

L3 Lead Examiner Report 1901

January 2019

L3 Qualification in Sport

**UNIT 22: INVESTIGATING
BUSINESS IN THE SPORT AND
ACTIVE LEISURE INDUSTRY
(21405J)**

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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 particular 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.

Variations in external assessments

Each external assessment we set asks different questions and may assess different parts of the unit content outlined in the specification. It would be unfair to learners if we set the same grade boundaries for each assessment, because then it would not take accessibility into account.

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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	8	17	29	41

Introduction

This was the third series of the new 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 third time, following from the June series (2018), that this unit has been assessed externally through a task based assessment.

There have been 2 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 are allowed to be developed in preparation. In the summer paper (2018) 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 2019 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

Candidates have not performed as well across the paper as they did in the summer series. There was a much larger entry for this sitting, and 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 a decrease in the use of strong supportive levels of research and preparation to support candidate's responses from what was observed within the summer series. In some cases candidates did not incorporate any research into their responses, and therefore unable to reach the pass standard on some activities.

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. The biggest difference within this examination series was the lack of research included within activity 2 (analysis of the internal and external factors effecting the business -SWOT/PESTLE), therefore limiting the grade to a maximum band 1 (4 marks). Higher bandings require competitor activity, supported by examples.

As with the January and June 2018 series, activity 1 was the lowest performing activity on the paper. Candidates have to be able to take information from part B, the unseen element, and ensure that they review the business, show 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, however candidates in the main tended to repeat, as opposed to analyse in any depth.

Activity 2 contained stronger responses, and the vast majority of learners used the SWOT analysis to highlight the internal and external factors effecting the business. The lack of research included to support responses was the limiting factor here on this question. Examiners allowed research to be applied anywhere within the response of this activity, however candidates responses linked to research were still limited. As with the Summer 2018 series, most candidates performed very well on the strengths and weaknesses of the business (internal) but showed limited understanding of opportunities and threats (external), specifically the threats. 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 iAMfitness does x/y/z (taken from the scenario)...just like Business A (not highlighting exactly how this is similar)

World Fitness (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 saw an improvement in candidate responses where there was a clear understanding of what the activity response requires. This question was clearly articulated in the previous Lead Examiner report to emphasise that the ideas for development (recommendations) do not require any supporting research, yet have to 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. The latter two points (trends and business) are still the weaker of the recommendations made. 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 continued to include the WHY and this activity only requires the HOW

Activity 4, due to the lack of research and preparation undertaken, candidates did not perform as well as in the summer series. This question requires candidates to very clearly justify the recommendations made and link these to wider research. More research needs to be included in candidate's responses for this activity as this is 50% of the marks available. 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 did in the Summer 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. 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. 	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. 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. 	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 2019) and corresponding mark scheme.

Activity 1. Review of business information.

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

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 (iAMFitness) 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 (World Fitness)

There were a number of 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 effect it in the current position, or moving forwards.

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

- Business Type (sole trader)
- Business Scope
- Business Size
- Current Provision
- Staffing/roles/responsibilities
- 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**

Candidates could have included that the business is a sole trader business, and information about what a sole trader business is. This could have included liability as a sole trader, the pros and cons of a sole trader business regarding issues of profit, sickness and cover. Candidates could have include information that the business is local, and what its USP is (women only). Information on the level of qualifications the owner has, and how this could positively effect the diversification, customer service, and service provision, allowing scope for development could have been incorporated

Identifying the size of the business (micro) and the impact of the working patterns of the owner to allow development and growth of the business was well used by candidates throughout this activity and was a point that was particularly highlighted. The business operations information could have been used here to highlight the different roles and responsibilities of the owner and the potential impact of the owner having various roles with regards marketing, delivery, health and safety, transport and time management. As this is a sole trader business, and no employees, there is a

limiting element to the depth of this response, however there is still plenty of credible material. When planning this ensure that there is specification coverage, and that candidates are looking to pick out information from the scenario that they can use to show they have a clear understanding of the business.

