Pearson BTEC Level 3 Nationals Extended Diploma

January 2020

Paper Reference **21405J**

Sport

Unit 22: Investigating Business in Sport and the Active Leisure Industry

Part A

You do not need any other materials.

Instructions

- Your Unit 22 assessment task contains two parts.
- **Part A** will be released two weeks before your supervised assessment session (**Part B**).
- **Part A** is specific to each series and this material must only be issued to learners who have been entered to undertake the task in the relevant series.
- We suggest that you spend no more than 6 hours independently conducting your research and making notes over the course of the two weeks.
- You can take a maximum of four A4 sides of your research notes into the supervised assessment session (**Part B**).
- In **Part B**, you will be issued with supplementary stimulus information building on the case study information in **Part A**.
- In **Part B**, you will have 3 hours under supervised conditions specified by Pearson to respond to the task.
- Do not return research notes or **Part A** to Pearson.
- **Part B** should be kept securely until the start of the 3-hour supervised assessment period.

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Instructions to Teachers/Tutors

This paper must be read in conjunction with the unit information in the specification and the BTEC Nationals Instructions for Conducting External Assessments (ICEA) document. See the Pearson website for details.

Part A should be issued to learners two weeks prior to undertaking **Part B** of the assessment.

Learners will be expected to conduct research over a maximum of 6 hours. Up to four sides of A4 notes (minimum font size 11) can be taken into the supervised assessment (**Part B**).

Teachers/tutors cannot give any support to learners during the production of the notes and the work must be completed independently by the learner.

Part B is taken under supervision in a single session of 3 hours on the timetabled date.

Learner notes related to **Part A** must be checked to ensure length and contents comply with the requirements.

Learner notes will be retained securely by the centre after **Part B** has been undertaken and may be requested by Pearson if there is suspected malpractice.

Guidance for Learners

Read **Part A** information carefully as this contains the information you will need to prepare for **Part B**.

You will need to carry out your own research over two weeks.

You will then be given **Part B** to complete under supervised conditions.

You must work independently and must not share your work with other learners.

Your teacher/tutor cannot give you feedback during the completion of **Part A** or **Part B**.

Part A Instructions

You have to prepare notes in response to the information provided in the case study in **Part A**.

The notes can be handwritten or typed and they must contain bullet points and not extended answers. Other content is not permitted.

Part A Case Study

In preparation for **Part B** you will research **three** different CrossFit gyms that have a variety of activities to serve specific groups.

Your research should include:

- business operations
- facilities
- products and services
- demographics.

Please check the examination details below before entering your candidate information

Candidate surname	Other names

Pearson BTEC
Level 3 Nationals
Extended Diploma

Centre Number | | | | | | |

Learner Registration Number | | | | | | | | |

Monday 13 January 2020

Morning (Time: 3 hours) | Paper Reference **21405J**

Sport

Unit 22: Investigating Business in Sport and the Active Leisure Industry

Part B

You must have:
Your research notes from **Part A** (maximum four A4 sides)
Calculator

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and learner registration number.
- Answer **all** activities.
- Answer the activities in the spaces provided – *there may be more space than you need.*
- Do not return research notes or **Part A** to Pearson.

Information

- The total mark for this paper is 64.
- The marks for **each** activity are shown in brackets – *use this as a guide as to how much time to spend on each activity.*
- A calculator may be used.

Advice

- Read each activity carefully before you start to answer it.
- Try to answer every activity.
- Check your answers if you have time at the end.

Turn over ▶

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Important Information

Refer to your research notes from **Part A** to complete **Part B**. You cannot access the internet or any other resources during the supervised assessment period.

You must plan your time and work independently throughout the 3-hour supervised assessment period.

You will complete **Part B** under supervision and your work will be kept securely during any breaks taken.

You must not share your work with other learners.

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Part A Case Study

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Part B Set Task Information

MYJourney was established in 2015 and operates as a private limited company (Ltd) offering a 'CrossFit' themed fitness experience.

MYJourney promotes CrossFit as ***'Safe and effective exercise to achieve any goal – "Our speciality is not specialising"'.***

CrossFit is suitable for people who are just starting out or people who have trained for years – classes and programmes are tailor-made to meet individual needs.

