

MANAGING THE TRAVEL BUSINESS

1. Which alternative to negotiation can end in an agreement without a cost to the parties involved?
 - A. Problem solving
 - B. Imposing sanctions
 - C. Taking unilateral action
 - D. Withdrawal of concessions
2. What is the cost of disagreement between parties in the negotiating process?
 - A. Discussion time in the negotiation
 - B. Financial incentives and discounts
 - C. Loss of time and a longer process
 - D. Imposing sanctions and penalties
3. Travel agents must often negotiate for compensation on behalf of their clients with _____ .
 - A. Airlines
 - B. Hotels
 - C. Rental companies
 - D. All of the above
4. In negotiations, a "sanction" is _____ .
 - A. An incentive
 - B. A punishment
 - C. A reward
 - D. A technique
5. Which two steps in the negotiation cycle require an exchange of information that can have a positive outcome that satisfies both negotiating parties?
 - A. Preparation and discussion steps
 - B. Bargain and discussion steps
 - C. Discussion and signal steps
 - D. Close and agree steps
6. At which stage in the process should negotiating parties test whether assumptions made about each other's objectives or positions are true?
 - A. Signal
 - B. Bargain
 - C. Preparation
 - D. Discussion
7. Which of the following is an example of a negotiation cost?
 - A. A concession
 - B. A bargain
 - C. A disclosure
 - D. An incentive

8. Which is true?
- A. Accepting a bad deal is better than no deal at all
 - B. It is better to stop negotiating than to accept a bad deal
 - C. A bad deal is the result of staying within the negotiating limits.
 - D. Negotiating too many objectives will result in a bad deal
9. When are people motivated to negotiate?
- A. When there are no sanctions
 - B. When there is an incentive benefit
 - C. When a precedence is at risk
 - D. When relationships between parties are bad.
10. What is a negotiation "barrier"?
- A. A variable that makes a deal attractive for all negotiating parties
 - B. A variable that is not acceptable to for one of the negotiating parties
 - C. A variable that is not acceptable to all the negotiating parties
 - D. A variable that represents a compromise between all parties
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12. Which is a common tool used by businesses to attract interested vendors to a project and collect information from them that helps build a list of eligible vendors?
- A. RFV
 - B. RFP
 - C. RFQ
 - D. RFI
13. What is requested from vendors/ suppliers in an RFQ?
- A. To quote for complex projects with prices and creative solutions
 - B. To quote their price for specific service and/or products
 - C. Proof that they will be able to meet certain standards as requested
 - D. Provide credit approval from a bank for specific services
14. Which is not an advantage of the RFP process?
- A. It reduces time spent on defining project definitions and requirements
 - B. The price and various solutions available to meet a need become clear
 - C. It guarantees to negotiate the lowest possible price from a vendor
 - D. The different vendors and suppliers can be easily compared
15. Which statements about E-RFPs is correct?
- A. E-RFPs are only used by information technology companies
 - B. E-RFPs create an opportunity to solicit new business globally
 - C. E-RFPs will satisfy all requirements of an of an RFP assignment
 - D. E-RFPs can also be used as a substitute for an RFQ or RFI

