

Competency-Based
Competitive Events
Written Exam

Test Number 984B
Booklet Number _____

Hotel and Lodging Management

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. Environmental regulations are often developed to encourage hospitality businesses to participate in
 - A. law enforcement.
 - B. recycling programs.
 - C. resource identification.
 - D. ethical contracts.

2. Erick and Hannah were college graduates who wanted to open a bed and breakfast. However, Erick had a full-time position that he planned to continue but still wanted to be a part of this business venture. Which form of business ownership would you recommend to Erick and Hannah?
 - A. General partnership
 - B. Limited partnership
 - C. Consolidation
 - D. Open corporation

3. A community experiences an increase in food and beverage taxes. How might the tax increase impact the hospitality industry in the community?
 - A. Most hospitality businesses are not affected by changes in taxation rates.
 - B. The tax increase forces hotels to increase their room rates on a seasonal basis.
 - C. Hotels have more unoccupied rooms because consumers have less discretionary income.
 - D. Hotel restaurants and banquet facilities generally increase the prices of their products.

4. Efficient inventory control can keep a resort gift shop from having too much of its _____ tied up in stock.
 - A. utility
 - B. accounts receivable
 - C. sales volume
 - D. capital

5. A business that has the capability of monitoring the location of delivery trucks to determine if shipments are on time is using the technology of
 - A. artificial intelligence.
 - B. satellite tracking.
 - C. data interchange.
 - D. electronic imaging.

6. A hotel supply business taking back its used products and recycling or properly disposing of those products is an example of the ethical practice of _____ distribution.
 - A. reverse
 - B. internal
 - C. joint
 - D. closed

7. Which of the following is a situation that might cause horizontal conflict between several channel members:
 - A. A manufacturer begins to sell hospitality products online.
 - B. An intermediary sells directly to consumers.
 - C. A manufacturer sells the same hospitality product to many competing businesses.
 - D. An intermediary returns defective hospitality products for credit on future purchases.

8. Three types of communication usually found in a hotel chain with a formal communication network are
 - A. informational, official, and conversational.
 - B. grapevine, informal, and standard.
 - C. upward, horizontal, and diagonal.
 - D. downward, upward, and lateral.

9. What factor should a hotel manager consider when giving directions for completing job tasks?
 - A. The industry
 - B. The organization
 - C. The audience
 - D. The profession

10. Which of the following is a disadvantage of conducting a staff meeting:
 - A. Shy employees may not speak up.
 - B. People may communicate directly with each other.
 - C. Employees have the opportunity to provide feedback.
 - D. People may not comprehend the information covered.

11. Mrs. Fairmont has called Karen, the front desk clerk, to request a wake-up call for the next day. Karen's most important responsibility in taking this call is to
- A. record all the information accurately.
 - B. send the information to housekeeping.
 - C. ask if Mrs. Fairmont has any complaints.
 - D. have a friendly chat with Mrs. Fairmont.
12. The hotel front desk clerk should be prepared to answer guest inquiries about
- A. room rates of competitors.
 - B. reservations at other properties.
 - C. the hotel's yearly income.
 - D. hours of the hotel's restaurant.
13. Which of the following is a reason why a resort might buy and store larger amounts of housekeeping supplies than they need:
- A. To obtain special discounts
 - B. To spend operating capital
 - C. To reduce profit margins
 - D. To increase interest payments
14. In order to determine when and how much to buy, purchasers for a hotel restaurant rely on
- A. industry forecasts.
 - B. quality control guidelines.
 - C. standard purchase specifications.
 - D. standard recipe files.
15. Which of the following is a reason that natural resources are considered limited:
- A. The earth has certain boundaries.
 - B. Technology has advanced faster than training.
 - C. Some countries are unable to manufacture them.
 - D. People lack training or skills needed to do a job.
16. If the price of a nonessential product rises, people will probably buy less of it. If the price of an essential product rises, people will probably continue to purchase the same amount of it. These examples illustrate the
- A. law of demand.
 - B. way prices are set by wholesalers.
 - C. effects of government regulation.
 - D. use of discretionary income.
17. Why do many socially responsible hotels offer their employees benefits such as counseling, retirement planning, and additional training?
- A. To comply with government regulations
 - B. To increase employee satisfaction
 - C. To promote community involvement
 - D. To improve personal relationships
18. In a private enterprise economic system, hospitality businesses are free to choose all of the following except
- A. which resources to purchase.
 - B. what they wish to produce.
 - C. how much tax they will pay.
 - D. what price(s) they will charge.
19. All night-shift workers at the Gates Hotel have reported for work, but they are refusing to do their assigned jobs. What kind of pressure strategy is being used by the workers?
- A. Lockout
 - B. Injunction
 - C. Sit-down strike
 - D. Sympathetic strike
20. The low point of economic activity occurs during which phase of the business cycle?
- A. Trough
 - B. Recession
 - C. Peak
 - D. Valley
21. What is one factor that determines a hotel manager's credibility with employees?
- A. Creativity
 - B. Reputation
 - C. Patience
 - D. Aptitude

