost, equals
- A. food cost.
 - B. sales.
 - C. tips.
 - D. profit.
34. Before a hotel chain takes steps to hire a new employee, it should
- A. set up a schedule for the new employee.
 - B. develop a training plan for the new employee.
 - C. identify the available sources of new employees.
 - D. determine that a new employee is actually needed.
35. Which of the following are factors that might cause a motel to discharge an employee:
- A. Poor performance, violating company policies, inappropriate work behavior
 - B. Company expansion, inappropriate work behavior, poor performance
 - C. Downturn in the economy, company expansion, unsatisfactory job performance
 - D. Unsatisfactory job performance, violating company policy, possible promotion

36. If a golf resort fails to provide an orientation program for new employees, those employees might
- A. fail the pre-employment test.
 - B. have an incomplete performance appraisal.
 - C. feel comfortable with coworkers immediately.
 - D. adjust poorly to the job and the resort.
37. Which of the following should not be part of an employee's performance evaluation:
- A. Quantity of work completed
 - B. Ability to meet deadlines
 - C. Quality of work performed
 - D. Opinion of the evaluator
38. When obtaining marketing information from guests, why is it important for hotels to tell guests how their personal information will be used?
- A. To be ethical
 - B. To analyze data
 - C. To follow the law
 - D. To achieve goals
39. Why do some hotel chains' computers place a "cookie" on a visitor's hard drive when the visitor accesses the chain's web site?
- A. To track usage
 - B. To ensure privacy
 - C. To protect data
 - D. To eliminate theft
40. What does the following profile suggest about the large group of individuals staying in the east wing of a downtown property: primarily males who share a common purpose, members of an inelastic market, average length of stay is three days.
- A. They are part of an extended-stay group of business travelers.
 - B. They are part of a tourist operation traveling for leisure.
 - C. They are part of a convention traveling on business.
 - D. They are members of an international delegation traveling for political purposes.
41. Marketing research can affect the hotel supply business's marketing mix by providing information about the effectiveness of advertising that will influence the business's _____ decision.
- A. price
 - B. place
 - C. promotion
 - D. product
42. The belief that profitable sales volume will result from giving customers quality products at fair and reasonable prices is part of the
- A. marketing mix.
 - B. planning process.
 - C. marketing concept.
 - D. consumers' movement.
43. A hotel supply company has a goal of increasing its sales by 15% and chooses a strategy of trying to increase sales-staff motivation. An appropriate tactic to accomplish that goal would be to
- A. conduct more sales contests.
 - B. reduce department budgets.
 - C. increase administrative salaries.
 - D. compete in the international marketplace.
44. An overall purpose of market segmentation is to divide the market
- A. into consumer or industrial markets.
 - B. by distance from store or producer.
 - C. into well-defined groups of consumers.
 - D. by consumer or industry income.
45. A linen manufacturer that produces a unique type of bed linens to appeal to a specific segment of its larger group of hotel customers is involved in
- A. product planning.
 - B. specialty advertising.
 - C. regional selling.
 - D. niche marketing.
46. Which of the following information is included in the financial component of a convention hotel's marketing plan:
- A. Price of competitive services
 - B. Salary of the marketing manager
 - C. Cost to implement the plan
 - D. Reasons for offering discounts

47. Which of the following is an example of a situation analysis aid:
- A. Vertical integration
 - B. Market penetration
 - C. Diversification
 - D. Environmental scanning
48. Which of the following is a weakness that a hotel supply business might identify as a result of conducting a SWOT analysis:
- A. Availability of technically-advanced equipment
 - B. Possibility of competitors entering the market
 - C. Need to comply with additional governmental regulations
 - D. Inability to adapt to changes in customer preferences
49. Determine a resort gift shop's sales forecast for the coming year based on the following information: Last year's sales were \$500,000, which was 5% less than the previous year, and that trend is expected to continue.
- A. \$475,000
 - B. \$450,000
 - C. \$445,000
 - D. \$480,000
50. What do hotel chains develop in order to set aside the funds needed to cover the cost of performing marketing activities?
- A. Financial statement
 - B. Accounting system
 - C. Marketing budget
 - D. Cash-flow report
51. As part of their marketing plans, what do hotel supply businesses develop first that are intended to lead to increased sales and revenue?
- A. Tactics
 - B. Strategies
 - C. Objectives
 - D. Activities
52. What do hotel supply businesses often do with the information obtained as a result of conducting a marketing audit?
- A. Develop pricing strategy
 - B. Plan corrective action
 - C. Gather advertising data
 - D. Organize current inventory
53. An advantage in using an automated messaging system in a lodging facility is that it
- A. increases hotel revenues by charging a message retrieval fee.
 - B. provides personal, professional, and courteous service.
 - C. lowers the risk of message transcription mistakes.
 - D. delivers messages by programmed time delays to accommodate guests.
54. In a noncomputerized hotel or motel, front-desk employees use an information rack to
- A. store information about the local area.
 - B. keep an alphabetical list of guests.
 - C. keep track of guests' account balances.
 - D. hold guest folios during the guest's stay.
55. When posting information on a web page, the hypertext tags you will use to mark paragraphs in your document are
- A. <para> and </para>.
 - B. <P> and <P>.
 - C. <P> and </P>.
 - D. <startP> and <endP>.
56. Grand Beach Resort is keeping documents regarding the accidental death of an employee while on the job. In case the employee's family sues the resort, the resort should have _____ records on hand.
- A. payroll
 - B. legal
 - C. asset
 - D. promotional

