



Competency-Based  
Competitive Events  
\*Written Exam\*  
for District/Regional Use

Test Number 1070  
Booklet Number \_\_\_\_\_

# Hospitality and Tourism Cluster Exam

HLM - Hotel and Lodging Management Series Event

HTDM - Hospitality Services Team Decision Making Event

HTPS – Hospitality and Tourism Professional Selling Event

QSRM - Quick Serve Restaurant Management Series Event

RFSM - Restaurant and Food Service Management Series Event

TTDM - Travel and Tourism Team Decision Making Event

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

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



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1. An offer must be made by one party and accepted by the other party in order for a contract to be
  - A. notarized.
  - B. legally binding.
  - C. put in written form.
  - D. interpreted correctly.
  
2. When an agent legally acts in the best interests of his/her client, the agent is establishing a(n) \_\_\_\_\_ relationship.
  - A. principal
  - B. authoritative
  - C. fiduciary
  - D. legislative
  
3. Which of the following is one of the rights of customers in the travel and tourism industry:
  - A. To be reminded that foreign travel is often dangerous
  - B. To be asked if they want to buy trip insurance
  - C. To be informed about a destination's social conditions
  - D. To be told about a competitor's refund policy
  
4. Kathy's once-booming traditional brick-and-mortar travel agency is financially struggling. For many years, the majority of Kathy's revenue came from commissions on airline ticket sales. Now, though, most of Kathy's clients purchase their tickets online instead of from her travel agency. These clients can purchase tickets directly from the airlines or through online travel agencies like Priceline or Expedia. Oftentimes, the tickets that they purchase online are less expensive than the tickets that Kathy offers. This is an example of
  - A. disintermediation.
  - B. discrepancy of assortment.
  - C. bulk-breaking.
  - D. exclusive distribution.
  
5. One way that a manufacturer can foster positive relationships with its channel members is by
  - A. encouraging a competitive culture.
  - B. providing training programs.
  - C. selling directly to end users.
  - D. using aggressive tactics.
  
6. What should employees be willing to accept when defending their ideas objectively?
  - A. Critical feedback
  - B. Additional responsibility
  - C. Nonverbal support
  - D. Personal attack
  
7. Why do businesses often make it possible for employees to meet during work time and participate in group discussions?
  - A. To plan extracurricular activities
  - B. To discuss personal issues
  - C. To share many different opinions
  - D. To have casual conversations
  
8. An accounts-receivable employee monitors delinquent accounts by placing them into three folders—30 days past due, 60 days past due, and 90 days past due. How has the employee organized the information?
  - A. Name
  - B. Invoice number
  - C. Location
  - D. Time
  
9. Which of the following is a guideline for writing clear instructions for your coworkers:
  - A. Write from your supervisor's perspective.
  - B. Understand the process you are explaining.
  - C. Write complex, lengthy statements.
  - D. Confine the instructions to one page.
  
10. A transmittal letter is a business letter whose purpose is to
  - A. apologize to a customer.
  - B. accompany other written material.
  - C. extend good wishes.
  - D. sell specific products.
  
11. When writing informational messages, business employees should explain the situation and include sufficient data for the recipient to be able to
  - A. agree with the content.
  - B. read the message.
  - C. contact the business.
  - D. make a decision.

12. What type of simple report might a buyer for a business prepare in order to periodically inform other departments about the status of scheduled deliveries?
- A. Research
  - B. Analytical
  - C. Progress
  - D. Statistical
13. It is appropriate for a participant to ask questions during a staff meeting when
- A. another participant is speaking.
  - B. s/he needs a point clarified.
  - C. the agenda is being distributed.
  - D. s/he does not agree with the speaker.
14. You have a customer-service mindset if you believe that your customers are your
- A. relatives.
  - B. associates.
  - C. friends.
  - D. employers.
15. In order to interpret business policies to customers, salespeople must
- A. get permission from management.
  - B. understand the business's policies.
  - C. feel good about the policies.
  - D. help to set the business's policies.
16. A business exhibits ethical behavior in customer relationship management by implementing policies that
- A. encourage repeat sales.
  - B. require customer feedback.
  - C. offer exclusive benefits.
  - D. protect its customers' privacy.
17. An individual books a hotel reservation on an Internet web site. This is an example of
- A. place.
  - B. promotion.
  - C. product.
  - D. possession.
18. Which of the following situations involves finding another source of a limited natural resource:
- A. Conserving the oil that we use
  - B. Searching for oil on the ocean floor
  - C. Paying a higher price for oil
  - D. Replacing oil with natural gas
19. What economic activity examines how money payments are divided between resource owners and producers?
- A. Distribution
  - B. Consumption
  - C. Exchange
  - D. Production
20. Which of the following describes the services offered by trade industries:
- A. They are always limited.
  - B. They may be limited or full line.
  - C. They vary from day to day.
  - D. They are always full line.
21. You pay Burger King for the right to set up a location in Barcelona under the corporate headquarters' guidance and regulation. This is an example of
- A. franchising.
  - B. a joint venture.
  - C. a wholly owned subsidiary.
  - D. exporting.
22. One of the benefits of competition to consumers is that competition encourages
- A. businesses to limit their product lines.
  - B. businesses to develop new products.
  - C. government to fix prices.
  - D. government to finance business activity.
23. Government can prevent unqualified persons from operating a business by
- A. refusing to grant them a license.
  - B. closing their bank accounts.
  - C. raising their taxes.
  - D. helping their competitors.
24. Generating revenue to pay for services that are provided to the public is the reason for
- A. quotas.
  - B. sales.
  - C. prices.
  - D. taxes.