22. Which of the following is an example of effective negotiations:
- A. Business owners offer workers a pay raise.
 - B. Customer agrees to a higher price.
 - C. Department heads and staff share company goals.
 - D. Supervisors discourage questions regarding a policy change.
23. Ben and Tasha are coworkers who are applying for the same supervisory position in the motel chain and now they are not speaking to each other. The reason for the conflict is
- A. unclear boundaries.
 - B. authority.
 - C. exclusion.
 - D. unclear expectations.
24. A group of skilled hospitality workers who are completely in charge of handling a significant segment of work is a _____ work team.
- A. self-directed
 - B. supervisor-directed
 - C. task-force
 - D. cross-functional
25. Which of the following is a benefit gained from practicing effective human relations skills at your place of employment:
- A. Improved self-understanding
 - B. Increased cooperation from others
 - C. More objective point of view
 - D. Higher personal standards
26. When maintaining waiting lists, which of the following is a reason why hotel restaurants often seat some groups ahead of other groups that arrived first:
- A. To fill up unpopular space
 - B. To accommodate special requests
 - C. To match groups to table size
 - D. To give equal work to servers
27. A hospitality business that raises capital by obtaining an unsecured loan would be required to
- A. surrender its accounts receivable.
 - B. sign a promissory note.
 - C. provide collateral to the lender.
 - D. obtain government approval.
28. A hospitality business has accounts receivable valued at \$12,500. This amount would appear in the business's balance sheet under the category of
- A. cash.
 - B. liabilities.
 - C. income.
 - D. current assets.
29. What does an accurate income statement often help a resort and conference center to identify?
- A. Excessive income
 - B. Trouble spots
 - C. Potential sales
 - D. Problem vendors
30. If a hotel has 500 rooms and expects to sell 316, it is forecasting an occupancy rate of
- A. 43%.
 - B. 63%.
 - C. 60%.
 - D. 31%.
31. A hotel gift shop had net sales of \$48,000 and net income of \$6,250. What percentage of sales is net income?
- A. 15%
 - B. 11.6%
 - C. 14.5%
 - D. 13%
32. Which of the following is the most common way for hotels to collect payment from guests:
- A. Traveler's check
 - B. Credit card
 - C. Cash in advance
 - D. Direct bill
33. A primary reason that lodging businesses prepare night audit reports is to
- A. determine the data needed to develop the SWOT analysis.
 - B. track the credit rating for each of the facility's guests.
 - C. create an annual profit-and-loss statement for stockholders.
 - D. verify the accuracy of the front office daily accounting practices.

34. Which of the following situations is an example of a hotel gift shop maintaining financial records of its accounts receivables:
- A. A shop keeps a copy of a credit-card receipt for a customer's purchase.
 - B. A cashier gives a customer change for a cash sales transaction.
 - C. A shop issues a check to a vendor for office supplies it purchases.
 - D. A customer requests a cashier's check so s/he can make a loan payment.
35. When reviewing résumés to set up job interviews, a hotel's human resources department often uses a(n) _____ to qualify applicants.
- A. employment report
 - B. application form
 - C. memorandum
 - D. checklist
36. When a hotel housekeeping supervisor notifies employees that their performance is below standards and their jobs are in jeopardy, the supervisor should
- A. post the notice on the bulletin board.
 - B. e-mail the employees.
 - C. give verbal notification only.
 - D. put the notice in writing.
37. What should hotel supervisors do in order to ensure that new employees understand their job duties?
- A. Assign menial tasks
 - B. Limit number of questions
 - C. Follow up on orientation
 - D. Conduct orientation quickly
38. Which of the following is a reason that the number of workers with disabilities in the workforce has increased:
- A. Government legislation requires businesses to hire a certain number of workers with disabilities.
 - B. Businesses are allowed to ask job applicants for complete information about their disabilities.
 - C. Workers with disabilities have shown that they can perform a variety of jobs.
 - D. New civil rights laws allow workers to sue for unlimited amounts if workers suffer discrimination.
39. What type of remedial action should a hotel chain take to encourage employees to follow standards and rules so that violations don't occur?
- A. Progressive
 - B. Constructive criticism
 - C. Preventive
 - D. Corrective
40. If one server can effectively serve 20 customers at one time, how many servers should a hotel restaurant schedule if it has 60 tables that each seat four people?
- A. 16
 - B. 10
 - C. 12
 - D. 20
41. One of the benefits of a marketing-information management system is that it provides hospitality businesses with
- A. a broad view of customers' changing buying patterns.
 - B. enhanced accounting and payroll procedures.
 - C. up-to-date financial statements about competitors.
 - D. greater control of the product life cycle.
42. A hotel chain that publishes marketing information but ignores pertinent data and misuses statistics often compromises its
- A. credibility.
 - B. confidentiality.
 - C. elasticity.
 - D. availability.
43. Which of the following is an important factor that motel chains should consider when developing a marketing-information management system:
- A. Type of system used by competitors
 - B. Where the system is located
 - C. Hours the system will operate
 - D. Who has access to the system

