

L3 Lead Examiner Report 1906

June 2019

L3 Qualification in Sport

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

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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	10	20	31	42

Introduction

This was the fourth 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 fourth time, following from the January series (2019), that this unit has been assessed externally through a task based assessment.

There have been 3 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 January paper (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 June 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 performed well across the paper as they did in the summer series of 2018. There was a reduced sitting of this paper compared to January 2019, 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 January series. In some cases, candidates did not incorporate research into their responses, and therefore unable to reach the pass standard on some activities. It is essential that through Activity 1, 2 and 4 that research is included to support the response to gain 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. 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 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.

As with the June 2018 and January 2019 series, activity 1 was the lowest performing activity on the paper, and this has continued into this paper. Candidates have to 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 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, as described above. Examiners allowed research to be applied anywhere within the response of this activity, however candidate's responses linked to research were still limited. As with the January 2019 series, 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. It has been made clear in all Lead Examiner reports that threats must be EXTERNAL to the business (out of their control). 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, B'ounce does x/y/z (taken from the scenario), just like Business A (not highlighting exactly how this is similar)

Flipp'd (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 again an improvement in candidate responses where there was a clear understanding of what the activity response requires. This question was clearly articulated in all the previous Lead Examiner reports 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. 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.

Activity 4, the research and preparation undertaken by some candidates allowed them to perform well. 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 3, 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.**

Throughout this lead Examiner report it is important to make clear that there is repetition of the same points being made as with previous LE reports. This is due to the fact the structure, questions and mark scheme remain constant. All that actually changes are the business and therefore the application of the same rules from the candidates to achieve the unit

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 Activities

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 (June 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 B'ounce.

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 (B'ounce) 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 (Flipp'd)

As with the previous papers 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 (Ltd)
- 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**

The stronger responses in this paper were where learners 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 was (90 min bouncing as opposed to 1 hrs in most establishments).

Identifying the size of the business (Micro-small-dependent upon correct numbers for safety reasons, staff to safety ratios) and the impact of the working patterns of staff team with regards Part time and Full time roles and responsibilities. Some learners 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 FUN-FLIP-FIT as a USP linking this to a current trend in the health improvement agenda within the country, and that this also linked to an increasing target demographic as this could be focused on all age groups.

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 (Flipp'd however this will not allow higher Banded responses. Only external research can command the higher banding here (Band 3 and 4))

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 session/socks**

Data was not well used throughout this series even though there was the additional element introduced here regarding Income and operational costings. 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 repeated 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 the largest demographic age range was 25-35 year olds (156,152) which was approximately 15% of the total demographic. They could then move on to discuss why this is important to know in terms of a target marketing audience, individuals most likely to use the centre. The strongest candidates used the Income and operational costings to highlight that there had been a reduction in marketing (£2000) which could be a link between the reduction in

paying customers (£17,000), and that upgrading of the equipment may be linked to the lifespan of the equipment due to the fact the business was now 8 years old and equipment could need replacing. This shows use of the data, as opposed to just repeating the numbers/figures.

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

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 B'ounce) 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 candidate's response for this activity

B'ounce is a private limited company, this means that they are mostly focused on making profits. They are also looking to survive and grow to ensure they keep making enough profit. A private limited company relies on customer satisfaction to ~~keep~~ stay in profit.

B'ounce was established in 2011, this means that it has been running for a long time now. The largest business I researched - Flip Out - was ~~also~~ established in 2012, this shows that trampolines parks were a trend at this time.

B'ounce has a very similar staffing structure to Flip Out as it has several different managers who are all overseen by the managing director. However, another business I researched, Red Kangaroo, the managing director was ~~also~~ responsible for staffing, safeguarding, retail and

wages, possibly because this is a much smaller business.

B'ounce is a national business as it is situated within a large city. I researched 'Gravity' trampoline park and this business's scope was also national.

All of the businesses I ~~for~~ researched had an online booking system as well as a good website with information, prices and offers which is similar to B'ounce. B'ounce also has a strong social media page with '1000s of followers'. Flip Out and Bed n' Bounce also had social media pages so that they can promote what they are offering.

B'ounce aims to target all ages with their trampoline park, this is similar to all three businesses I researched, however ~~the~~ the other businesses offered longer opening times as well as selected ~~opening~~ times for toddlers as well as adults.

B'ounce's prices are very similar to the other businesses which means that people will not choose another park due to the price.