The response needs to include the scope of the business (in this case local due to the transport radius) – highlighting that this was a limiting factor to the diversification was credited, however stronger candidates identified that the use of the online sessions allowed a wider demographic to be targeted, and therefore increase the scope and potential income for the business, with minimal outlay of resource.

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 candidates 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.

Most candidates covered the purpose linked to the customer groups targeting the local female demographic, highlighting the age groups that the business is mainly focusing on (30-49) and why this would be the case. Marketing of the business can be included by candidates in this response highlighting the methods of social media and the website to promote 1:1 sessions and group activities and the potential outcomes of these methods of promotion and advertising

Examples of candidate responses for the purpose

The fact that IAM fitness only cater the sessions towards females is a negative as they are already cutting potential profits by approximately 50% as males are not catered for within this company. This is different to Pure Gym who offer private sessions for both males and females, therefore doubling their potential profits & exposure due to catering to both genders.

Marketing/Advertising:

The company advertises ~~its~~ using social media, allowing them to reach out to a wider audience for no price, which is very beneficial for attracting new customers outside the local area. It also has its own website where it posts progress pictures/videos which may motivate more people to purchase sessions, therefore increasing profits, allowing the company to expand.

IAM fitness staying structure is just one person running the whole business, this means less overheads however, a higher work load. Unlike World fitness who employ specialists, this decreases the work load as a positive but as a negative increases overheads, impacting on profit, and the needs of the business.

IAM fitness is also meeting trends such as online sessions. While World fitness doesn't offer this, this offers a gap in the market to draw more customers to IAM fitness. Since the online sessions are getting

more and more popular. Therefore increasing customers leading to more profit, further satisfying the business needs.

On top of this IAM fitness have a highly developed social media account where they post pictures and sessions videos of sessions and before and after result pictures. This allows the local business to advertise itself on a larger scale and they're able to give examples of how this can benefit a future client. This is something dynamic fitness have also put in place and have been successful with it as they've been able to target larger a larger target group.

Data

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

- **Demographics**
- **Pricing -profit/loss potential**
- **Session times/opening hrs**
- **Cost of transport/facility hire**

Data was not well used throughout this 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 bandings candidates needed to interpret the data. For example they could have identified that there were 12 1:1 sessions throughout the week, spread over 4 mornings and 3 evenings (6 morning sessions, and 6 evening sessions available). To score higher banding information such as total income generation from the 1:1 sessions and group session (if all fully booked) would be £495.00 a week, or highlighting the different in profit potential between 1 group session and one 1:1 session. (approx. £100.00 more per hour)

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

Demographics:

iAM Fitness state that they generally cater to 30-49 year olds^{women} within the age demographics, meaning that only 6,245 out of ~~53,873~~ ~~people~~ 53,873 people in the local area are catered for, equating to approximately 12% of the local population, meaning that 88% of the population are not being included, which ~~is~~ is dramatically decreasing income and exposure. This is different to World Fitness who caters to everybody in the area, allowing their ^{potential} profits to be 6.5 times higher than that of iAM fitness, as they cater to 47,448 more people, giving them much more money for profit & expansion, which is the overall aim of the business.

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 World Fitness) 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. For example

'iAMfitness' is currently working with a very specific demographic age range of 30-49-year-old females within the local town. This equates to 6245 potential customers. Of this total, there are only 10 regular customers, which would leave 3 1:1 slots available weekly. This could limit access to new customers, or if these were not filled could lead to the potential loss of £90.00 a week. World Fitness is open to the whole demographic audience of the local town, and has a much larger variety of times available for customers to access the 1:1 sessions, and therefore generate better customer service due to their accessibility. With more PTs there is more accessibility, and more resources to support these sessions such as running machines and weight training equipment'

Mark scheme for activity 1

Activity 1

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Review the current status	<p>0</p> <p>No rewardable material.</p>	<p>1–4</p> <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. 	<p>5–8</p> <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. 	<p>9–12</p> <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. 	<p>13–16</p> <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 PESTLE **or** SWOT business model, analyse the factors that are currently affecting iAMfitness

For this question, the vast majority 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.

