

L3 Lead Examiner Report 2001

January 2020

L3 Qualification in Sport

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

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A grade boundary is where we set the level of achievement required to obtain a certain grade for the externally assessed unit. We set grade boundaries for each grade, at Distinction, Merit and Pass.

Setting grade boundaries

When we set grade boundaries, we look at the performance of every learner who took the external assessment. When we can see the full picture of performance, our experts are then able to decide where best to place the grade boundaries – this means that they decide what the lowest possible mark is for a grade.

When our experts set the grade boundaries, they make sure that learners receive grades which reflect their ability. Awarding grade boundaries is conducted to ensure learners achieve the grade they deserve to achieve, irrespective of variation in the external assessment.

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21405J – Unit 22: INVESTIGATING BUSINESS IN THE SPORT AND ACTIVE LEISURE INDUSTRY

Grade	Unclassified	Level 3			
		N	P	M	D
Boundary Mark	0	9	19	30	42

Introduction

This was the fifth series of the level 3 Nationals specification for UNIT 22: INVESTIGATING BUSINESS IN THE SPORT AND ACTIVE LEISURE INDUSTRY. This unit is an extension of the previous QCF Unit 25: Sport as a business. This is the fifth time, following from the June series (2019), that this unit has been assessed externally through a task-based assessment.

There have been 4 previous Lead Examiner reports available to centres to support preparation of their candidates for successful completion of the examination. This task based external assessment is 3 hrs long, split into 4 activities (or questions). These questions, along with the mark scheme remain consistent and are available through the Pearson website, along with past papers for preparation and support. The only element that changes is the scenario within each assessment, however the format of this and how its presented is also consistent

The release of Part A (2 weeks prior to the examination date) allows research for the paper, where candidates are expected to prepare notes that could be used within part B, under exam conditions.

A maximum of 4 pages of A4 notes can be developed in preparation.

In the January and June papers (2019) there was evidence of much stronger emphasis on the preparation and research development for the paper. It is essential that this preparation is undertaken robustly and that candidates are well prepared for the assessment, as the level of research included within the responses limits the score candidates can access.

The task-based assessment for January 2020 followed the same format as previous exam series, the Sample Assessment Material (SAM's) as well as the additional Sample Assessment Material available on the Pearson website.
<https://qualifications.pearson.com/en/qualifications/btec-nationals/sport-2016.html#tab-5>

Activity1 focuses on the review and purpose of the business, its data and suitable research to support the business status. **There are a total of 16 marks for this question.**

Activity 2 requires candidates to undertake a business model analysis to clearly highlight the internal and external factors effecting the business in relation to competition. **There are a total of 16 marks for this question.**

Activity 3 requires candidates to make recommendations with reference to the development and marketing of the business. **There are a total of 20 marks for this question.**

Activity 4 requires candidates to make justifications linked directly to the recommendations and develop links to a wider business context. **There are a total of 12 marks for this question.**

Introduction to the Overall Performance of the Unit

This section should be considered with the live external assessment (January 2020) and corresponding mark scheme (once the paper is published and can be used for supporting future series)

Candidates have performed better across this paper than they did in the comparable January 2019 series. There was an increased sitting of this paper compared to January 2019 due to more centres now undertaking the qualification, including where centres have candidates resitting. The quality of the response has improved, highlighting the use of the materials available to support their preparation.

There has been an increase in the use of strong supportive levels of research and preparation to support candidate's responses from what was observed within the previous January series. In most cases, candidates incorporated research into their responses, and therefore were able to access the higher-grade boundaries, particularly on activity 4 (Justifications). As always, it is essential that through Activity 1,2 and 4, research is included to support the response to gain the higher bandings. The research must be external (as in not the second business within the scenario to meet the higher bandings)

Stronger candidates continue to use the well-planned information and research available to them to develop their responses throughout the paper. As with all examinations for this paper, research notes can be produced to support Part B of the examination and are vital to support candidate responses, particularly in activity 1, 2 and 4, as there is credit available for supporting responses with suitable research from the wider business context (external businesses)

The lack of research included within activity 2 (analysis of the internal and external factors effecting the business -SWOT/PESTLE) limits the grade to a maximum band 1 (4 marks), and this is specifically seen again in the series, as with all other series, where candidates are using PESTLE as the links to external business examples are weak or non-existent.

SWOT responses were seen to be stronger. Higher bandings require competitor activity, supported by examples.

Activity 1 (16 marks)

As with the January and June 2019 series, activity 1 was the lowest performing activity on the paper, and this has continued into this series. Candidates must be able to take information from part B, the unseen element, and ensure that they review the business by showing they understand the purpose of the type of business, interpret data and include suitable research to support these elements.

This is the most difficult of the activities to respond to, and as a result candidate's performance on this question still needs further development and focus. (further on within this document are ways to prepare and support candidates to respond to this question).

The paper scenario contained an abundance of data to be able to analyse and in this paper specifically there was an additional data set in the form of an income and expenditure table (over 2-year period) to support the data responses of candidates, however in the main they tended to repeat, as opposed to analyse in any depth.

Activity 2 (16 marks)

Activity 2 contained much stronger responses, and many learners used the SWOT analysis to highlight the internal and external factors effecting the business. In fact, across the whole series there were only around 20 candidates that used the PESTLE analysis for the completion of this question.