B'ounce is situated in a large city

with a total of 1,007,940 people. The largest age group within this city are the 25-35 year olds, with a total of 156,192 people ~~that~~ this age group is also likely to have the most children. This group makes up 15% of the population in this city and with children would be much more than this which could suggest that they are the main ~~group~~ customer group using Bounce's facilities.

In 2017/18 Bounce made a larger profit of £2000 than in 2016/17. However, their income dropped by £14,000. Therefore, they had to make up for this loss of income by cutting their staff, marketing and promotion and upgrading equipment compared to the previous year. This in all saved £16,000 hence ~~at~~ their £2000 rise in profit.

The facilities at Bounce include interconnected trampolines, children's trampolines and an obstacle course. All three businesses researched also included all of these facilities as well as a dodgeball court and 2/3 of the businesses also had a 'total without zone' and

Climbing walls.

B'ounce does offer car park spaces which only 2 of my businesses did, this means that parents can park easily and not worry about where they are able to park. By offering free wifi B'ounce may help encourage parents to take their children as it means they can sit down and relax while their children are playing.

All the businesses I researched made all participants sign a waiver this is essential that B'ounce also do this as it ensures they are not responsible for any kind of injuries.

At B'ounce it is essential that all staff are DBS checked as they may be working with children or vulnerable people.

Mark scheme for activity 1

Activity 1

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
	0	1–4	5–8	9–12	13–16
Review the current status	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 PESTLE **or** SWOT business model, analyse the factors that are currently affecting B'ounce.

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. This really limited learners when they used this method of analysis

Using SWOT, this was a well-developed response overall, however with a few modifications higher Bandings could easily have 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 B'ounce'.

If they are in control, and B'ounce can have direct influent over them, then they are weaknesses and will not be credited under traits 2/3.

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), however this remains below the threshold on this activity to reach the pass boundary

KEY POINT: this time round it was the quality of the response that reduced the candidate’s access to the higher Banding. To make a sound response (Band 3) candidates need to clearly articulate within their response why the point they are making falls into the category (i.e. strength) and support this with suitable research from external businesses or in this case the second business Flipp’d. Again the response needed to be clearly related to business (B’ounce) and have a clear impact.

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 (even the use of the scenario company Flipp’d would be credited here) limits candidates to the bottom Band, so whatever the quality of their response, no research limits the marks available to Band 1.

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, as long as it is relevant. The most obvious areas here 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, not just ‘like business x’

Example of a candidate's response for this activityStrengths

B'OUNCE have an extremely big car park of 200 spaces. This is a strength of their business as it allows customers to park with ease when they are visiting the trampoline park. If customers are able to park with ease in their car park their customer satisfaction is likely to increase which is a major focus to a private business.

Another strength is that the park supplies free WIFI. In modern living and current trends people are often stuck on their phones meaning supplying free WIFI will again increase customer satisfaction. Free WIFI also means that if parents are staying at the trampoline park to watch / supervise their child they can also be on their phone meaning they will not be bored.

Another strength is their small amusement arcade area. This is unique to their business as I did not find another arcade area in any of my researched parks. Having this arcade area adds an extra source of income to the business as it brought in £8000 to their business in 2017/18. This extra income is

vital for a small private business in order to stay alive and in the business industry.

Weaknesses

B'OUNCE has no café in their trampolines park. This means that if parents were to stay to watch their children they do not have an area to sit to have a drink or something to eat. If B'OUNCE were to get a café it would not only allow parents a place to sit and get their children something to eat after their session possibly improving customer satisfaction it would also increase B'OUNCE's income which is key to a private company.

Another weakness is their opening times. From Monday to Thursday B'OUNCE are only open for a total of 6 hours. My research shows that Air Hop were open for 38 hours from Monday - Thursday. Only opening for 6 hours limits B'OUNCE's chances for income as the only way they can make income is from being open.

Another weakness is that B'OUNCE do not offer any discounts or run any specific sessions within their business. In my research Air Hop of 2-4-1 Tuesday

which is £12 for 2 people as well as 20% of student discount and 20% emergency discount. Jump Inn also offered family packages of £20 for a family of 3, £25 for a family of 4 and £30 for a family of 5. They also offered discounts for toddlers. If B'OUNCE offered discounts or sessions it may interest more people to visit their park, bringing in more interest.