Business operations

Staffing structure and responsibilities

Managing Director
(Full time and owner)
Finance

Gym Manager (Full time)
Timetabling/health and safety/customer liaison/merchandise sales/staff training marketing/human resources

CrossFit Instructors
(2 x full time, 4 x part time)
Exercise prescription/class delivery/1:1 personal training/nutrition guidance

1 x full-time support staff (cleaning and maintenance)

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Basic financial records of MYJourney for the past two years:

	2017/18	2018/19
Income		
Memberships (Fixed 12 month contracts)	£180,000	£185,000
Other session payments	£40,000	£67,000
Merchandise sales	£12,000	£18,000
Total	**£232,000**	**£270,000**
Operational costs		
Property rental (fixed cost)	*£26,000*	*£26,000*
Legal costs (fixed cost) e.g. insurances	*£3,000*	*£3,000*
Staffing	£163,000	£172,000
Marketing/Promotion	£14,000	£20,000
Upgrading equipment/Facility	£22,000	£25,000
Total	**£228,000**	**£246,000**
Profit	**£4,000**	**£24,000**

Facilities

- **Spin studio – 20 spin bikes with 'virtual coach':** choose your own session and intensity on each bike – Spin is accessible at all times
- **Free weights area:** Extensive range of dumbbells/kettlebells from 2.5 kg upwards
- **Resistance machines:** 30+ machines available for an all over body workout
- **Cardio equipment:** Treadmills, cross trainers, rowers and bikes for all cardio needs and abilities
- **Limited parking** – up to 10 cars only
- **Small shop:** Selling training kit requirements from water bottles to towels, gym equipment to nutritional products

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Products and services

Products and services	Unlimited access	Off peak	Spin
Classes	All classes	No	Virtual coach
Gym	✓	✓	X
Spin studio	✓	✓	✓
Contract type	12 months	12 months	No contract
Cost (per month)	£60.00	£40.00	£30.00
Extras	1x free personal training session per month		

10% discount off all prices for emergency services personnel, military personnel and students in full-time education.

20 different cross training classes available during peak times and weekends. Classes cover all the following and are designed to meet each individual's fitness levels and goals.

- Weight management
- Strength training
- Core fitness
- Flexibility

All information about classes, pricing and future opportunities can be found on the MYJourney website. There is currently no social media to promote the business.

Opening times:

Monday – Friday 06:00 – 21:00
Saturday 10:00 – 17:00
Sunday Closed
(Off peak: Monday – Friday 09:00 – 15:00 + weekends)

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Demographics

MYJourney is situated in a small village with the following population. The village has good transport links with nearby areas.

Age range	Number of individuals
0–3	800*
4–10	900*
11–16	1200*
17–24	1400
25–35	1700
36–45	2200
46–55	2400
56–65	2300
66–75	2700
76+	1800
Total	**17,400**

*N/A: Must be a minimum of 17 to use MYJourney

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YOLO multi-purpose fitness facility

Business operations

YOLO is a well-established, local council community sports facility premises in the town centre. YOLO is three miles away from MYJourney.

Facilities

- 30 station gym including weights machines and a large free weights section
- Squash courts
- Swimming pool
- Children's area (4–11 years old)
- Creche (0–3 years old)
- Cafe – open all day
- Large car park
- Access to shops and town centre attractions

Products and services

Products and services	Unlimited (per month)	Off peak (per month)	Day pass (Gym only)	Children's pass
Gym	✓	✓	✓	X
Swim	✓	✓	X	✓
Squash	✓	✓	X	X
Contract type	No contract	No contract	No contract	No contract
Cost	£25.00	£20.00	£5.00	£2.50

Opening times:

Monday – Friday 06:00 – 21:00
Saturday 08:00 – 18:00
Sunday 09:00 – 15:00
(Off peak: Monday – Friday 09:00 – 15:00 + weekends)

YOLO also offers a running club on Tuesdays and Thursdays for people who want to meet new people, lose weight or improve their fitness. There are 400 regular running club members aged between 11 and 65 years.

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Set Task

You must complete ALL activities.

Produce a business summary by completing the following activities. You will need to refer to the task information and your research notes on CrossFit training businesses.

Activity 1. Review of business information

Review the current business status of MYJourney using the information provided in the set task information. You should consider:

- the purpose
- the data
- your research of the sport and active leisure industry.

(Total for Activity 1 = 16 marks)

Activity 2. Business model analysis

Using the PESTLE **or** SWOT business model, analyse the factors that are currently affecting MYJourney.