The lack of research included to support responses is the limiting factor here on this question, as described above, specifically in the PESTLE analysis. Examiners allowed research to be applied anywhere within the response of this activity. The embedding of research to support the responses was much improved in this series, and it's clear that candidates are starting to support their points of the SWOT with examples from both YOLO (business 2) and external prepared research which is really encouraging.

As with all other previous papers, most candidates performed very well on the strengths and weaknesses of the business (internal), improved their understanding of opportunities (which links well into activity 3) however it was the threats (external) that was the limiting factor again.

It has been made clear in all Lead Examiner reports that threats must be **EXTERNAL** to the business (out of their control). If the business can control the factor, then it should be placed outside of the Threats box. No credit is given to points made in the threats box that is in the control of the business (e.g. pricing, staffing)

The examples to wider research in general were limited in candidate's responses and there still needs to be clearer links made to the research as opposed to, in some cases, where candidates were just 'tagging on' research linked to a point they made, and not really using the research to support the response. For example, MyJourney does x/y/z (taken from the scenario) just like Business A (not highlighting exactly how this is similar).

YOLO (competitor business) in some cases was the only business used to support responses and this will only allow candidates to achieve the lower bandings for this activity (max band 2 for trait 1).

Activity 3 (20 marks)

Activity 3 again saw the most improvement in candidate responses where there was a clear understanding of what the activity response requires. This question has been clearly articulated in all the previous Lead Examiner reports to emphasise that the ideas for development (recommendations) **do not require any supporting research**, yet must be clearly developed, with examples of how they would be implemented, to score into the higher bandings.

This response requires recommendations for the customers, the trends in the industry and meeting the needs of the business. All three elements need to be covered to reach the higher banding. Examiners looked to categories these recommendations into the three headings if the candidate had not specifically sectioned these off within the response. To gain maximum marks on the coverage there must be a minimum of 9 points made here (3 under each heading ideally), however each trait is also graded separately on the quality of its content, linked to the bands available.

Justifications were still being included in this response, and they are not creditworthy for activity 3, they need to be included in activity 4. **Candidates will not be credited at all for giving reasons in this response (e.g. to maximise profit, to increase customer numbers etc)**

Candidates continued to include the WHY and this activity only requires the HOW. Candidates need to see this Activity as the '**Planning for Improvement**' element of the paper – meaning that the information they include needs to be tangible, and could be implemented without anyone having to ask any further detail on what would the recommendation or plan be – Prepare this a 'business plan' making sure that the reader could implement the recommendations without asking any further questions!

Activity 4 (12 marks)

Activity 4, the research and preparation undertaken by candidates allowed them to perform well on this question and much improved on previous series. This question requires candidates to very clearly justify the recommendations made and link these to wider research. Specific and sustained research needs to be included in candidate's responses for this activity. The level of justification for the recommendations in activity 3 needs consolidating and expanding to score into the higher bandings here.

Key to managing time and focus

The most difficult element of this paper for most candidates has still been the ability to be very specific and focussed with their responses through the questions. There was a tendency for candidates to repeat themselves as they have in previous series and include more information than was necessary in certain activities. This was particularly seen again in activity 3 and 4 where candidates were making recommendations, and giving reasons (justifications) in activity three, and then the development of the response for activity 4 was limited. **Justifications included in activity 3 are not awarded credit unless they are placed in activity 4. Activity 3 requires no link to research at all, and 20 marks are available.**

How the mark scheme works for Unit 22

Mark schemes are set out into Bands and Traits

The traits are linked, and get progressively more difficult through the banding

Activity 1 Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Review the current status	0 No rewardable material.	1-4 <ul style="list-style-type: none"> Produces a limited review with inconsistent references made to the business and sport and active leisure industry. Shows a limited understanding of the purpose of the existing business. Shows a limited understanding of the data provided in the given scenario. Shows a limited use of research from sport and active leisure industry to support the review of the scenario. 	5-8 <ul style="list-style-type: none"> Produces a review with some relevant references made to the business and sport and active leisure industry. Shows a basic understanding of the purpose of the existing business. Shows a basic understanding of the data provided in the given scenario. Shows a basic use of research from sport and active leisure industry, with examples used to support the review of the scenario. 	9-12 <ul style="list-style-type: none"> Produces a clear review with sound references made to the business and sport and active leisure industry. Shows a clear understanding of the purpose of the existing business. Shows a clear understanding of the data provided in the given scenario. Shows a clear use of research from the sport and active leisure industry, with clear examples used to support the review of the scenario. 	13-16 <ul style="list-style-type: none"> Produces a comprehensive review with detailed references made to the business and sport and active leisure industry. Shows a detailed understanding of the purpose of the existing business. Shows a detailed understanding of the data provided in the given scenario. Shows a detailed use of research from the sport and active leisure industry, with sustained examples used to support the review of the scenario.