44. What type of information is often included in a salesperson's lost-business reports that a hotel supply business might use to change its marketing strategy?
- A. Quality of promotional materials
 - B. Design of competitors' products
 - C. Reasons for local unemployment
 - D. Why customers no longer buy
45. What type of data do descriptive statistics summarize?
- A. Subjective
 - B. Sample
 - C. Synectic
 - D. Solitary
46. The Sleep-Well Hotel receives supply shipments each week from the chain's regional warehouse, which stores and ships the supplies on trucks. The handling and shipping of these supplies is part of the marketing function of
- A. pricing.
 - B. distribution.
 - C. planning.
 - D. promotion.
47. In the hospitality industry, what is the relationship between the elements of the marketing mix and marketing strategies?
- A. The marketing mix elements enable marketers to change marketing strategies frequently.
 - B. Development of effective marketing strategies requires consideration of the marketing-mix elements.
 - C. The marketing mix elements enable marketers to avoid changing marketing strategies.
 - D. Marketing strategies cannot be developed until the marketing mix elements are developed and implemented.
48. Which of the following represents division of a market on the basis of consumers' lifestyles and personalities:
- A. Psychographic segmentation
 - B. Demographic segmentation
 - C. Geographic segmentation
 - D. Behavioral segmentation
49. A start-up hotel chain is most likely to enter which of the following target markets:
- A. The target market that most closely matches its customer profile
 - B. The market with the most direct competitors
 - C. The international market in undeveloped countries
 - D. All of the potential target markets the business might have in the future
50. What do bed and breakfasts often conduct in order to be able to forecast sales and plan for the future?
- A. Market analysis
 - B. Performance evaluation
 - C. Case study
 - D. Financial review
51. Which of the following is an internal factor that a hotel supply business should consider when conducting a SWOT analysis:
- A. Location of target market
 - B. Type of industry
 - C. Rate of productivity
 - D. Amount of competition
52. Which of the following is an example of how a hotel restaurant uses sales forecasts:
- A. To manage staff
 - B. To organize inventory
 - C. To plan purchases
 - D. To control trends
53. What does a bed and breakfast need to consider when developing a marketing budget?
- A. Cost of performing marketing activities
 - B. Forecasts of future sales figures
 - C. Value of spending money on advertising
 - D. Expense associated with offering credit
54. Which of the following is a measure that hospitality businesses take in order to control the implementation of activities required by the marketing plan:
- A. Scheduling
 - B. Forecasting
 - C. Training
 - D. Positioning