(Total for Activity 2 = 16 marks)

Activity 3. Recommendations

Recommend how MYJourney can develop and market itself.

You should consider:

- customer groups
- trends in the industry
- the needs of the business.

(Total for Activity 3 = 20 marks)

Activity 4. Justification

Justify your recommendations for MYJourney in relation to:

- YOLO and other CrossFit businesses
- the wider business context in the sport and active leisure industry.

(Total for Activity 4 = 12 marks)

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Taskbook

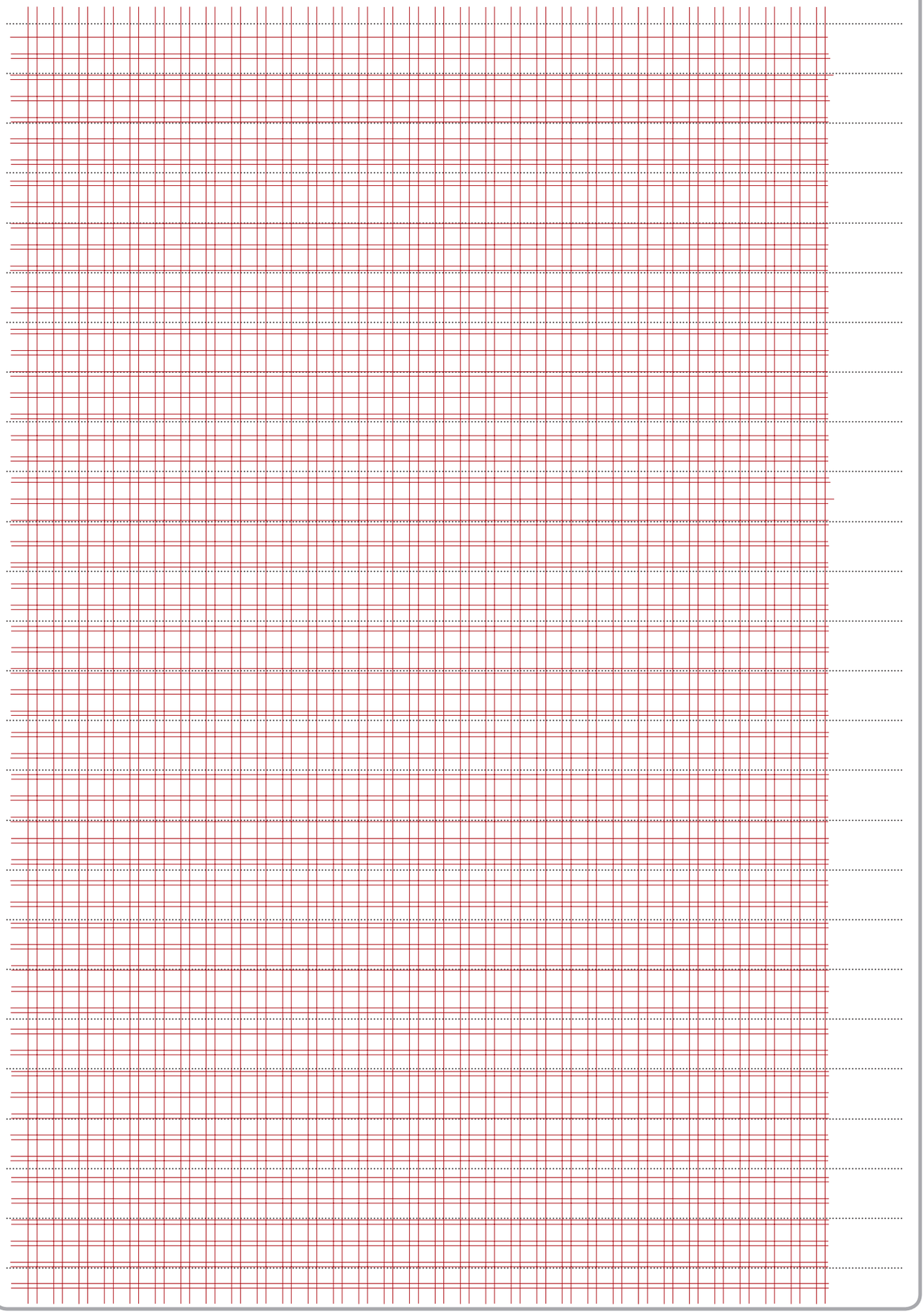
Please do not write answers outside the spaces provided.
You must complete all activities in this taskbook.