16. Which statement about a Non-Disclosure Agreement is false?
- A. It places legal obligations on a negotiating party to respect confidentiality
 - B. It can be as short as a simple single-paragraph to a single-page document
 - C. It is always part of the final contract after negotiations have been finalized
 - D. It usually precedes the RFP Proposal Response or forms an Appendix to it
17. What is a disadvantage for special-interest tour developers?
- A. It is difficult to manage the group size for special-interest tours
 - B. The planning cycle for special-interest tour products is long
 - C. Special-interest tour participants have a smaller travel budget
 - D. It is difficult to find potential special-interest tour customers
18. Which statement about Special Interest tours is correct?
- A. It generally attracts participants with low income levels
 - B. Organizing special interest tours is not labour-intensive
 - C. It covers as many destinations as possible on the itinerary
 - D. May take up to a year to plan as they have longer planning cycles
19. The ideal tour departure day for participants who work full-time is _____
- A. Saturdays or Sundays
 - B. Monday through Friday
 - C. On a public holiday
 - D. On any day with the lowest cost
20. Ecotourism is mostly about travelling to a destination to _____
- A. Visit famous attractions and shop for souvenirs
 - B. Observe and respect nature and local culture
 - C. Work as a volunteer on a nature project
 - D. Work and live among the local people
21. Which statement about certified eco-tours is false
- A. It adds credibility and visibility to the to the sale of eco-tours products
 - B. It distinguishes a proven eco-tour provider from the competition
 - C. There is only one eco-tour certificate program that exists today
 - D. They are certified by either local or national associations
22. Which is the least effective marketing approach to promoting an agency's eco-tour speciality?
- A. Joining nature related clubs and meeting members interested in nature
 - B. Advertising in a retail shop that sells athletic clothes and camping gear
 - C. Printing an ad with the agency's eco-certificate in nature magazines
 - D. Advertising an eco-tour in a newsletter sent to every agency customer
23. Which of the following tours belongs in the category of soft adventure?
- A. A trek across the Andes Mountains by horseback
 - B. A heritage and cultural tour of England, Scotland and Wales
 - C. A whale watching tour in New Zealand
 - D. A snowboarding trip in the Austrian Alps
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25. When arranging a tour for the physically challenged, the hotel component should be _____
- A. Located downtown
 - B. Accessible
 - C. Close to a hospital
 - D. Situated out of town
26. Which types of special-interest tours are likely to include advice for tour participants in the tour brochure terms and conditions that minimize safety risks?
- A. Hard adventure tours
 - B. Religious group tours
 - C. Museum tours
 - D. Singles tours
27. The first step in planning and developing a special interest tour is to _____
- A. Assess consumers' physical aptitudes
 - B. Assess consumer demand
 - C. Assess consumers' income
 - D. Evaluate the cost of the project
28. Which concession from an airline does not change the cost of the air transportation component for the tour planner?
- A. Commissions and overrides on each seat sold
 - B. The ratio of free confirmed seats for paid seats
 - C. The percentage discounts on group bookings
 - D. The services of a group reservations department
29. Bringing a human element to negotiations with the hotel sales manager or representative by negotiating in person _____
- A. Guarantees the lowest the lowest rates
 - B. Is typically unsuccessful
 - C. Creates additional negotiating tension
 - D. Builds rapport and credibility
30. Which of the following groups tends to charge more for their services in the motor coach industry?
- A. Smaller, locally-owned companies
 - B. Larger, nationally-owned companies
 - C. Government regulated companies
 - D. Family-owned companies
31. To avoid a misunderstanding between negotiating parties, it is best to identify _____
- A. The final activity or service to be completed
 - B. The commission percentage for each service required
 - C. The net rate for each service required
 - D. The task to be performed by each staff

32. After the tour, any unused tour vouchers, such as vouchers for meals or tourist attractions, are refunded to tour customers.
- A. True
 - B. False
33. In the "Terms and Conditions" section of the tour brochure, the section called "Not Included" is important in establishing _____
- A. What is and what is not included in the tour
 - B. The description of the tour itinerary details
 - C. The cancellation penalty terms for the tour
 - D. The insurance coverage for tour participants
34. Very large groups of MICE participants that cannot be handled as a single group by transportation or accommodation suppliers, make it necessary to create smaller subgroups, are called _____ groups.
- A. Back-to-back
 - B. Buy-in
 - C. Tiered
 - D. Break-out
35. One way of making sure that your client's conditions of satisfaction are exceeded is to _____
- A. Travel to the event site at the time of the meeting or conference
 - B. Make sure that a host bar is incorporated at the time of attendee arrival and departure
 - C. Eliminate all negotiations between client and supplier
 - D. Make sure that there are no hidden costs that are discovered after the event
36. Which question motivates the customer to express an opinion?
- A. Who are your preferred suppliers supporting at other events?
 - B. What rate did you pay last time for a similar event?
 - C. How well did the hotel meet your expectations in the past?
 - D. What is the ideal hotel or location for this reception
37. After an agreement has been set, it is best for planners to _____ make sure that all details are being handled and requirements are being met.
- A. Rely on suppliers to handle all matters
 - B. Plan ahead
 - C. Continue to return to the request phase
 - D. None of the above
38. Which of the following event categories is intended to be a prize or reward for its participants?
- A. Meetings
 - B. Conferences
 - C. Exhibitions
 - D. Incentives
39. A host bar offered in meetings and conferences held at hotels and resorts is _____
- A. A cash bar where attendees pay for their beverages
 - B. A situation where beverages are paid for by the meeting organizer
 - C. A location where one can find information on entertainment for the destination

- D. A location where express check-in and check-out are provided for the meeting attendees
40. The customer's "conditions of satisfaction" generally include various _____
- A. Opinions and options
 - B. Examples of competitor prices
 - C. Examples of potential clients
 - D. Detailed technical information
41. Which of the following statements is the best example of a specific request from a customer for help to organize a meeting event?
- A. "Can you work on a meeting proposal as soon as possible?"
 - B. "Any hotel will be acceptable to host our annual meeting in Chicago."
 - C. "Our company wants to plan a sales meeting in London next year."
 - D. "We need two hotel proposals for the meeting in the centre of Rome."
42. Which is the last step in the travel professional's workflow in providing event-planning services?
- A. Negotiating the event costs on behalf of the customer
 - B. Presenting an agreement with timelines to the customer
 - C. Confirming the level of the customer's satisfaction
 - D. Establishing specific customer requests
43. Travel agents compete with _____ for incentive business.
- A. Other travel agents only
 - B. Only television suppliers
 - C. Only automobile dealers
 - D. Any goods or services suppliers
44. An itinerary for participants on an incentive trip that details the schedule of activities is called a _____
- A. Points program
 - B. Social schedule
 - C. Theme
 - D. Trip-kit
45. Which is not an example of a travel agency acting as an intermediary?
- A. The travel agency inspects a venue to evaluate its suitability to host an event
 - B. The travel agency hires an event planning professional to manage customer events
 - C. The travel agency supplies the customer with a complete list of supplier contacts
 - D. The travel agency negotiates each supplier's fees and payment terms
46. A meeting break where nutritious foods and beverages are served, sometimes including a form of exercise, is called a(n) _____ break.
- A. Breakfast
 - B. Welcome
 - C. Cabaret
 - D. Energy
47. Which is true for the "site inspection" process?
- A. The inspection of facilities takes place before the site search process