57. When accepting a personal check from a customer, one way to ensure that the hotel gift shop does not suffer a loss because the check is worthless is to make sure that the
- A. customer signs the check as it appears on his/her personal identification.
 - B. check is completed correctly and that your company name is shown as the payee.
 - C. customer is not using low check numbers and has the minimum balance required by the bank.
 - D. identification information on the check matches the identification that is carried by the customer.
58. Why do resorts post information about upcoming events, guided tours, and special activities?
- A. To satisfy the target market
 - B. To attract a large audience
 - C. To fill meeting space
 - D. To encourage guests to buy
59. The government requires hotels and lodging facilities to keep a running log, or list, of work-related accidents in order to identify _____ in workplace accidents.
- A. victims
 - B. first-aid procedures
 - C. recordkeeping
 - D. patterns or trends
60. What activity is part of the industrial purchasing process?
- A. Arranging demonstrations of goods
 - B. Identifying sources of supply
 - C. Analyzing needs of sales staff
 - D. Determining availability of funds
61. Hotel chains that provide training to employees so they will understand their jobs and be able to perform effectively are often able to create a
- A. secure environment.
 - B. quality culture.
 - C. friendly atmosphere.
 - D. growth opportunity.
62. Resort gift shops that buy goods for resale can control their expenses by
- A. expanding their product lines.
 - B. increasing their inventory levels.
 - C. taking advantage of cash discounts.
 - D. buying additional insurance coverage.
63. Which of the following is a factor that might make a hotel supply business decide to buy rather than to lease a facility:
- A. Current cash flow
 - B. Long-term cost
 - C. Decreasing land values
 - D. Negative credit rating
64. What activity helps to maintain goods in an organized, clean condition on the selling floor of the hotel gift shop?
- A. Receiving
 - B. Packaging
 - C. Cashiering
 - D. Housekeeping
65. What is a reason for varying the amount of a hotel gift shop's change fund?
- A. A competitor's advertising campaign appears in the newspaper.
 - B. A vendor visits the shop.
 - C. The economic conditions remain constant.
 - D. The number of customers expected in the shop increases.
66. People who figure out what they need to do to obtain what they want are often able to
- A. compete with others.
 - B. act independently.
 - C. reach their goals.
 - D. achieve financial success.
67. Most hotel supply businesses today are looking for employees who have at least basic _____ skills.
- A. management
 - B. accounting
 - C. computer
 - D. legal
68. Trade associations, rather than professional organizations, are typically more _____ oriented.
- A. profit
 - B. retail
 - C. service
 - D. standards

69. A hotel supply business that takes advantage of an emergency situation by unnecessarily raising its prices is behaving unethically because it is failing to exhibit its duty of social
- A. gratuity.
 - B. confidentiality.
 - C. responsibility.
 - D. necessity.
70. In what type of market does the industry leader usually determine prices because there are relatively few sellers and it is expensive to enter the market?
- A. Oligopoly
 - B. Pure monopoly
 - C. Monopolistic
 - D. Pure competition
71. During which step in the new-product development process do product planners evaluate how well a product would fit into the hotel supply firm's product mix?
- A. Product development
 - B. Feasibility analysis
 - C. Test marketing
 - D. Commercialization
72. As a result of ongoing product updates and changes, manufacturers of hotel equipment must address ethical issues associated with
- A. planned obsolescence.
 - B. international markets.
 - C. demographics.
 - D. taxation.
73. To generate innovative product ideas, a hotel supply business often
- A. evaluates traits.
 - B. interprets laws.
 - C. monitors trends.
 - D. measures feedback.
74. Which of the following is used to indicate the quality of products:
- A. Trade characters
 - B. Descriptive names
 - C. Encoded UPC label
 - D. Letters of the alphabet
75. Which of the following actions can be taken by the Consumer Product Safety Commission:
- A. Require warranties to be clearly stated.
 - B. Require producers to provide warnings.
 - C. Make sure the food supply is safe.
 - D. Ensure that drugs and medical devices are safe.
76. When evaluating guests' experiences, a convention hotel should keep in mind that guests are most often influenced by their interactions with the hotel's
- A. suppliers.
 - B. employees.
 - C. labor union.
 - D. negotiation committee.
77. Which of the following is an illustration of increasing the breadth of a company's product mix:
- A. A department store opened a branch in a suburb of Detroit.
 - B. A hotel restaurant added Italian entrees to its dinner menu.
 - C. A chain of automotive stores dropped its line of CB radios.
 - D. A bank increased its hours of customer service on weekends.
78. One way a hotel supply business can identify products to fulfill customers' needs is by
- A. observing processes.
 - B. conducting research.
 - C. designing a survey.
 - D. organizing a focus group.
79. When considering the services to offer customers, a hotel supply business should determine if a specific service would
- A. stabilize variable interest rates.
 - B. increase the amount of customer returns.
 - C. offend the business's existing competitors.
 - D. enhance customer-satisfaction levels.
80. What type of products might not carry a brand name?
- A. Private-label products
 - B. Repositioned products
 - C. Related products
 - D. Generic products