Candidates do not have to be hit every trait within a band to be placed within that banding. Typically, a candidate will have a response that may look like the example below

Activity 1

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Review the current status	0 No rewardable material.	1–4 <ul style="list-style-type: none"> Produces a limited review with inconsistent references made to the business and sport and active leisure industry. Shows a limited understanding of the purpose of the existing business. Shows a limited understanding of the data provided in the given scenario. Shows a limited use of research from sport and active leisure industry to support the review of the scenario. 	5–8 <ul style="list-style-type: none"> Produces a review with some relevant references made to the business and sport and active leisure industry. Shows a basic understanding of the purpose of the existing business. Shows a basic understanding of the data provided in the given scenario. Shows a basic use of research from sport and active leisure industry, with examples used to support the review of the scenario. 	9–12 <ul style="list-style-type: none"> Produces a clear review with sound references made to the business and sport and active leisure industry. Shows a clear understanding of the purpose of the existing business. Shows a clear understanding of the data provided in the given scenario. Shows a clear use of research from the sport and active leisure industry, with clear examples used to support the review of the scenario. 	13–16 <ul style="list-style-type: none"> Produces a comprehensive review with detailed references made to the business and sport and active leisure industry. Shows a detailed understanding of the purpose of the existing business. Shows a detailed understanding of the data provided in the given scenario. Shows a detailed use of research from the sport and active leisure industry, with sustained examples used to support the review of the scenario.

Examiners training allows them to then holistic mark the activity and place the grade within the correct band and grade accordingly within that band

Individual Questions

The following section considers each activity on the paper, providing examples of candidate responses and information regarding where responses were positive and scored well, and where the areas of focus are with regards preparing for future examinations.

This section should be considered with the live external assessment (January 2020) and corresponding mark scheme (once the paper is published and can be used for supporting future series).

Activity 1. Review of business information.

Review the current business status using the information provided in the set task information about MyJourney

You should consider:

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

Reviewing the business

The review should use the information from the current business MyJourney and needs to consider the purpose, the data and supporting research undertaken in Part A, or the use of the second business within the scenario (YOLO)

As with all the previous papers there were several elements that could have been included within the candidate responses here, and all were credit worthy, so long as they were valid. Repetition of the scenario, and taking information directly from it, with no further expansion scored very low on this activity. The key here is to think about the IMPACT on the business, or how what the business does will affect it in the current position or moving forwards.

Candidates could have included information regarding any of the potential areas below:

- Business Type (Ltd)
- Business Scope (local)
- Business Size (micro)
- Current Provision (activities)
- Staffing/roles/responsibilities (PT/FT)
- Range of facilities/resources

Whatever information the learner decides to use from the scenario needs to link to the purpose of the business and to explain what the impact could be on the business. To focus the response here candidates could use the following from the specification to structure their response:

- **Make profit**
- **Survival and Growth**
- **Diversification**
- **Service Provision**
- **Marketing**
- **Customer Service and Satisfaction**

The stronger responses in this paper were where candidates used the information from the scenario and linked it to the specification structure above, clearly identifying where the business was showing growth (through the data figures), where their service provision was (facilities, access, opening times etc), information on the marketing aspects and so on.

Candidates could have included that the business is a limited company, and information about what a limited company. This could have included liability, the pros and cons of a Ltd, regarding issues of profit, sickness and cover. Candidates could have included information that the business is local, and what its potential USP.

Identifying the size of the business (Micro)) and the impact of the working patterns of staff team with regards Part time and Full-time roles and responsibilities. Some candidates used the positives of having a flexible team to ensure staffing was manageable at both busy and quiet times and linked this to customer satisfaction and service provision.

The response could have included the scope of the business (in this case focused locally) – highlighting that this was a limiting factor to the diversification was credited. Some individuals looked at the ‘our speciality is not specialising’ as a USP linking this to increasing target demographic as this could be focused on all age groups, abilities and genders.

The best structured responses-maintained links with the scenario and the specification coverage. Highlighting that the business is looking to **increase profit (make profit), that they survive and grow, that they can be the market leaders within their demographic, that they have a good service provision(diversification), and high-quality customer service and satisfaction** focused candidate’s responses.

It is important that whatever element the candidates focuses on from the scenario that they are linking it back to the purpose of the business. Ultimately all these will then develop profit, which would be the underlying theme for this response for a growing business.

Ensuring that examples are incorporated that link to the points being made were important in this activity. The key for the higher banding here is to link similar and different elements of the presented business to other businesses. This can obviously include the second business (YOLO) however this will not allow higher banded responses. Only external research can command the higher banding here (band 3 and 4).

Examples of candidate responses for the purpose

MYJourney is a crossfit gym based in a small village. It states that MYJourney operate as a private limited company, therefore meaning that their main goal or target by now would be to start making profit, this is as a result of them being established in the year 2015. In addition to this MYJourney would start to also look at becoming the market leaders in the local area who offer a CrossFit themed experience, in addition to having the highest order of customer service there is on offer. MYJourney as a business has a local scope, this is as a result of being situated in a local area, however it does state that the small village it is situated in has good transport links and has a population of 17,400. However this is narrowed down due to the fact that you must be 17 to use the facilities that MYJourney has to offer and therefore only allows their target audience to have a capacity of around 14,500. Furthermore, MYJourney operates as a micro business as they have 5 full-time employees and 4 part-time employees. However between these 9 employees of MYJourney, there is a lot of ground covered, within these 9 employees, they have a full-time cleaner and maintenance, this allows for good customer service, 6 CrossFit instructors, who all offer 1:1 training and nutritional advice, a gym manager and a managing director. This is a good amount of employees to have as they are only a micro business targeting a local scope, and therefore they are being effective. As mentioned earlier, MYJourney was founded in 2015, making the business coming up to 5 years old. As we can see from the financial records they are starting to make profit, and therefore they have been successful and should start to set aims such as leading the market. There will be many stakeholders in MYJourney such as, the employees and the customers, however, as they continue to mature as a business, they should look at gaining stakeholders from outside the village as it