Using SWOT, this was a well-developed response overall, however with a few modifications higher bandings could easily of been achieved by a number of 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.

N.B: 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 effecting 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 iAMfitness

If they are in control, and iAMfitness can have direct influent over them, then they are weaknesses.

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 2 Marks (information presented in the table format must be suitable and relevant to be awarded credit)

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 World Fitness 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 • Produces a limited analysis of internal and external factors that influence the business. • Demonstrates a limited knowledge	5-8 • Produces a basic analysis of internal and external factors, including competitor activity, that influence the business, supported by examples	9-12 • Produces a sound analysis of internal and external factors, including competitor activity, that influence the business, supported by sound examples and	13-16 • 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, as long as it is relevant. The most obvious areas hear to link to is external (opportunity and threat), however included anywhere it would be credited. The supported by examples highlights the point made about ‘bolting on’ research. Examples need to be used to support the point made earlier

Example of a learner response

The fact that iFitness can be mobile, means that, their customers can have a more personal experience when it comes to one to one sessions. Being able to take customers to the park if they unable to train in their home, gives the business and customer less restrictions when it comes to the mobile element. World Fitness doesn't offer the mobile element, meaning customers may be more likely to go to iFitness. Most personal trainers tend to be mobile now due to customer freedom, and unusual target market, such as the elderly.

Another strength is that the business is currently meeting a popular trend in the industry. This is its group PT sessions for £7.50 per person. This is a strength due to the business understanding the trends in the industry, encouraging customers to pay less than a third of one to one sessions, to train in a group of 20 people. Roko gym, and JISU fit both offer classes for a good price, and get them fully booked in no time.

Opportunities

One opportunity for IA Fitness is slotting in or creating more sessions. This is due to the fact that they only hold 12/13 session slots, whereas they could be holding 15-18. This means that more customers can go and use the service, as the business is almost fully booked each week anyway. JISU fit have 3 staff members, so they can hold around 100 sessions a week, which brings them in a lot of money, which would also be good for IA Fitness.

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 Strengths and weaknesses (taken from several candidates responses)

INTERNAL	
Strength	Weaknesses
<ul style="list-style-type: none"> • Business owner 15 Years experience • Well qualified Business owner • Sessions can be undertaken in own home (accessible) • Has all own equipment for sessions – good selection • No overhead costs for 1:1/park activity • Health assessment • Package deals/offers • Group sessions fully booked-income • Virtual online coaching – new markets • Well developed social media-marketing • Payments can be made through website • 1:1 sessions mostly booked (10 regular clients for 13 slots) • Good pricing on 1:1 sessions (30.00) -matches main competitor • Limited outgoings – travel/room hire/equipment • Flexible time slot in evening(19.45-21.00) -potentially 3 start times 	<ul style="list-style-type: none"> • Only 2 years old • Limited times for PT sessions due to other work commitments • Travel time to clients homes • Limited demographic (30-49) • Groups sessions female only • Limited capacity to expand (with current role) • Has to maintain client base (no membership) • Only one group session (limited numbers) • No specific USP • Only one person -if sick/ill they have no income/do own finances etc • Available pm slot 19.45-21.00 – however, can only do 1 person
EXTERNAL	
Opportunities	Threats (out of the control of iAMfitness)
<ul style="list-style-type: none"> • Widen scope of offer (not just 	<ul style="list-style-type: none"> • World Fitness (modern facilities/accommodation/group