81. How is a hotel supply business positioning its product when it places emphasis on the item's safety?
- A. Class
 - B. Price
 - C. Attributes
 - D. Competition
82. Interior design details of a hotel's lobby area are determined by the
- A. desired hotel image.
 - B. cost of hiring employees.
 - C. need for a safe entrance.
 - D. building's location.
83. To prevent others from using its brand logo, a hotel chain should
- A. apply for a patent.
 - B. obtain trademark protection.
 - C. register its domain name.
 - D. prepare a licensing charter.
84. When a hotel supply company's promotional activities focus on pointing out differences between its well-established product and competing products, the product is in the _____ stage of its life cycle.
- A. introductory
 - B. growth
 - C. declining
 - D. maturity
85. Which of the following is an example of a general business magazine:
- A. Fortune
 - B. Brandweek
 - C. Teen
 - D. TV Guide
86. Using which form of direct advertising is an advantage to hospitality marketers because it is inexpensive to execute?
- A. E-mail
 - B. Infomercial
 - C. Direct mail
 - D. Billboard
87. A promotional method that is used frequently by hotels and motels but has a short life is
- A. magazine advertising.
 - B. trade publications.
 - C. travel brochures.
 - D. newspaper advertising.
88. Which of the following is a true statement about the types of promotion in a promotional plan:
- A. Size of a business does not affect its choice of promotion types.
 - B. Most businesses focus on one type of promotion.
 - C. All types of promotion serve the same purpose.
 - D. Promotions change as a product moves through its life cycle.
89. A hotel supply salesperson who can determine customers' buying motives, handle objections, and close sales is demonstrating
- A. product knowledge.
 - B. selling skills.
 - C. creativity.
 - D. ethical standards.
90. Amy, a new employee for a hotel supply company, frequently talks with customers about the company's products. How is Amy benefitting from her company's clientele?
- A. By increasing her knowledge
 - B. By building customer goodwill
 - C. By generating repeat sales
 - D. By obtaining personal satisfaction
91. Which of the following statements is true about ethics in selling:
- A. Ethics can affect a firm's profitability.
 - B. Ethics are government regulations.
 - C. Withholding information is ethical.
 - D. Relaying product facts is unethical.
92. The labels of certain products, such as cosmetics or insect repellent sold in resort gift shops, often provide product information identifying their
- A. features.
 - B. grades.
 - C. value.
 - D. content.

93. Which of the following is not a benefit to a hotel gift shop of using substitute selling:
- A. Makes shopping easier and faster
 - B. Increases sales
 - C. Increases profits
 - D. Improves reputation of the shop
94. Assigning too many rooms in advance to preregistered guests can slow down the registration process for other guests because it
- A. involves additional registration forms.
 - B. limits the acceptable methods of payment.
 - C. limits the number of available rooms.
 - D. requires an advance cash payment.
95. Dollar amounts in the cash drawer are: checks, \$1,250; cash, \$550; and petty-cash vouchers, \$125. What do these amounts indicate if the front-office cashier should have \$2,000 at the close of the shift?
- A. A \$75 due bank
 - B. A balanced drawer
 - C. A \$75 overage
 - D. A \$75 shortage
96. What individual is responsible for coordinating promotional efforts, including selling, with other departments in a large hotel?
- A. Tour and travel sales manager
 - B. Marketing director
 - C. Convention sales manager
 - D. Corporate sales director
97. Based on the following statistics in a sales report, which hotel supply salesperson achieved at least 95% of monthly quota: Anderson: Monthly Quota, \$75,000. Actual Sales, \$70,450; Brown: Monthly Quota, \$82,500. Annual Sales, \$78,750; Davis: Monthly Quota, \$68,250. Annual Sales, \$64,100; Miller: Monthly Quota, \$96,000. Annual Sales, \$90,850.
- A. Davis
 - B. Anderson
 - C. Brown
 - D. Miller
98. In a large hotel, which of the following employees is responsible for providing guests with information about local sightseeing tours and booking them on the tour of their choice:
- A. Gift shop manager
 - B. Housekeeper
 - C. Bell captain
 - D. Concierge
99. A manager studies the hotel supply business's previous sales statistics as well as the sales forecast before making purchasing decisions. What type of resource is the manager using?
- A. Financial
 - B. Information
 - C. Human
 - D. Material
100. One of the purposes of developing a business plan is to _____ for the hotel chain.
- A. provide direction
 - B. acquire customers
 - C. invest resources
 - D. identify employees