This element of the candidate response example covers areas highlighted within the specification linked to the purpose and it specifically links back to the scenario, making it relevant. It includes Business Type (Ltd), Business Scope (local), Business Size (micro), and Staffing/roles/responsibilities (PT/FT). They have covered and linked elements of the scenario well together, using a wide range of information presented to them

Data

There was plenty of data for candidates to use to evidence their understanding of this area. Data available from this scenario included:

- **Demographics**
- **Income and operational costings**
- **Session times/opening hrs**
- **Cost of sessions/membership prices**

Data was not well used again throughout this series even though there was the additional element introduced here regarding Income and operational costings as with the June 2019 series.

There tended to be a repetition of the information from the scenario, as opposed to analysis of the data to support the review. **Examiners were looking to see how candidates could use the data and link it to the impacts on the business.** If candidates simply regurgitated the scenario information they could not move out of the lower banding (limited understanding). To move up through the banding's candidates needed to interpret the data.

For example, they could have identified that the largest demographic age range was 66-75-year olds (2700) which was approximately 19% of the total demographic. They could then move on to discuss why this is important to know in terms of a target marketing audience and potentially breaking into this market, as it would tend not to be generally the most active age range therefore, they could diversity into other areas to attract this group.

The strongest candidates used the Income and operational costings to highlight that there had been an increase in marketing budget by £6000 , which could be a link between the increase in merchandise sales or session payments and that upgrading of the equipment may be linked to the lifespan of the equipment due to the fact the business was now 5 years old and equipment could need replacing. This shows use of the data, as opposed to just repeating the numbers/figures.

If candidates were using % (with links) they could move into band 3, but to be in the higher banding there needs to be clear links with the business scenario, as in the examples given above.

The more the data is used and analysed the further up the banding the candidate will achieve. The full range of data available would not need to be included, but candidates

needed to show that they can extrapolate this information and interpret it linking it to the business.

Examples of candidate responses for data

MyJourney's customer demographic is a small village with 17400 people. They don't work with under 17's which accounts for 2900 of the village's population (potential loss of business.) There is 9200 people of over 55 who are mostly likely retired who have disposable income would be great to target. They

This response above starts to use the data available, in this case focusing on the Demographics. The candidate here has worked out that there is many the population above 55, linked this to their potential disposable income and retirement making them a potential target audience (this could be then used in the recommendations in activity 3).

from the data I can see that MyJourney only targets the demographic of 17 years old or older. This means that they are missing out on 16.6% of the possible members available in the local area and therefore limiting potential profit. Other gyms such as ~~Marble~~ Marblesham Leisure target all ages and offer certain classes to younger members as they know that this will encourage families to join the gym and help them get more profit. Since everyone is welcome to join.

The above response shows the candidate analysing the demographics. They have correctly identified that 16.6% of the demographic is not being targeted (anyone under 17 years old). To do this they have had to work this out (calculators allowed in the exam of course) they have then gone on to further link this to the future IMPACT on MyJourney (limiting potential profit). They have also then linked this to external research to support the point being made

Research

Research needed to be specific to the point that was being made and relate to the information from the scenario. Research could have been included on any element discussed within in this activity. It was important to reach the higher banding that external research (outside of YOLO) was used. Band 3 and 4 could not be achieved without the inclusion of external research. Research needed to be relevant. Some candidates were simply 'bolting on' the name of a researched business to the point that they were making.

Example of a positive research supported response

The pricing is very reasonable compared to other crossfit gyms I have researched. They offer all class's and 1x PT session free a month for only £60. This is very reasonable compared to Manderhead who offer a similar price of £55 a month however only can go in twice a week. While using it unlimited like my journey it goes up to £165. In addition, Reborn gym 3x a week usage £90 and £105 = unlimited. Therefore, I feel they offer a great price however a draw back is they need to sign up for 12 months. This could loose a lot of possible customers to Yolo due to only £25 with no contract. As many may feel they may only do it for a couple of months.

This response (above) shows the learner using the pricing element of MY Journey to compare against external research and uses YOLO. The comparison is clear, well presented and shows that the candidate can extrapolate information from their research to support the direct comparison to the scenario.

Mark scheme for activity 1

Activity 1

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Review the current status	0	1–4	5–8	9–12	13–16
	No rewardable material.	<ul style="list-style-type: none"> Produces a limited review with inconsistent references made to the business and sport and active leisure industry. Shows a limited understanding of the purpose of the existing business. Show a limited understanding of the data provided in the given scenario. Shows a limited use of research from sport and active leisure industry to support the review of the scenario. 	<ul style="list-style-type: none"> Produces a review with some relevant references made to the business and sport and active leisure industry. Shows a basic understanding of the purpose of the existing business. Shows a basic understanding of the data provided in the given scenario. Shows a basic use of research from sport and active leisure industry, with examples used to support the review of the scenario. 	<ul style="list-style-type: none"> Produces a clear review with sound references made to the business and sport and active leisure industry. Shows a clear understanding of the purpose of the existing business. Shows a clear understanding of the data provided in the given scenario. Shows a clear use of research from the sport and active leisure industry, with clear examples used to support the review of the scenario. 	<ul style="list-style-type: none"> Produces a comprehensive review with detailed references made to the business and sport and active leisure industry. Shows a detailed understanding of the purpose of the existing business. Shows a detailed understanding of the data provided in the given scenario. Shows a detailed use of research from the sport and active leisure industry, with sustained examples used to support the review of the scenario.