25. What action expands economic activities?
- A. Increasing inventory levels
  - B. Decreasing the purchase of durable goods
  - C. Increasing the unemployment rate
  - D. Decreasing investments in capital goods
26. To find a career that's best suited for your strengths, it's important to be \_\_\_\_\_ about your strengths and weaknesses.
- A. realistic
  - B. general
  - C. hopeful
  - D. competitive
27. Accepting blame for failure and credit for success is an indication of a person's
- A. responsibility.
  - B. initiative.
  - C. consideration.
  - D. interpersonal skills.
28. Mary often frowns and shakes her finger when she is communicating with customers. Mary should try to develop self-control by controlling her
- A. body language.
  - B. service attitude.
  - C. patient behavior.
  - D. listening skills.
29. One of the reasons you should listen to criticism carefully is that it shows that you
- A. know you have made a mistake.
  - B. believe the criticism is valid.
  - C. don't have any questions.
  - D. take the criticism seriously.
30. Why is it important to be patient when learning to exhibit cultural sensitivity?
- A. You will definitely offend someone.
  - B. You'll never make mistakes.
  - C. It's a lifelong process.
  - D. It's a one-time goal.
31. A person can determine the reason for a conflict by
- A. taking responsibility for his/her own actions.
  - B. taking a break and ignoring the situation.
  - C. evaluating the other person's behavior and attitudes.
  - D. asking why the disagreement is occurring.
32. One of the disadvantages of using consensus building as a decision-making tool is that it often encourages group members to
- A. communicate.
  - B. compromise.
  - C. collaborate.
  - D. cooperate.
33. Why is accepting responsibility for your own actions important to effective human relations skills?
- A. People will not take advantage of you.
  - B. It helps you to be objective.
  - C. It helps you to be enthusiastic.
  - D. People will be able to depend on you.
34. Although Anna works in a different department than Ryan, their job responsibilities overlap. Anna and Ryan often talk about the mutually job-related problems, and they share ideas about how they can improve situations in ways that will benefit not only them, but the company in general. By sharing information and being objective, Anna and Ryan are
- A. making suggestions to improve the company's finances.
  - B. building collaborative working relationships.
  - C. improving their chances of receiving promotions.
  - D. developing a positive, relaxed work culture.
35. A business that buys services and goods in order to operate now and pay for them later is using
- A. capital.
  - B. collateral.
  - C. currency.
  - D. credit.
36. You are more likely to achieve your goals if they are
- A. long term.
  - B. based on needs only.
  - C. written down.
  - D. short term.