<p>weight management) – pre/post natal</p> <ul style="list-style-type: none"> • Offer friends/family packages • Extend 1:1's to 1:2/1:3 • Offer Men's/children's studio session -increase demographic • Employ other people to run sessions • Reduce1:1 -replace with group sessions – more income v time • Offers -i.e. attend group session for 4 weeks get 1:1 session ½ price • Increase activities/offers • Open to colleges/university/businesses (teambuilding etc) • Packages/offers/loyalty cards • Additional sites/activities • More flexible working pattern with main employer -add more sessions • Could increase number of sessions (back to back timings) if clients came to one place 	<p>sizes)</p> <ul style="list-style-type: none"> • Council not allowing use of the park for free • Clients home may not be suitable for training • Increased price for rent of facilities (room) • Demographic can't afford price range • Lots of competition in this field (PT's) • Main employer may change hrs required – reduce sessions offered
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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	<p>0</p> <p>No rewardable material.</p>	<p>1-4</p> <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. 	<p>5-8</p> <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. 	<p>9-12</p> <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. 	<p>13-16</p> <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 iAMfitness 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 iAMfitness 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)

The vast majority of 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, no research!

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.

The vast majority of candidate responses here focused on the customer element, as opposed to the trends in the industry or the business itself, and most candidates

struggle to identify the difference between recommendations for the customer and the business.

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 it is clear that 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 put 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)
- **Communicating with customers** – (e.g. taking on feedback to improve customer service)
- **Develop a other options for customers** (e.g mental health support/Pre natal classes)

Trait 3: TRENDS

- **New 'on trend' activities to offer** (e.g. diet and nutritional information)
- **Advertisement and Marketing** (other 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)
- **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. information on use of Personal trainers/popularity /activities people are wanting -couch to 5k (mass participation)
- **Motivation for participation:** (e.g. weight loss/ social/prep for holiday

(beach body)

- **Increased mass participation events supporting outdoor activities** (e.g. cycling challenges/running clubs/swimming challenges) – branch out offer

Trait 4: BUSINESS

- **Demographic** (e.g offer activities different ages/men only/ - NEW TARGET markets)
- Sustainable - reduce costs /rent of facilities/travel times)
- Updating and development – (e.g. H+S/Child Protection) – Legal regulations - cost attached
- Equipment maintenance/Safety/ updating (keeping current)

Key point to consider in this activity

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 customer needs element of this activity

(20)

customer groups

① One recommendation I suggest to bring in new customers is a free trial. This means bringing in a customer and offering their first session free, in order to get an idea of what the business is like. This will also allow the customer to decide whether they want to stay or not. For example, instead of offering a full 45 minute session, for free, the business could offer a 15 minute free session, so not too much money is lost.

② I also recommend that IAMfitness offers a membership scheme or package where they offer one-to-one training, group sessions, and 'virtual online coaching' for a set price a month. This could be 4 one-to-one training sessions, 2 group training sessions, and the 'virtual online coaching' for £150 a month. This may be one of the membership options, as having a range of memberships will encourage more customers. They could also offer a business package as these are popular now. This could include 10 members of a business having the opportunity of a ~~the~~ group training session once a week, and an individual session maybe once every two weeks, this can also increase reputation.

③ I also recommend that the business offers classes for the development of a specific group. This being an obesity weight management class which is twice a week, to encourage those who are overweight, to try and lose some of it. Although the business may need more staff to do so. This class can consist of simple yet challenging tasks such as logging on the spot,

and more difficult tasks such as weight lifting. The price of the classes would be around £30-£35, as the business already specialises in weight management.

④ To keep current customers, iAMfitness could offer a 'hall of fame' award where in group sessions, who ever motivated others well, tried their hardest, and many other ideas, could win an award or discount off their next session. For example, this could be between 50p to £2. It may be a small amount but the idea of an incentive helps.

Trends

⑤ I recommend that iAMfitness look into HITT training (High Intensity Interval Training) classes, as these are popular and a trend. This could be another class to be added, or mixed into classes anyway. It would involve circuit training, where each section is intense, and can involve weight lifting, press ups, pull ups etc. This would be aimed at more of those who are above beginners and can mentally prepare themselves for it.

