

Multiple Choice Questions

1. Many “off-the-shelf” software packages specifically designed to manage inventory in a hospitality operation can:
 - a. cost recipes and provide nutritional information
 - b. be linked to an operator’s POS system
 - c. forecast sales
 - d. all of the above
2. All the tools, technologies, and procedures to manage, improve, or facilitate sales, support, and related interactions with customers, prospects, and business partners is known as:
 - a. CRM
 - b. GPS
 - c. RFID
 - d. POS
3. Which of the following is false in regard to the use of a Web order entry system?
 - a. it allows buyers and distributors to communicate online with each other
 - b. it creates more work and a longer paper trail to keep up with
 - c. it allows buyers to buy directly online
 - d. it allows buyers to get instant feedback on pricing and availability
4. The acronym POS stands for:
 - a. purchase only service
 - b. point of sale
 - c. point of shipment
 - d. product over sold
5. An early technology that was considered very innovative in terms of purchasing items was:
 - a. fax machines
 - b. bar code readers
 - c. POS systems
 - d. GPS
6. A routing sequence is :
 - a. the path that a driver follows when delivering products
 - b. the organization of the way products are received when they are delivered
 - c. the management structure of a restaurant
 - d. the order in which to list customers in a CRM database
7. Which of the following can be used to track inventory and monitor temperatures of items throughout the channels of distribution?
 - a. RFID tags
 - b. POS systems
 - c. logistics and mapping software
 - d. bar code readers

8. A fleet management software program is:
 - a. a microchip used to track basic inventory items such as apples
 - b. used to estimate driver downtime and the amount of product that should be delivered per hour
 - c. an extensive online ordering system offered by distributors
 - d. a POS system that is preferred by most hospitality operators
9. The acronym UPC stands for:
 - a. Underlying Purchase Control
 - b. Universal Product Code
 - c. Unused Portion Control
 - d. Universal Purchase Code
10. Most POS systems can:
 - a. forecast profitability
 - b. build customer databases
 - c. analyze buyers food costs
 - d. all of the above
11. One of the buyer's tasks is to spec out products. A buyer might use all but which of the following to gain product information?
 - a. USDA website
 - b. marketing boards
 - c. POS systems
 - d. newsgroups
12. Of the following, which is not an advantage of purchasing through an e-marketplace?
 - a. the ability to search great amounts of data for a specific product
 - b. the ability to connect with multiple suppliers
 - c. the ability to negotiate prices before the order is placed
 - d. the ability to remain anonymous throughout the purchasing function

True/False Questions

1. The major drawback of using buyer's guides such as the Meat Buyers Guide published by the North American Meat Institute (NAMI) is that they can only be purchased in print.
2. The introduction of cost-effective fax machines in the 1980s revolutionized the order-taking process.
3. E-marketplaces allow hospitality purchasing managers and suppliers to negotiate contractual pricing agreements on selected products prior to ordering.
4. Customer databases can be used to provide information to the marketing department to develop special promotions.
5. It is predicted that the use of RFID tags will decrease in the future.
6. The development of GPS has led to an increase in the use of logistics and mapping software when outlining delivery sequences.

7. The most common method used to acquire current, up-to-date product information in the e-marketplace is to access the Internet.
8. Many hospitality operators use some type of computer application to increase their inventory and cost-control efforts.
9. Logistics software is often integrated with time-efficiency programs.
10. Personal computers have made it possible for hospitality operators to base purchasing decisions on current data.
11. Because technology used in purchasing is very expensive, the return on investment (ROI) is very low.
12. In the future, because technology will keep progressing, it is most likely that buyers will use multiple vendors as opposed to one-stop shopping with a primary vendor.
13. The most commonly used standard for a bar code reader is known as the CRM.
14. A big advantage of using UPCs on packaging is faster inventory counting.
15. A POS system that tracks what is ordered, how much, and by whom can complicate inventory, ordering, and procurement.

Fill-in-the-Blank

1. A distributor is the _____ or _____ between a source and retailer. Distributors must keep up with huge amounts of data in relation to products and clients. Customer data are often tracked using a _____ or _____ (acronym) strategy.
2. An online ordering system is also known as a _____.
3. The _____, originally known as the Thomas Food Industry Register, is a searchable database that brings buyers and sellers together, featuring 40,000 company listings and 6,000 product categories.
4. In any industry, it is important to capture sales data. _____ systems can capture and analyze great amounts of data very quickly. Most of these systems now have touch-screen technology and some are now even wireless and can be carried to the table by waitstaff, where orders are immediately sent to the screen in the bar or kitchen.
5. In the buyer/supplier relationship, a house account is to a vendor as a _____ is to a buyer.
6. Any time that the intermediary or middleman is cut out of the process, it is known as _____. This can happen when a buyer goes directly to the source for a product.
7. _____ or _____ (acronym) are tiny microchips that can be attached to products for tracking purposes. Some can monitor temperature throughout the shipping process.

8. _____ information helps buyers “spec out” or compare similar products. Much of this information is now available online and in CD versions.
9. Trade organizations, such as the _____ that produces The Meat Buyer’s Guide, provide specific product information online and often in CD versions.
10. _____ are organizations, usually centered on a specific product, that provide information about that product to buyers and consumers. The Australian Pork Corporation is an example of such an organization.