37. When Jane received her first paycheck from her part-time job, she was surprised to see the amount was much less than her \$8.00 per hour pay rate multiplied by the number of hours she worked. Jane had not planned on \_\_\_\_\_ tax being taken out of her paycheck.
- A. income
  - B. property
  - C. sales
  - D. excise
38. Why is it important for individuals to periodically validate their credit histories?
- A. To understand credit laws
  - B. To avoid being denied credit
  - C. To find out about different types of credit
  - D. To protect themselves from bankruptcy
39. To protect a business from natural risks, the business should purchase \_\_\_\_\_ insurance.
- A. crime
  - B. life
  - C. property
  - D. health
40. Teresa is a new employee who received training in handling sales and returns for the business. Her supervisor referred to both types of activities as
- A. exchanges.
  - B. credits.
  - C. transactions.
  - D. functions.
41. To keep communication flowing with other departments, the finance function depends on
- A. information systems.
  - B. accounts receivable.
  - C. marketing.
  - D. production.
42. One of the most important ways that businesses use budgets is for
- A. promotion.
  - B. evaluation.
  - C. research.
  - D. renovation.
43. Which of the following activities typically occurs during new employee orientation:
- A. A tour of the business
  - B. Contact with the employee's references
  - C. A performance appraisal
  - D. Review of the employee's résumé
44. Alonzo, the marketing director at the local convention and visitors bureau, conducted a series of focus groups with people in different age groups to determine what entertainment they are interested in. He then compared his findings to determine similarities across groups. This is an example of
- A. primary data.
  - B. secondary data.
  - C. quantitative research.
  - D. longitudinal research.
45. To track environmental changes impacting hospitality and tourism marketing, a destination marketer should use
- A. model building.
  - B. push technology.
  - C. customer discovery.
  - D. market-basket analysis.
46. Which of the following can be learned from monitoring the sales data of any hospitality and tourism business:
- A. Average amount of sales per customer
  - B. Median age of customers
  - C. Average size of customers' families
  - D. Most frequently preferred color of customers
47. When examining two data sets, the hotel manager found that one set had a correlation of +1 and the other had a correlation of -1. What should the hotel manager understand about the strength of the relationship of the two data sets?
- A. The strength of the relationship of the two data sets is the same.
  - B. No relationship exists with the -1 correlation.
  - C. The strength of the relationship of the +1 correlation is twice as strong as the -1 correlation.
  - D. The strength of the relationship of the -1 correlation is less than that of the +1 correlation.

48. The audience for the research report is young professionals. What should you incorporate into a visual presentation that will appeal specifically to that audience?
- A. Different backgrounds in each slide
  - B. Pictures
  - C. Concise information
  - D. Animated backgrounds
49. Which major marketing function determines how various products will be shipped?
- A. Servicing
  - B. Warehousing
  - C. Distribution
  - D. Transportation
50. A major pharmaceutical company is considering replacing meetings with teleconferences and substituting regional meetings for national meetings. This consideration is in response to which factor affecting marketing in the travel environment?
- A. Competition
  - B. Economic
  - C. Technology
  - D. Legislation and regulation
51. A reason that hotels keep guest-history records that tell them the geographic locations of the majority of their guests is in order to
- A. order appropriate newspapers.
  - B. advertise in specific areas.
  - C. serve regional menu items.
  - D. provide local travel brochures.
52. You have been asked to provide information to management about the impact a highway bypass will have on your business, identifying a recommended course of action. What would be the best way to organize the information?
- A. By emphatic order
  - B. In chronological order
  - C. By cause/effect
  - D. In alternating organization
53. Payroll, hotel reservations, and sales orders are handled by a(n) \_\_\_\_\_ type of information system.
- A. decision support system
  - B. knowledge work system
  - C. transaction processing system
  - D. executive support system
54. Which of the following is available to all people around the world who have access to a computer that has connectivity:
- A. Intranet
  - B. Internet
  - C. Extranet
  - D. Broadband
55. When conducting a web search, keywords entered into the query field should
- A. be as specific as possible.
  - B. be entered as all lower case letters.
  - C. be very broad or general.
  - D. contain fewer than 10 characters.
56. The capability of combining graphics, text, animation, and sound is a unique characteristic of \_\_\_\_\_ software programs.
- A. communication
  - B. presentation
  - C. numeric
  - D. electronic
57. A business owner wants to compare last year's sales to the business's sales in 2001. Unfortunately, the owner has no way to read the 2001 data, since the data are stored on a floppy disk. This scenario illustrates which of the following drawbacks to keeping digital records:
- A. Some digital records become inaccessible due to obsolete technology.
  - B. Constant use and rough handling damage some electronic media.
  - C. Digital records are more expensive to store than paper records.
  - D. Digital records often do not comply with government regulations.
58. Changing attitudes about family roles is an example of a shift in
- A. demographics.
  - B. society and culture.
  - C. the economy.
  - D. competition.