- B. It is important to visit and evaluate all aspects of a facility or hotel
 - C. Only record and share the negative aspects of each facility with the customer
 - D. It is a good idea to ask the facility for their customer references during the site inspection
48. Gifts provided by the incentive house or travel supplier to program participants are called _____
- A. Advertising specialties
 - B. Amenities
 - C. Freebies
 - D. Points
49. A _____ program rewards members when they reach a performance goal or level
- A. Plateau
 - B. Point
 - C. Mileage
 - D. Tiered
50. Individuals who have not qualified for an incentive travel reward because they did not achieve the required performance goals may be allowed to participate by _____
- A. Attending only part of the incentive event
 - B. Accepting low budget accommodations
 - C. Paying all personal costs to attend the event
 - D. Sponsoring a prize or reward for the event
51. The term "supervising" is about _____
- A. Commanding, changing and disciplining your staff
 - B. Dealing with all administrative processes within your company
 - C. Supporting, collaborating and working with your staff
 - D. Overseeing every aspect of your staff's work
52. The best example of SMART rules to help achieve Goals and Objectives is when _____
- A. The supervisor sets start and completion date right at the beginning, with sufficient staff, support and systems
 - B. The supervisor knows the "bad case" scenario and sets deadlines accordingly
 - C. The objectives are specific, agreed, realistically achievable in a given time and can be measured
 - D. Realistic Objectives for performance are set with agreed specific deadlines
53. The A in the SMART technique for setting clear objectives stands for _____
- A. Agreed
 - B. Actualized
 - C. Authored
 - D. Accurate
54. New skills taught on-the-job by supervisors should be done by _____
- A. Demonstrating the job to be done by explaining the first step only
 - B. Conducting training sessions and letting the staff work immediately independently thereafter
 - C. Clearly explaining the job, it's operation and performance standards and giving them guidance and feedback

- D. Giving additional training and notes to refer to improve their performance
55. When being both co-operative and assertive to address concerns, someone is being _____
- A. Competitive
 - B. Accommodative
 - C. Compromising
 - D. Collaborative
56. What is a good example of how to promote team spirit?
- A. Point out mistakes at all times
 - B. Appreciate only the most talented individuals
 - C. Take inputs from and give thanks to other team members
 - D. Refrain from giving feedback to team members
57. The term BCA stands for _____
- A. Behavior, Consequences and Action
 - B. Behavior, Continuity and Action
 - C. Behavior, Consequences and Attitude
 - D. Behavior, Coaching and Action
58. Which of the following measures implemented by a supervisor or manager would have the smallest effect on employee job performance?
- A. A sign of appreciation such as saying "Thank You"
 - B. Free daily coffee or tea service for staff
 - C. Celebrating achievement of a deadline
 - D. Writing a letter of recognition for a project completion
59. What is the first step in planning a training program for staff?
- A. Survey staff on their training needs
 - B. Identify the skills and knowledge that need upgrading
 - C. Contact a supplier to negotiate a presentation
 - D. Create e-learning courses for the staff
60. When being both co-operative and assertive to address concerns, someone is being _____
- A. Competitive
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61. Brainstorming is a great way to _____
- A. Gather team ideas to solve a problem
 - B. Establish team spirit
 - C. Encourage people to work as a team
 - D. Improve sales and revenues
62. Which is the best description of the term "motivation"?
- A. Rewards or consequences
 - B. The amount of job effort
 - C. Good job performance
 - D. Wanting to do or give your best

63. Which can be a cause of problems between team members?
- A. Personal relationships
 - B. Employee aptitudes
 - C. Team size
 - D. Poor leadership
64. What should a team leader promote within the team in order to turn individuals into an effective team?
- A. Team spirit
 - B. Team assertiveness
 - C. Team aggressiveness
 - D. Team rewards
65. How should product brochures be filed in a travel agency?
- A. Chronologically
 - B. By subject
 - C. Geographically
 - D. alphabetically