Activity 2. Business model analysis

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

For this question most of the candidates opted to use the SWOT analysis which has been successful. Where candidates chose to use the PESTLE analysis, there was a clear lack of competitor activity within the response, and therefore they could not move out of Band 1 – The Pestle analysis therefore, without the correct incorporation of external examples limits the Activity outcome to max 4 marks).

Using SWOT, this was a well-developed response overall, however with a few modifications higher bandings could easily have been achieved by several candidates. Following the guidance in the SMLW (Sample Marked Learner work) and Previous LE reports and Exam papers, most candidates set out the SWOT originally in a table form under the 4 headings, then went into further detail to expand this response. This has tended to be the best approach to completing this question successfully, as the plan structures the response and ensures coverage of all elements.

KEY POINT

For traits 2 and 3 (knowledge an application of the business model) candidates are required to make at least 3 points under each correct heading (SWOT), using external research to support their answer to score in the top band (band 4). There must be a minimum of at least 2 suitable external businesses used in this activity to score into this highest banding.

It is then the quality of the response from limited (band 1) to detailed (band 4) that examiners were looking for.

This question for the SWOT analysis requires candidates to clearly place the correct information into the right position within the business model. It's important that candidates understand that there are internal and external factors that are affecting the business.

The strengths and weaknesses (internal) were in general well-presented candidate responses. Opportunities and threats (external) are where candidates struggled with this response, specifically the threats. Threats need to be external, and must be 'out of the control' of MyJourney

If they are in control, and MyJourney can have direct influent over them, then they are potentially Weaknesses or opportunities.

Where candidates completed this response with just the SWOT analysis list/table without any examples of information regarding the points that they had made, then this response could reach a maximum of 4 Marks (information presented in the table format must be suitable and relevant to be awarded credit) if they had included 3 correct points under each heading.

Therefore, if candidates plan the SWOT analysis out, clearly highlighting 3 points under each of the correct heading, without any further detail or research they can score 4 marks on this question.

KEY POINT

The research element of this question is where candidates failed to achieve the grade, they were capable, especially if using PESTLE analysis. Considering the mark scheme for this activity, to move into band 2, competitor activity must be used to support the responses being given (see below). No research (the scenario company YOLO would be credited here) limits candidates to the bottom band, so whatever the quality of their response, no research limits the marks available.

Activity 2

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Analyse the internal and external influences	0 No rewardable material.	1-4 <ul style="list-style-type: none"> Produces a limited analysis of internal and external factors that influence the business. Demonstrates a limited knowledge 	5-8 <ul style="list-style-type: none"> Produces a basic analysis of internal and external factors, including competitor activity, that influence the business, supported by examples 	9-12 <ul style="list-style-type: none"> Produces a sound analysis of internal and external factors, including competitor activity, that influence the business, supported by sound examples and 	13-16 <ul style="list-style-type: none"> Produces a detailed analysis of internal and external factors, including competitor activity, that influence the business, supported by detailed examples drawing on

It is important to note, that the research (competitor) could link to any point made throughout the response, under any of the headings, if it is relevant. The most obvious areas here to link to is external (opportunity and threat), however included anywhere it would be credited.

Example of a learner response

Activity 2. Business model analysis

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

(16)

Strengths	Weaknesses
<ul style="list-style-type: none">- Offer discounts- Website- Cater to everyone's goals	<ul style="list-style-type: none">- Closed on Sundays- Only 17+- Limited parking (10 only)
Opportunities	Threats
<ul style="list-style-type: none">- Social media- Specific groups open Sundays- Expansion	<ul style="list-style-type: none">- Other gyms- Drop in trend- Staff loss

The example e (above shows the 'planning of the SWOT' analysis done by this candidate, before the extended writing occurs, with examples. It plans 3 under each heading (to gain maximum marks) – the threats are all external (dependent upon how they explain the 'staff loss' point) – if they explain this as 'staff could be unhappy working at MyJourney and leave' then this would not be a threat, as it is potentially in the control of MyJourney. This plan would gain 4 marks if it was presented as this only on this question, however that would still be within the 'below pass' standard for this question.

5) The second weakness for myJourney that you have to be over 17 to go to the gym. This means that they are missing out on 2900 potential potential members and missing out on families joining the gym. Other gyms such as CrossFit Colchester are open to families younger members so therefore families will join the gym and it will help increase the profits missing since this is a big demographic to exclude. Being a micro business myJourney shouldn't restrict potential customers from becoming members since if they miss out on profit it could eventually lead to the gym closing.

This response (above) clearly indicates the weakness, quoting the specific detail from the scenario (2900 potential members), linking it to a reduction in families using the gym, links to an external research element from CrossFit Colchester (specific) to support the reason for the weakness. This is also then linked to reduced profits, and the fact the business is Micro so should not restrict its demographic.