59. Which 1990s technological development has allowed travel and tourism information to be obtained by the general public on personal computers:
- A. Internet
  - B. Fax machine
  - C. Cellular telephones
  - D. Central Reservation Systems
60. The purpose of a company's operations function is to manage its
- A. communications.
  - B. long-term goals.
  - C. day-to-day activities.
  - D. employees.
61. What is one way that a business can reduce unsafe working conditions?
- A. Obtain OSHA regulations
  - B. Improve housekeeping
  - C. Inspect yearly
  - D. Eliminate coffee breaks
62. Businesses that are common targets for robbery are those that
- A. are located in isolated areas.
  - B. keep little cash on hand.
  - C. are brightly lit at night.
  - D. have many employees.
63. One procedure that businesses often establish to protect company information from computer crime is to require the use of
- A. virus detectors.
  - B. security cameras.
  - C. search engines.
  - D. virtual software.
64. Which of the following is an important question that a business should ask when selecting a vendor:
- A. What are our business's strengths and weaknesses?
  - B. What computer program does the vendor use for its project management processes?
  - C. What is our business's target market?
  - D. Does the vendor have the resources to consistently meet our business's needs?
65. Which of the following is necessary to the actual production of goods and services:
- A. Capital resources
  - B. Consumers
  - C. Utility
  - D. Fiscal control
66. What is an example of a housekeeping activity that a gift-shop employee would perform?
- A. Purchasing cleaning supplies
  - B. Straightening display areas
  - C. Washing store windows
  - D. Inspecting fire extinguishers
67. To lower their risk of inhaling the harmful fumes of cleaning chemicals, hotel housekeeping employees might wear protective
- A. gloves.
  - B. masks.
  - C. nets.
  - D. mouth guards.
68. Which of the following is a guideline for the manager of a business or department to follow after a robbery:
- A. Ask witnesses to remain until the police arrive
  - B. Leave doors unlocked for the police
  - C. Send all customers out of the area
  - D. Allow the victim(s) of the robbery to talk with the witnesses
69. A general guideline for putting together an outfit of clothes is to make sure that the outfit
- A. has several focal points.
  - B. looks as though it is expensive.
  - C. is appropriate for the occasion.
  - D. minimizes personal strengths.
70. It is important to develop a personal plan of action for goals because
- A. goals cannot be achieved without a plan.
  - B. a plan helps you to achieve your goals.
  - C. a plan guarantees success.
  - D. you can share the plan with others.

71. To help make tentative career decisions, you should know the educational and training requirements as well as
- A. your major strengths, aptitudes, and interests.
  - B. the salary level to expect.
  - C. the level of computer literacy and skills required.
  - D. employment opportunities that will be available in the next decade.
72. Jared was just hired for a new job. The employee who interviewed him and took him through the hiring process works in
- A. marketing management.
  - B. human resource management.
  - C. banking services.
  - D. operations management.
73. A job applicant who wants to write a follow-up letter should follow the guidelines for
- A. preparing a report.
  - B. writing a personal letter.
  - C. writing a business letter.
  - D. preparing a résumé.
74. Victoria is new to the marketing field and wants to meet other marketing professionals. What would be the best way for Victoria to meet other marketing professionals?
- A. Wait until she is approached by others
  - B. Join a local professional marketing or trade organization
  - C. Go to after-work activities at the local country club
  - D. Visit all businesses in the community
75. To become the general manager of a large hotel, you will probably need to go to
- A. a community college.
  - B. graduate school.
  - C. seminars and workshops.
  - D. college.
76. In what segment of the hospitality and tourism industry is destination marketing?
- A. Restaurants and managed services
  - B. Travel and tourism
  - C. Recreation
  - D. Event management
77. Which of the following is an example of promotion in the hospitality industry:
- A. A resort reservationist asks a guest if s/he would like a beachfront room.
  - B. A hotel advertises a free breakfast buffet for guests on select mornings during slow seasons.
  - C. A general manager sends hotel employees a memo regarding insurance policy changes.
  - D. A guest orders room service at a European bed and breakfast inn.
78. Creating an economical image of a new product to match the business's low-cost image is an example of
- A. persuasive selling.
  - B. promotional pricing.
  - C. publicity planning.
  - D. product positioning.
79. When deciding what products to buy, businesses tend to offer only those products that
- A. employees prefer.
  - B. vendors recommend.
  - C. customers expect.
  - D. managers suggest.
80. Which of the following is an example of a service provided by the hospitality industry:
- A. Electronic room keys
  - B. Restaurant meals
  - C. Airline tickets
  - D. Valet parking
81. The Coleman Company sells its own brand of tents, coolers, grills, and sleeping bags. This is an example of
- A. product positioning.
  - B. monopolizing the outdoor market.
  - C. product extensions.
  - D. upselling.
82. What technology should a travel agent use **specifically** to notify clients of web pages of interest?
- A. E-mail
  - B. HTML
  - C. Social bookmarks
  - D. Search engine optimization