Activity 1. Review of business information

Review the current business status of MYJourney using the information provided in the set task information. You should consider:

- the purpose
- the data
- your research of the sport and active leisure industry.

(16)



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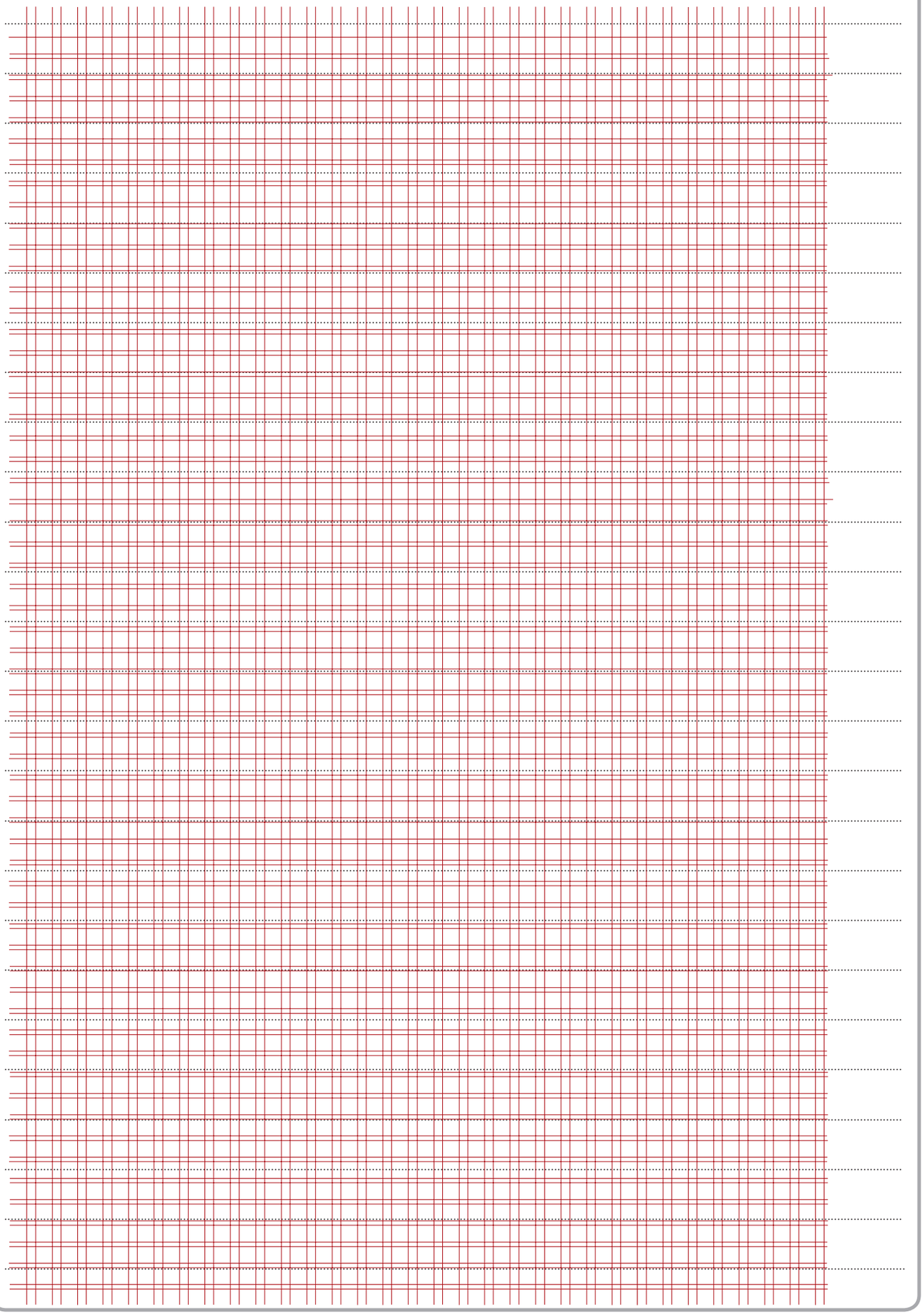

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(Total for Activity 4 = 12 marks)

TOTAL FOR TASK = 64 MARKS

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