55. Which of the following is a problem that a hotel supply business might identify as a result of evaluating the performance of its marketing plan:
- A. Intangible resources
 - B. Unrealistic objectives
 - C. Specific strategies
 - D. Targeted activities
56. To appeal to business travelers, which of the following forms of technology might a lodging facility offer:
- A. Cable television
 - B. Wireless Internet
 - C. DVD rental
 - D. Automated lighting
57. Hotel employees can track the number of guests who arrive without a guaranteed reservation by maintaining a _____ reservation sheet.
- A. split-folio
 - B. nonaffiliate
 - C. walk-in
 - D. property-management
58. What is the first thing that a hotel employee should do if a guest trips over a box and falls in the hotel lobby?
- A. Call the emergency squad.
 - B. Determine severity of the injury.
 - C. Notify the department manager.
 - D. Complete an accident report form.
59. The owner of the Bahama Resort Gift Shop noticed one of her customers switching price tickets on a lead crystal vase. This customer is carrying out
- A. shoplifting.
 - B. pilferage.
 - C. robbery.
 - D. fraud.
60. What should a hotel always provide for when developing a project plan?
- A. Secrecy
 - B. Publicity
 - C. Research
 - D. Change
61. An example of a production activity is the combining of raw materials to create
- A. joint assets.
 - B. economic resources.
 - C. hotel supplies.
 - D. finished goods.
62. What is often the role of management in the achievement of quality in a business?
- A. To assign blame
 - B. To lead the effort
 - C. To judge the staff
 - D. To eliminate conflict
63. The main purpose of developing a budget for a hospitality business is as a
- A. short-term forecast.
 - B. legal requirement.
 - C. directional guideline.
 - D. rigid format.
64. Which of the following is an example of preventive maintenance in a hotel:
- A. Checking the fire extinguishers
 - B. Repairing the cash registers
 - C. Installing a security system
 - D. Replacing a broken window
65. To calculate total cash received for the day, what should a hotel gift-shop employee remember to subtract from the total cash drawer amount on the daily balance form?
- A. Opening change fund
 - B. Charges
 - C. Voids
 - D. Paid-outs and/or refunds
66. When handling cleaning chemicals, hotel housekeeping attendants should
- A. avoid direct skin contact and wear disposable gloves.
 - B. complete a purchase order when inventory is low.
 - C. avoid using eye goggles or ventilation masks.
 - D. keep a log of ingredients found in the cleaning materials.

67. As a hotel front-desk employee, getting rid of clutter in your work area and keeping adequate supplies on hand are effective ways to
- A. discourage dishonest guests.
 - B. close the point-of-sale register.
 - C. avoid burglaries.
 - D. improve your productivity.
68. One way that some hotels handle emergency fire situations is by using automated systems that
- A. prevent bomb threats.
 - B. open the fire doors.
 - C. identify hazardous materials.
 - D. contact all guest rooms.
69. Jacob is interested in pursuing a specific career in the hospitality industry and sets up a time to talk with a person who works in his field of interest. Jacob is obtaining career information by initiating a(n)
- A. job evaluation.
 - B. internship.
 - C. discussion forum.
 - D. exploratory interview.
70. Which of the following is appropriate to include in a letter of application that is addressed to a hotel and conference center:
- A. The reasons for frequent job changes
 - B. The ages of your children
 - C. Your work experiences that relate to the job opening
 - D. Your list of references
71. Full-service hotels that provide upscale services and amenities usually charge high rates because their guests associate price with
- A. supply.
 - B. economy.
 - C. quality.
 - D. value.
72. A pricing tactic used by some hospitality businesses that might be unethical is one that
- A. offers rebates.
 - B. advertises discounts.
 - C. confuses customers.
 - D. is competitive.
73. To identify product opportunities, Corrine tries to make connections between two unrelated items, which is an example of
- A. decision making.
 - B. idea testing.
 - C. creative thinking.
 - D. problem solving.
74. How do hospitality marketers measure the feasibility of a product idea?
- A. Write a marketing proposal.
 - B. Make a prototype of the product.
 - C. Develop a customer survey.
 - D. Evaluate it against general criteria.
75. So the Wentworth Hotel can evaluate how guests really feel about its goods and services, the hotel should
- A. plan an off-site focus group for employees and guests.
 - B. require its employees to complete guest surveys.
 - C. ask its guests for positive and negative feedback.
 - D. develop and implement a guest complaint rating scale.
76. What term refers to the number of product lines carried by a company?
- A. Depth
 - B. Width
 - C. Class
 - D. Consistency
77. Hotels offering guests a weekend package that includes accommodations, meals, and a sightseeing trip is an example of
- A. individual selling.
 - B. price positioning.
 - C. product bundling.
 - D. target advertising.