83. An e-mail that allows the reader to click on certain text and be transported to a specific web site is using
- A. contact lists.
  - B. hyperlinks.
  - C. gateways.
  - D. affiliations.
84. The Treetop Resort and Spa wants to increase its web site's visibility on major search engines such as AOL and Google. Which of the following strategies is most likely to optimize the resort's ranking on the search engines:
- A. Widespread HTML code
  - B. Extensive use of JavaScript
  - C. Detailed, accurate site map
  - D. Web site age and longevity
85. Which of the following is an important part of designing an effective advertisement:
- A. Frequency
  - B. Storyboard
  - C. Typography
  - D. Position
86. What should a destination marketer put in the lower right-hand corner of an ad layout?
- A. White space
  - B. Headline
  - C. Illustration
  - D. Logo
87. What color harmonies tend to stimulate intense emotion and energy?
- A. Blue, green, and purple
  - B. Red, yellow, and orange
  - C. Black, blue, and yellow
  - D. Orange, green, and white
88. One week prior to its official grand opening, Wacky Wild Fun Park invited 200 teenagers to a complimentary "sneak preview Saturday" of all that the amusement park has to offer—its rides, food, and entertainment. At the end of the day, as each teen passed through the exit gate, park employees gave each guest five Wacky Wild Key chains to pass on to her/his friends. Park employees also reminded the departing guests to tell their friends about all the fun they had at the amusement park. This is an example of
- A. personal selling.
  - B. buzz marketing.
  - C. print advertising.
  - D. merchandising.
89. An up-and-coming international hotel chain invited a popular syndicated television talk show host to stay at one of its hotels for a night and then share her experiences with her viewing audience and blog readers. The hotel chain asked the talk show host to act as a(n) \_\_\_\_\_ in its word-of-mouth marketing campaign.
- A. infomercial host
  - B. advertising agent
  - C. fact-finding personality
  - D. influencer
90. The main message of advertising copy usually focuses on a product's
- A. dependability.
  - B. features.
  - C. warranty.
  - D. benefits.
91. Which of the following is a characteristic of effective Internet ad copy:
- A. Inclusive by addressing the copy as "we" and "us"
  - B. Detailed so that the copy answers all possible customer questions
  - C. Non-emotional to keep from upsetting the readers
  - D. Bulleted content to facilitate skimming and understanding
92. An account manager for a large national travel company is responsible for proofing print ads that will coincide with the company's Super Bowl ads. What type of proof should the account manager request?
- A. Velox
  - B. Black-and-white laser
  - C. Blue lines
  - D. Press

93. You handle your restaurant's public-relations activities. Which of the following issues would be most appropriate for the restaurant to address:
- A. Buying new uniforms for Little League players
  - B. Buying books for adults who are learning to read
  - C. Feeding the homeless
  - D. Feeding late-night airport arrivals who don't know where to get food
94. Why is a fact sheet helpful to writers of news releases?
- A. It provides an outline for writers to follow.
  - B. It includes guidelines for the specific medium.
  - C. It helps writers to prioritize the information.
  - D. It helps to make the news release look professional.
95. The Smart Travelers' Store is planning a special promotion for Valentine's Day. What should you do the day before to make sure that your department is prepared?
- A. Staff the store with the same salespeople who worked last year.
  - B. Determine whether anything needs to be ordered.
  - C. Make sure advertisements appeared in the newspaper.
  - D. Confirm that red items have been displayed.
96. To track how customers respond to advertisements, many marketers use \_\_\_\_\_ measures.
- A. exposure
  - B. processing
  - C. market-share
  - D. communication effects
97. Before suggesting substitute products to customers, salespeople should
- A. clarify the customer's needs.
  - B. point out features and benefits.
  - C. reinforce the customer's decision.
  - D. check availability of the requested item.
98. How do customers benefit when salespeople use effective techniques in selling?
- A. Their needs and wants are satisfied.
  - B. The rate of returns decreases.
  - C. Others learn about the business.
  - D. They become repeat customers.
99. When Maddie checked in at the Happy Airline ticket counter for her five-hour economy-class flight to California, the customer service agent explained that hot meals and complimentary cocktails would only be served to business-class and first-class passengers. For that reason, the Happy Airline agent suggested that Maddie pay a small fee to move from economy-class to business-class for the flight. This is an example of
- A. a trade-in allowance.
  - B. affiliate marketing.
  - C. comparison shopping.
  - D. up-selling.
100. To celebrate the end of high school and the beginning of college, Frankie is planning to spend three months backpacking through Europe. Frankie wants to see a lot of sites and do a lot of things, but he doesn't have much cash to spend. Given his financial situation, what type of lodging property would you recommend to Frankie for his trip?
- A. Timeshare resort
  - B. Extended-stay hotel
  - C. Destination resort
  - D. Sleeping room or hostel