Opportunities

B'OUNCE could add a Café to their business. A trampolining park meaning adults and children would have a place to stay after their session. The café would also bring in more opportunities for income to the business as well as increasing customer satisfaction.

B'OUNCE could also look to add more trampolining facilities to their business park such as a foam pit or a dodge ball area. Adding extra features and facilities to their park may interest more members of the public to visit their trampolining park. This therefore brings in more income to the business.

Another opportunity B'OUNCE could look to act upon is opening for longer hours. B'OUNCE could look to opening

for longer hours on a Tuesday-Thursday and also opening on a Monday. Opening for longer has the ability to increase the businesses income allowing them to stay alive for longer.

Threats

Flipp'D is a threat to B'OUNCE as it is in the same city. Flipp'D offer discounted prices for age groups meaning that people may look to visit there instead of bounce. They also allow group booking for a minimum of 10 people no matter the age which B'OUNCE do not offer.

Other threats include my 3 researched businesses. These 3 business may take trade off of B'OUNCE resulting in a lack of ~~interest~~ income to their business. If B'OUNCE lose too much income they may not be able to stay alive.

Final threat to B'OUNCE is if someone seriously injure them selves at the trampolene park. There is no mention of signing a waiver meaning B'OUNCE may be liable to be at fault in an event of an injury. If this was to happen they may lose thousands of pounds and not be able to survive any longer.

(Total for Activity 2 = 16 marks)

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 8 Years' experience • 90 min sessions (most only do 60 mins) • Group bookings for parties • Large car park (resource) • Safely staffed (numbers) • Full demographic accessible -6-76+ • Social media and website • Free Wi-Fi/arcade • Socks safety feature 	<ul style="list-style-type: none"> • 6-16 year olds only for birthday parties • Decreased income from customers in 17/18 (by £17,000) • Only 2000 more profit in 12 month period – slow growth • No toddler/children accessibility (below 6) -young families not accessible • Additional costs (2.50 for socks) • Limited opening times (evenings through the week) • Demographic does not match the facilities offered (4-5 year old's not focused on) • No online booking available
EXTERNAL	
Opportunities	Threats (out of the control of B'ounce)
<ul style="list-style-type: none"> • Introduce a café - parents/observers can spend more money • Introduce a shop - merchandise/marketing opportunity • Discount packages • Membership options (monthly/yearly) • Increase the opening times • Have special occasions (specific parties' access - stag/hen/corporate/etc.) 	<ul style="list-style-type: none"> • Flipp'd (opening times/different facilities (monthly membership – keeps people at their business)) • Rental costs (23,000) could go up, already very costly) • Trampolining reduces in popularity nationally • Parents worried about H+S f trampolining • Other businesses (with other offers/pricing) - RESEARCH ELEMENT

<ul style="list-style-type: none"> • Open to school groups during the day • Birthday package open to 4-5 year olds - • Fitness classes – linking into the USP 	
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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	0	1-4	5-8	9-12	13-16
	No rewardable material.	<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. 	<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. 	<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. 	<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 B'ounce 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 B'ounce to develop and market itself moving forwards. 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 clearly 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 still 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, however as mentioned above, examiners have a clear support mechanism in their marking for this activity

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/memberships)
- **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/coffee mornings)

Trait 3: TRENDS

- **New 'on trend' activities to offer** (e.g. fitness classes/corporate bookings)
- **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/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 Flipp'd could improve fitness/health (very on trend)
- **Motivation for participation:** (e.g. 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/travel times)
- Updating and development – (e.g. H+S/Child Protection) – Legal regulations - cost attached
- Equipment maintenance/Safety/ updating (keeping current)
- Expanding the equipment / Facility offer (new facilities to maintain currency)
e.g. Café

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.

Example of a candidate's response for this activity

Needs of the business:

① Firstly, I would recommend B'ounce add more facilities to the park such as a café. They could do this by building a section of upstairs in the centre into a family friendly café with a variety of food and drink as well as a soft play area for children. It would be open the entire time that the actual park was open and later on weekends so people can relax and socialise for a bit too. They would need to initially pay out a large amount of money to set it up but would get that money back over time.

② They could also introduce special offers such as loyalty reward cards. They would give out little cards which have 7 spaces on it, which need to be stamped. ~~They get~~ Customers get a stamp everytime they jump at the park and when they have 7 stamps, they get their next session for free. The cards would be in a pot on the ~~cash~~ reception desk so are optional to pick

up and have to be stamped using the specific B'OUNCE Stamp.