Threats:

T1: YOLO has large car park, this means more customers can park nearby to the YOLO gym and stay rather than no having enough space and being drawn away from wanting to travel to the gym.

T2: YOLO is well established, MYJourney gym has been around for 5 years making it not exactly new but not yet well established within the wider community outside of the village. Rather YOLO gym is well established making it far more known within the village and possibly customers outside the village, increasing YOLO's footfall thereby decreasing MYJourney's.

As both threat (above) are YOLO then they are only credited as one Threat. – they are external, as they are out of the control of MyJourney.

All responses here will be considered for awarding, if they are suitably placed within the business model analysis and have sufficient detail to support their inclusion.

Overview of most popular responses for the SWOT analysis (taken from a range of learner responses).

INTERNAL	
Strength	Weaknesses
<ul style="list-style-type: none"> Established for 5 years Clear USP Profit increase (year on year) Good range of facilities Increase in individuals using the Business Website with all required information on pricing/future Opps Wide range of classes within the week Different membership types Onsite shop selling merchandise (which has 50% increase in sales) Range of PT/FT instructors (flexible) Virtual coach – minimal cost implications Free PT session per month with full membership 10% discount 	<ul style="list-style-type: none"> No social media Not open Sundays (limiting esp. for 'off peak') Opening times limited on Saturday No under 17 access (demographic range missed) Only 10 car carpark Limited staffing (sickness could be an issue) Must have a 12-month contract to use classes
EXTERNAL	
Opportunities	Threats (out of the control of My Journey)
<ul style="list-style-type: none"> Wider membership offer Increased opening times Wider demographic options Off site sessions (in the community) 	<ul style="list-style-type: none"> Small demographic pool YOLO – Town centre access YOLO more Facilities (anything to do with YOLOs alternative provision) Other alternatives available cheaper (other gyms such as Pure/DW etc.) Property rental may increase

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KEY POINT 2

If YOLO (the second business) is used under the threats box it is only counted by examiners as one threat (i.e. YOLO is the threat), no matter how many points are made. For example, if in the threats the following were included (from example above):

- *YOLO – Town centre access*
- *YOLO more Facilities (anything to do with YOLOs alternative provision)*

This would only be credited as ONE threat (for top band there needs to be 3 in the threats section that are relevant).

Mark scheme for activity 2

Activity 2					
Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Analyse the internal and external influences	0 No rewardable material.	1–4 <ul style="list-style-type: none"> • Produces a limited analysis of internal and external factors that influence the business. • Demonstrates a limited knowledge and understanding of the business model used. • Demonstrates a limited understanding of how to apply a business model when analysing the business. 	5–8 <ul style="list-style-type: none"> • Produces a basic analysis of internal and external factors, including competitor activity, that influence the business, supported by examples • Demonstrates a basic knowledge and understanding of the business model used. • Demonstrates a basic understanding of how to apply a business model when analysing the business. 	9–12 <ul style="list-style-type: none"> • Produces a sound analysis of internal and external factors, including competitor activity, that influence the business, supported by sound examples and some reference to wider research • Demonstrates a sound knowledge and understanding of the business model used. • Demonstrates sound understanding of how to apply a business model when analysing the business. 	13–16 <ul style="list-style-type: none"> • Produces a detailed analysis of internal and external factors, including competitor activity, that influence the business, supported by detailed examples drawing on wider research • Demonstrates a detailed knowledge and understanding of the business model used. • Demonstrates a detailed understanding of how to apply a business model, when analysing the business.

Activity 3. Recommendation

Recommend how MyJourney can develop and market itself.

You should consider:

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

This question requires no external research to be included and holds the largest amount of credit on the paper, a total of 20 Marks.

Candidates need to make recommendations that will allow MyJourney to develop and market itself moving forwards. Candidate responses were taken at face value here and there was no set responses for examiners to use to award credit. If recommendations were suitable, and they could positively impact the business then they were available to be credited.

KEY to this question: HOW (not WHY)

Many candidates who scored well on this activity focused very much on the HOW. The best way to think about supporting learners to complete this question is to make them think, the following:

‘If someone was to come and pick up the recommendations they were suggesting, that they would have enough detail to implement them, without asking the candidate any more questions’

The deeper the level of detail the recommendation goes into, the higher the grade boundary.

NO REASONS and NO RESEARCH – HOW ONLY

The response to the activity however does need some structure. Candidates must cover recommendations under the required traits: **customers, trends and business**. This is where there was some confusion over which heading, they fall under, however examiners were trained to support the when marking, and if headings were incorrect, they credit was still given under the right heading so candidates should look to structure this answer using the three headings.

- **CUSTOMER**
- **TRENDS**
- **BUSINESS**

Candidates were structuring this question much better than in all previous series, and clearly articulating the HOW and the depth of the recommendations which was really encouraging – this is the biggest mark available on the paper so getting this question right is essential.

Candidates need to ensure that they cover all the three elements of this activity to score into the higher bandings.

To reach band 4 there must be a spread of recommendations from each trait (customers, trends and business) -3 in each were required – some could be small, and others larger, but the coverage must be in place. Looking at the banding for this activity the response needs to be detailed, and more importantly comprehensive to reach the higher banding. By setting the response out into the individual traits then candidates can be sure that they are more likely to be comprehensive in all areas.