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 iAMfitness in relation to:

- 'World Fitness' and other personal 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)

It needs to be explicitly clear that the justification response in this activity links to the recommendation made in activity three. This could be done in a number of ways, the most successful being that the recommendations and justifications are numbered and correlate

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

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

Examples of responses for this Activity

② Offering a membership scheme, can allow iAmFitness to put their prices up higher, allowing more money coming into the business. Most people lose their PT after 6-10 weeks at 3 sessions a week, meaning that around 18-30 PT sessions are used by the individual, and for iAmFitness, that's around £540-£900 from one individual at £270 a month. This may be good for the business, but some may not justify that amount. This means that some people may only have 7-10 sessions at £210-£300 from an individual. This means that by having a membership scheme priced at different costs with different options, all target markets, and business can be met.

③ Moving into a situated building or even a gym will allow this business to have access to a better range of equipment. This means that more classes, and services can be developed/made, again, meaning more variety can be embedded into the business. iAmFitness already pays £15 for a studio an hour, so they could just pay £20 an hour at a gym, to gain an even greater percentage of profit. I also ~~recomm~~ recommended this as virgin active have become more dominant living more PT's, meaning other gyms are willing to do so to beat competitors.

4. iAMfitness should start to offer group sessions to the men as well as the women in the local area. This would increase their target audience and overall increase the number of participants that they have. By increasing their target audience, iAMfitness will be able to increase their participation levels and make more money. By making more money, they can continually update their equipment in order to keep it as fresh as possible. The total amount of men in the local area aged 20+ is 23407 and by advertising and marketing to this large number of people, iAMfitness will be more likely to increase their participation rates. Currently, iAMfitness only market group sessions towards 48% of the towns population and therefore over half of the town are missing out on the opportunity to participate in group sessions. During the group sessions, iAMfitness should offer yoga. This will interest more people as yoga is one of the top trends in the training industry and by offering group yoga sessions, people of varying ages will be encouraged to get involved.

I have recommended the strong push on Instagram as I am a regular user of Instagram myself and I am always getting ads pop up about the new social media trends and it is actually how I became a member at David Lloyd as a 3 month membership was offered at a cheap price on an Instagram Ad so I took part and then became a member after those 3 months. I also constantly see people I am following in their latest gym gear and they post photos and hashtag the brand they are wearing which creates a big whirlwind of positives as you are likely to gain followers from just one person wearing your clothing. I have also recommended filming clips as it is something tuffcore do a lot of and you can see evidence right there on their page of how tough but rewarding the sessions look. I also recommended the use of FitBit as you can keep up to date with your heart rate, number of steps etc. and using technology within exercise is becoming a big trend as everyone wants to know stats and analytics of their workouts, they want to know how many calories they have burned and their distance covered seeing these different statistics gives people a benchmark for them to go away and then come back to try and better it.

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%2FExternal-assessments&filterQuery=category:Pearson-UK:Document-Type%2FAdministrative-support-guide>
- Centres need to print off a Learner Record Sheet for each learner taking the task-based assessment and these should be submitted with their learner booklet.
The activities and mark scheme never change with this unit examination. The only change is the scenario and competitor business. 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:

- Undertake the research element of PART A. Ensure candidates have the 3 businesses researched and their key points for success/how they run
- Have well developed A4 notes (individually prepared) to support the completion of the exam.
- 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 business'. 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.

Change log

The purpose of this section is to provide centres with an audit trail of changes that have been made to this Lead Examiner Report.

Change Log document last updated: 12/12/2021

Version currently live: Version 2

Document Version	Date of Correction	Page number	Detail of Correction
Version 2	12/12/2021	30	Summary was for Unit 2, has been changed to reflect Unit 22.

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with its registered office at Edinburgh Gate, Harlow, Essex CM20 2JE