③ B'OUNCE could also make the park available for private hire for groups and schools. This would be done by the ~~park~~ group contacting the centre and booking up at least 2 weeks in advanced so the business have time to let people know the park will be closed over a certain time period. As it is a group booking, there will be 15% ^{150% OFF} the overall price and ~~free~~ socks provided. There will only be a chance to hire the park on weekdays between 5pm-6^{30pm} and at 12pm-1:30pm and ~~5pm-6:30pm~~ 5pm-6:30pm on weekends.

④ B'OUNCE could expand the business and buy more centres. They would do this by putting away some profits and waiting for the total to build up enough then buy a new venue, in a more open and well-known area. ~~They~~ The design and layout of the new centre would be the same and have the same opening times and prices. They would also need to recruit more staff and pay them the same wage as the others at the original park.

Needs of the customer:

① B'OUNCE could create more classes which specify for certain types of people. There would

be a toddler group session. It will run on Saturday and Sunday mornings 10am-11:30am and the park will open an hour and half early on Tuesdays and Thursdays to provide a 3:30pm-5pm session. It will be £5 for the session per child, free for supporting parents. Only for children aged 2-5 years old and socks will cost £1. Sky ~~Program~~ High already do this session and has shown to be successful.

② Communication between customers and the business would be improved by having a monthly meet and greet with the manager. It will be on the 1st of every month with the manager, HR manager and 1 member of Bounce Leaders team. It will last maximum of an hour and be free to go. It is where customers can speak their views and opinions to the business and help them to improve.

③ Special offers would be put in place for increased promotion and publicity. They would do 2 for 1 sessions on ~~the~~ Wednesdays between 5pm-7pm. This would be wear if you come with someone then you only pay for the price of one person. So 2 people jump for £10. Only available for people over the age of

14.

- ④ I recommend they use psychological pricing. To do this, they would change their general bounce price to £9.95 and keep it like that for every session. The toddler session would also become £4.99 and these prices would change immediately and stay like it ~~with the prices~~ ~~day~~ unless it doesn't make any difference.
- ⑤ B'OUNCE could attract new customers by going into local schools. They would call up the school telling them about the organisation and ask if they can do a talk in an assembly. 3 members of the B'OUNCE staff would go to the school. In the talk they will include a promotional video and information about the park. At the end, they will hand out leaflets with more information on about the business as well as a 10% of voucher for the first time they go jump at the park. Sky High trampoline park did this when they first started out to help promote the business.
- ⑥ Online booking is another recommendation. There will be a section on the website to go to where you can book the day

Mark scheme for activity 3

Activity 3

Assessment focus	Band 0	Band 1	Band 2	Band 3	Band 4
Recommendations	<p>0</p> <p>No rewardable material.</p>	<p>1–5</p> <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. 	<p>6–10</p> <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. 	<p>11–14</p> <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. 	<p>15–20</p> <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 B'ounce in relation to:

- 'Flipp'd and other trampoline 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.

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. developing merchandise)**
- 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 (Flipp'd – Band 2 max for trait 2) to support the point made.**

Example of a candidate's response (linked to the response to Activity 3 example)

Needs of the business:

- ② This recommendation would help to boost the profits of the park as well as making it a relaxed and enjoyable place for customers to spend their time. Sky High have a cafe ~~at~~ above their trampoline park with a variety of food and drink for both children and adults and it has a big impact on their daily income.
- ② Introducing a loyalty card would be beneficial to the business because it would encourage people to keep returning so that they get their free bounce and therefore they are encouraging return visits and increased income. After the 8 bounces, customers are likely to be known by staff as it's only a local area so therefore improves customer service and reputation.
- ③ Making the park available for private hire means that the business will get a larger sum of money all in one go and therefore, by shutting the park ~~of~~ for the hire, they wouldn't be losing money as still a lot of people would

be using their facilities. Gravity make their park available for hire for schools/clubs/corporate days and make a lot of money from it.

④ By expanding and creating new centres, B'ounce would be making themselves more well-known which would be beneficial to their profits. Expanding would also help with improving the accessibility of the venue as they could rent somewhere that is easily seen and in a busy area.

Needs of the customers:

① By making more classes available in the park they would be widening the target group and attract more of a variety of ages. The toddler class would be good because it allows parents to be able to let their children release energy and get them some exercise whilst the parents can relax and socialise in the cafe. Airhop trampoline park has a lot of different classes such as toddler groups and disability classes which have all shown to be effective and popular.