For example, recommendations could have included information below (not exhaustive). Setting out a plan, link in activity 2 could ensure that the full coverage is in place.

Trait 2: CUSTOMERS

- **Customer service** (comms with customers dependent upon individuals - phone-email)
- **Special offers** (e.g. promotions, customer Loyalty Schemes/different memberships)
- **Communicating with customers** – (e.g. taking on feedback to improve customer service)
- **Develop other options for customers** (e.g. mental health support/Pre-natal classes/coffee mornings/sales in the shop)

Trait 3: TRENDS

- **New 'on trend' activities to offer** (e.g. fitness classes/corporate bookings)
- **Advertisement and Marketing** (social media outlets – twitter/insta/linkedin)
- **Developing activities offered to certain groups** (e.g. Package booking (e.g. tailored packages for different groups e.g. work colleagues/team building/Young families/Themed nights)
- **Develop a USP** (e.g. something that other business don't currently offer that's attractive to participants - (focus the USP)
- **Changes in participation** (e.g. how MyJourney could improve fitness/health for specific groups)
- **Motivation for participation:** (e.g. promotion of special sessions/offers)

weight loss/ social/prep for holiday (beach body)

- **Increased mass participation events** (e.g. whole school events/local community activities/charity events)

Trait 4: BUSINESS

- Sustainable - reduce costs /rent of facilities/marketing and promotion (social media)
- Increase the opening times
- Updating and development – (e.g. H+S/Child Protection) – Legal regulations –
- Staff training

KEY POINT

Recommendations should be clear and be suitable for the business to achieve however this section is for **recommendations only, not for justifications** as to why the recommendation would be suitable. **Justifications here will not be credited**, this information needs to be placed in activity 4, with a clear link to the justification made in Activity 3.

Examples of candidate responses for this activity

4) I recommend that myJourney offers competitions in Crossfit throughout the year. They would offer 2 in the summer and 1 in the winter. This would be open to all members and non members and take place over the course of 1 day. It would cost £10 to enter and the winner would get a cash prize determined by how many people have entered. It would start at 10 and finish at 8 and there would be categories for ~~age~~ different ages and abilities.

To make this top marks (above) this would include additional information on the age groups and abilities identified in the last sentence

6) I also recommend that myJourney should offer an over 55 crossfit session. This would run every Monday at 10-11.30 and would be included in their normal membership price. They would sign up for it on the website or when they are in the gym they could get a staff member to help them sign up. These sessions would be about general fitness and would be different each time.

This learner (above) has clearly identified the number of recommendations being made (number 6). Each heading (customer/trend/business) included 3 suitable and well-developed recommendations

My first suggestion for how my journey can develop is to open specific group classes. They should offer classes to each group of over 65's, female only and under 17's. The over 65's class can run ^{before} ~~at~~ mid-day everyday. ~~to 10-11~~ as this is when most people are working but retired people should be free to exercise. Their class will run three times a week on Mondays, Wednesdays and Fridays. A membership should be created at £80 a month. One of the instructors will be needed per session to run the class.

This is a good example of the detail required and how it is structured (above). It answers a lot of the 'how would this be implemented?' question (the more detail, the better the response) -there is no WHY, only HOW and it includes costs, times, staffing, target groups

9) I recommend that myJourney should start to spend less on marketing to be more sustainable. They would only market on social media and their website and would keep these updated every day with the latest deals and offer available for everyone to see. It would also have pictures of the facility and what classes are available on that day. It would also show all the prices of membership, what events have taken place as well as all of the staff members and their roles at the gym.

Mark scheme for activity 3

Activity 3

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Recommendations	0	1–5	6–10	11–14	15–20
	No rewardable material.	<ul style="list-style-type: none">Recommendations are generic, with limited reference to the development and marketing of the business.Recommendations demonstrate limited consideration for meeting the needs of customers.Recommendations demonstrate limited consideration for meeting trends in the industry.Recommendations demonstrate limited consideration for meeting the needs of the business.	<ul style="list-style-type: none">Overall, recommendations are basic with reference to the development and marketing of the business.Recommendations demonstrate basic consideration for meeting the needs of customers, supported by examples.Recommendations demonstrate basic consideration for meeting trends in the industry, supported by examples.Recommendations demonstrate basic consideration for meeting the needs of the business, supported by examples.	<ul style="list-style-type: none">Overall, recommendations form a sound plan with reference to the development and marketing of the business.Recommendations demonstrate sound consideration for meeting the needs of customers, supported by relevant examples.Recommendations demonstrate sound consideration for meeting trends in the industry, supported by relevant examples.Recommendations demonstrate sound consideration for meeting the needs of the business, supported by relevant examples.	<ul style="list-style-type: none">Overall, recommendations form a comprehensive plan with reference to the development and marketing of the business.Recommendations demonstrate detailed considerations for meeting the needs of customers, supported by detailed examples.Recommendations demonstrate detailed consideration for meeting trends in the industry, supported by detailed examples.Recommendations demonstrate detailed consideration for meeting the needs of the business, supported by detailed examples.

Activity 4. Justification

Justify your recommendations for MyJourney in relation to:

- 'YOLO' and other Cross training businesses
- The wider business context in the sport and active leisure industry.

