Chapter 6

1. What is the main focus of market research in tourism and hospitality?

A) Identifying financial investment opportunities  
B) Developing new service industry laws  
C) Analyzing markets to improve service quality\*  
D) Increasing employee productivity

2. What makes Hotel ICON unique?

A) It is the oldest hotel in Hong Kong  
B) It only serves international guests  
C) It is a teaching and research hotel owned by a university\*  
D) It exclusively employs students

3. What are the three fundamental areas in Hotel ICON’s "We Love to Care" training program?

A) Marketing, Strategy, and Operations  
B) Profitability, Customer Service, and Branding  
C) Operational Excellence, Aesthetic Excellence, and Emotional Excellence\*  
D) Sales, Promotion, and Communication

4. Why do some small hospitality businesses hesitate to conduct market research?

A) They lack customer data  
B) They believe it is too costly and time-consuming\*  
C) It is not relevant to their business  
D) They prefer relying on intuition

5. Which of the following is NOT a category of applied research in tourism and hospitality?

A) Research on consumers  
B) Research on legal disputes\*  
C) Research on pricing  
D) Research on competition

6. What is an example of consumer research in hospitality?

A) Studying economic trends  
B) Measuring a company’s profit margins  
C) Conducting employee performance reviews  
D) Identifying customer loyalty levels\*

7. What does research on pricing aim to achieve?

A) Determine employee salaries  
B) Understand customer attitudes toward pricing and test alternative pricing strategies\*  
C) Reduce production costs  
D) Identify potential legal issues

8. What is the purpose of benchmarking in tourism and hospitality?

A) To set new tourism laws  
B) To compare business performance against competitors\*  
C) To increase employee wages  
D) To measure environmental sustainability

9. What research method does JetBlue use to assess customer satisfaction?

A) SERVQUAL  
B) Net Promoter Score (NPS)\*  
C) DINESERV  
D) Competitive analysis

10. According to research, what is the main benefit of having a high Net Promoter Score (NPS)?

A) Reduced marketing costs  
B) Increased regulatory approval  
C) Higher customer loyalty and retention\*  
D) Less need for employee training

11. What is a common challenge in the tourism industry regarding market research?

A) Lack of available research methods  
B) Companies not fully utilizing existing data\*  
C) A shortage of researchers  
D) Too much customer feedback

12. What does competitor intelligence research focus on?

A) Customer loyalty trends  
B) Understanding how competitors operate and comparing services\*  
C) Government regulations  
D) Environmental policies

13. What is a major advantage of using mystery shopping in hospitality research?

A) It provides long-term customer loyalty predictions  
B) It reduces the need for employee training  
C) It offers deep insights into real-time service quality and guest experiences\*  
D) It eliminates the need for surveys

14. What is one disadvantage of using mystery shopping as a research method?

A) It provides inaccurate customer feedback  
B) It reduces hotel revenue  
C) It raises ethical concerns about observing people without their knowledge\*  
D) It does not offer insights into customer service

15. What is the primary purpose of comment cards in hospitality?

A) To replace employee evaluations  
B) To measure competitor performance  
C) To assess marketing effectiveness  
D) To collect customer feedback on service quality\*

16. What makes online surveys a popular research method in hospitality?

A) They require little customer participation  
B) They are more accurate than all other methods  
C) They collect and analyze data quickly and efficiently\*  
D) They eliminate negative customer reviews

17. What was one major mistake EuroDisney made due to poor market research?

A) Overpricing tickets  
B) Failing to understand European customer preferences and habits\*  
C) Not offering enough hotel accommodations  
D) Hiring too many employees

18. What is SERVQUAL primarily used for?

A) Measuring financial performance  
B) Analyzing service quality based on customer expectations and perceptions\*  
C) Managing employee training programs  
D) Creating new service industry laws

19. Why do hotels use competitive benchmarking?

A) To track their financial investments  
B) To measure guest satisfaction against industry standards and competitors\*  
C) To improve employee salaries  
D) To analyze government policies

20. What is the Gaps Model of service quality used for?

A) Reducing labor costs  
B) Increasing property value  
C) Measuring employee job satisfaction  
D) Identifying gaps between customer expectations and actual service delivery\*

21. What is the central focus of the Gaps Model?

A) Managing employee expectations  
B) Increasing hotel revenue  
C) Closing the gap between customer expectations and perceptions\*  
D) Reducing service prices

22. What type of research did Marriott conduct to develop Courtyard by Marriott hotels?

A) Benchmarking studies  
B) Competitor analysis  
C) Conjoint analysis to determine desired hotel features and pricing\*  
D) Experimental pricing studies

23. How does social media listening help hospitality businesses?

A) It allows companies to delete negative reviews  
B) It reduces the need for customer service staff  
C) It helps businesses avoid customer complaints  
D) It provides real-time insights into customer opinions and trends\*

24. How did Martinhal Hotels use market research to succeed in the hospitality industry?

A) By avoiding traditional research methods  
B) By only focusing on customer complaints  
C) By continuously refining their product, branding, and marketing based on customer feedback\*  
D) By setting high room rates without market analysis

25. Why is effective market research crucial for decision-making in tourism and hospitality?

A) It reduces customer interaction  
B) It guarantees immediate business success  
C) It eliminates the need for employee training  
D) It helps businesses make informed strategic decisions and improve service quality\*