② Communication between customers and staff is important for a business as it builds the relationship between the two. It is a good idea because it shows that the trampoline park

care about their customers which will give them a good reputation. A good reputation means that the business will be positively talked about and be free marketing via word of mouth.

③ Having special offers in the business is important because it makes people want to use the offer and get a discount. By doing 2 for 1, it means that more people would be using the facility and therefore more people would have feedback on it. More people visiting means a higher chance of repeat visits. Repeat visits leads to guaranteed money and knowing the facility is being used and money and time isn't being wasted. Sky High do a 20% student discount which attracts a lot of people on a regular basis.

④ Using psychological pricing was one of my recommendations because it makes the customers believe they are getting a good deal and that Bounce is a lot cheaper than any other trampoline park. The business wouldn't lose any money from this pricing strategy as it only takes a couple of pence off the total.

⑤ Going into local schools and doing ~~talks~~ talks would be beneficial as it would be targeting a

Specific age range and can help to increase the amount of people in that demographic that attend the park. Having a higher amount of a specific demographic would help the business to know what they can add to make the park better and more enjoyable for certain people.

Another example of response for this Activity

(12)

1. By opening longer hours and more days a week B'DUNCE will be able to attract more income and therefore bring in more income. This will allow B'DUNCE to survive in the industry. Opening more hours will also create a greater competition between them and Flipp'D and could look to open at times Flipp'D are not to draw in more customers that Flipp'D can't.
2. The onsite café is something trampolines businesses are offering ~~at their~~ at their parks. I found that through my research. Therefore by supplying a café B'DUNCE is not giving the opportunity to members of the public to ~~also~~ attend other trampoline parks because they have a café and bevance do not. The café may also increase customer satisfaction which is a key area for private business to look at improving.
3. In my research Air Hop offered a 6 week Air fit package for £42. Flipp'D also offers a £50 / month membership where people get unlimited bounces. If B'DUNCE was to offer this members of the public may be drawn in therefore increasing B'DUNCE's income and allowing them to stay afloat.

4. By offering more facilities such as a foam pit or dodge ball area more members of the public may be drawn to visit their trampoline park creating a bigger income for their business. It will also take away the threat of another trampoline park like Flipp'D as one of my researched business the chance to take away their customers.
5. Offering discounts to students may draw in extra customers to visit B'OUNCE as they would be pleased not to have to pay the full amount. In my research I found that Air Hop offer a 20% student discount as well as offering emergency services discounts. By offering these discounts B'OUNCE may attract student which were going to attend Flipp'D but instead come to B'OUNCE. This would increase B'OUNCE's income and allow them to stay alive against other industries.
6. In my research I found that Flip Out offer a free schools programme. B'OUNCE could look to offer this a tie in with their current motto of Flip-Fun-Fit. Current trends of children obesity is an issue and B'OUNCE could look to challenge this by offering this programme. This programme may also draw in student from the schools to visit with their families in their free time increasing B'OUNCE's income.
7. All 3 of my researched trampoline parks allow group

bookings. Group bookings allow a big party to save money on their booking. Flipp'D also offer group booking therefore if B'OUNCE were to offer group booking also then it may reduce the threat of groups looking to visit Flipp'D instead. By then drawing in customers with group bookings B'OUNCE will be gaining extra income allowing them to survive.

8. Air stop sell merchandise at their trampolene park adding extra income to their business. If B'OUNCE were to add merchandise or gift vouchers they would draw in more income for their business meaning they will be able to survive for longer.

9. Supplying lockers to customers will achieve greater customer satisfaction. It also means that customers can bounce knowing their belongings are safe. Flipp'D currently supply lockers and it is an easy fix for B'OUNCE to achieve. If a parent has a child who is diabetic and needs to bring insulin or blood monitors with them they will want to lock them away securely. Therefore if B'OUNCE do not have lockers but Flipp'D do they they may well choose to visit Flipp'D instead of B'OUNCE.

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; http://qualifications.pearson.com/content/dam/pdf/BTEC-Nationals/Sport/20161/external-assessment/2017_Sport_ASG_L3_U2.docx

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:

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. Take a calculator in to work with the data section in Activity 1

4. 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, past exam papers, the SAMs and Additional SAM's.

Good luck

Lead Examiner



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