This activity heavily focuses on the **WHY**, linked to the recommendations made in Activity 3. Justifications need to be made that support the recommendations regarding how they will improve the business moving forwards. The more detailed the justification here, the higher the banding for trait 1 (see mark scheme below).

This question is marked in isolation to Activity 3 by examiners, however it does link. To ensure that it is clear what recommendation is being justified here candidates are recommended to include this information into the response.

For example

1. Recommendation to Increase demographic to include 11-16 years old (1200 individuals)

Then make the clear justification as to why this was recommended in activity 3, with reference to external businesses/research

As with previous series the key to moving through the bands for trait 2 for this question links to research to support the justification. This is all about the preparation that takes place through part A of this examination process. Bringing together ideas and recommendations, providing evidence and giving a strong argument for why they should be implemented will move candidates into the higher bandings.

With regards structuring this response, candidates could use the following techniques

- 2. What recommendation is the justification linked to (e.g. creating and APP)**
- 3. Trait 1: Give the reasons why this improve the business (credible ones)**
- 4. Trait 2: Link this to some research from Part A (wider business context), or scenario business (YOLO – band 2 max for trait 2) to support the point made.**

Examples of responses for this Activity

Within the crossfit community competing is huge and with this comes the ~~challenges~~ crossfit games. My local crossfit gym (crossfit North Devon) gets involved with this every year. Competitions will be held within the gym and then results will be compared across the UK and the world. There is a chance an athlete will be good enough to go to the USA to compete. Introducing this competitive source of motivation to my journey will help increase numbers and create a happier atmosphere around exercising.

This has research (crossfit North Devon) showing the link to the point being made and where this is successful elsewhere (and its specific to the recommendation), supporting the reason to implement this recommendation. It also looks to link increased motivation in members. To improve this, linking how improved motivation and a happier atmosphere would benefit MyJourney would take the response outcome higher (e.g. maintain memberships, positive word of mouth to gain more memberships).

Customer groups

1) I would recommend that MyJourney should get social media and keep it updated with all the latest deals and offers so that customers and future customers will know exactly what's going on and what's available to them on each day. A large number of people use social media and are more likely to see it on social media rather than on the website or other advertisement methods. Other gyms such as Marklegham Leisure have social media accounts as they know it helps keep members happy so they are more likely to remain at the gym and recommend it to others when they see a deal so the gym will get more profit.

This response (above) clearly links to the recommendation made in activity 3, uses external research (specific to this point-social media) and gives reasons why this would benefit MyJourney.

Mark scheme for activity 4

Activity 4

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Justify your recommendations	0	1–3	4–6	7–9	10–12
	No rewardable material.	<ul style="list-style-type: none"> Justifications are generic with limited links made to the recommendations given. Justifications make limited links between businesses and wider business context. 	<ul style="list-style-type: none"> Justifications are basic with some links to the recommendations given. Justifications are basic with some links between businesses and wider business context, supported by examples. 	<ul style="list-style-type: none"> Justifications are sound with clear links made to the recommendations given. Justifications are sound and make clear links between businesses and wider business context, supported by sound examples. 	<ul style="list-style-type: none"> Justifications are comprehensive with sustained links made to the recommendations given. Justifications are comprehensive with sustained links between businesses and wider business context supported by sustained examples.

Summary

Please make sure that all centres read the Administrative Support Guide document for BTEC National in Sport that can be found on the Pearson Website at;
<https://qualifications.pearson.com/en/qualifications/btec-nationals/sport-2016.coursematerials.html#filterQuery=category:Pearson-UK:Category%2FSpecification-and-sample-assessments>

The activities and mark scheme never change with this unit examination (hence why the LE reports have the same structure and information due the paper structure, mark scheme and activities remain constant –All that changes are the scenario/businesses)

There have been Sample Assessment Material provided, along with Lead Examiners reports, and previous exam papers, to support the preparation and development of research for this unit examination.

KEY POINTS for Preparation for future examinations:

1. Undertake the research element of PART A. Ensure candidates have the 3 businesses researched and their key points for success/how they run
 2. Have well developed A4 notes (individually prepared) to support the completion of the exam.
 3. Read the scenario carefully, highlighting key points that could be used for activity 1 and 2.
- **Activity 1:** structure the response linking to the specification. Get learners to look for information linked to **making profit, Survival and Growth, Diversification, Service Provision, Marketing, Customer Service and Satisfaction**. Ensure that research from Part A is used to support this response. Ensure that the information is analysed, and not just regurgitated. Use the data, make calculations and interpret it
 - **Activity 2:** plan out the response initially (SWOT). Ensure full coverage of each element. Make sure that threats are external and 'out of control of the businesses. **Include research to support points made throughout.**
 - **Activity 3: HOW not WHY.** Be able to pick up recommendations and implement them without any questions asked. Must cover all elements (business/customer/trends – 3 of each for top banding)
 - **Activity 4: WHY** – give suitable reasons why the recommendations would work, and support this with information from the second business, **and external research.**

Ensure that the research completed in Part A is focused on the activities in the assessment. The activities will never change. They will be in the same order, just linked to a different scenario and business in Part B. The mark scheme will also never change. It will contain the same traits and bandings. Tutors need to make themselves fully aware of the requirements of this task-based assessment, by using this report, the SAMs and Additional SAM's.

Good luck

Lead Examiner



Llywodraeth Cynulliad Cymru
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