78. When selecting specific product mix strategies, a resort gift shop must consider its resources and
- A. credit.
 - B. applications.
 - C. staff.
 - D. objectives.
79. Hotels that offer dining facilities on the premises have a competitive edge over those that do not because this service
- A. reduces the number of dissatisfied guests.
 - B. allows guests to order room service.
 - C. is a convenience to guests.
 - D. increases employee productivity.
80. Why should motels cultivate their touch points?
- A. Consumers select brands based on which ones have the most touch points.
 - B. Well-developed touch points guarantee the success of the motel.
 - C. Motels get significant tax breaks based on touch points.
 - D. Each touch point is an opportunity to reinforce the brand with guests.
81. Rather than repositioning a product by changing its physical characteristics, price, or method of distribution, a hospitality business may decide to change the product's
- A. image.
 - B. supply.
 - C. profit.
 - D. packaging.
82. A convention hotel's strengths and competitive advantages are critical in brand development and can often be found in the hotel's
- A. business plan.
 - B. FAQs on the Internet.
 - C. name and slogan.
 - D. press releases.
83. The Canyon Tree Spa is a resort targeted at individuals interested in maintaining and optimizing their levels of health. An important consideration when selecting menu items for the spa's restaurant is to choose ones that are
- A. low in fat and calories.
 - B. quick to prepare.
 - C. similar to home-style cooking.
 - D. focused on one portion of the food pyramid.
84. An upscale hotel restaurant is planning a new location and intends to allocate 16 square feet per person in the dining area. If the maximum seating capacity will be 125 customers, the dining area will need to contain at least _____ square feet of space.
- A. 1,600
 - B. 2,000
 - C. 1,250
 - D. 2,125
85. The communication of information about goods, services, images, and/or ideas defines
- A. cultural trends.
 - B. promotion.
 - C. message channels.
 - D. demand.
86. A coupon for \$2 off the guest's next purchase from the hotel gift shop would be an example of sales promotion known as
- A. public relations.
 - B. publicity.
 - C. a rebate.
 - D. a premium.
87. A hospitality business that develops an advertisement which presents a woman in a traditional female role is reinforcing the concept of
- A. equity labels.
 - B. stereotypes.
 - C. age discrimination.
 - D. socialization.
88. Technological advancements have made it possible for a resort to use promotional activities to target specific markets so the resort can
- A. decrease the use of guest loyalty programs.
 - B. gain mass advertising exposure for less money.
 - C. maintain a competitive edge in the global marketplace.
 - D. build close and ongoing guest relationships.

89. A hotel chain that includes broadcast media in its promotional mix might coordinate commercial development activities with a(n)
- A. interactive agency.
 - B. marketing-research firm.
 - C. creative boutique.
 - D. production house.
90. One way that a hotel catering to convention business could build a loyal clientele is by providing
- A. efficient services.
 - B. quality training.
 - C. free samples.
 - D. promotional materials.
91. What is the foundation of the relationship between hotel supply salespeople and customers?
- A. Law
 - B. Friendship
 - C. Trust
 - D. Entertainment
92. What should hotel supply salespeople do with the various types of information that they obtain about the products they sell?
- A. Develop a sales catalog
 - B. Write a promotional brochure
 - C. Organize a training seminar
 - D. Prepare a feature-benefit chart
93. One of a hotel supply salesperson's primary responsibilities is to
- A. differentiate her/his product from competitors' products.
 - B. gain the highest sales of his/her division or region.
 - C. sell those items that generate the highest profit margin.
 - D. present a product that fulfills the customer's needs.
94. Lee is a front desk clerk at a property that is so large it provides maps for guests. When Lee checks in guests and gives them their room keys, she should also give the guests a map and
- A. write in the telephone number for the front desk on the map.
 - B. circle the guest's room location or write in the room number.
 - C. draw a circle around any areas the guest might like to visit.
 - D. tell the guest the room number and show where it is on the map.
95. The Canyon Tree Spa is a resort that sells gift certificates to individuals who want to give a day of pampering to their loved ones. What piece of equipment could the spa use to prepare the gift certificates?
- A. Point-of-sale terminal
 - B. Modem
 - C. Ledger
 - D. Scanner
96. As a hotel reservation clerk, you made a reservation by telephone for Mr. John Samson, who gave you his credit card number to hold the room past 6:00 p.m. What type of reservation did Mr. Samson make?
- A. Confirmed
 - B. Anonymous
 - C. Guaranteed
 - D. Modified
97. Which of the following sales management functions focuses on hiring sales personnel:
- A. Staffing
 - B. Organizing
 - C. Leading
 - D. Planning
98. One reason a hotel manager reviews sales income reports for the food and beverage department is to determine if
- A. the department is generating enough business in relation to the financial investment.
 - B. banquet services needs to promote other hotel services to increase business.
 - C. the department should conduct a physical inventory of stock dry goods.
 - D. it is necessary to eliminate the need to record controllable expenses for the department.
99. Asking hotel guests to countersign checks in your presence is an accepted procedure for processing _____ checks.
- A. cashier's
 - B. traveler's
 - C. bank
 - D. certified

100. Why do top-level hotel chain managers usually receive high salaries?
- A. Their responsibilities involve hands-on supervision.
 - B. They are required to attend a great many meetings.
 - C. They have more experience than others in the chain.
 - D. Their decisions affect the entire chain.