Pearson BTEC Level 3 Nationals Extended Diploma

January 2021

Paper Reference 21405J

Sport

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

Part A

You do not need any other materials.

Instructions

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



Instructions to Teachers/Tutors

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

Learners have 6 hours from the release date and before the supervised assessment (**Part B**) to carry out research.

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

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

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

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

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

Guidance for Learners

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

You will need to carry out your own research.

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

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

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

Part A Instructions

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

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

Part A Case Study

In preparation for **Part B** you will research **three** different types of outdoor obstacle course race business.

Your research should include:

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

| Please check the examination details belo | ow before entering your candidate information |
|--|---|
| Candidate surname | Other names |
| Pearson Centre Number BTEC Level 3 Nationals Extended Diploma | Learner Registration Number |
| Monday 11 Jan | |
| Morning (Time: 3 hours) | Paper Reference 21405J |
| Sport Unit 22: Investigating Bu Active Leisure Industry | siness in Sport and the |
| | Part B |
| You must have: Your research notes from Part A (max Calculator | imum four A4 sides) |

Instructions

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

Information

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

Advice

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

Turn over ▶



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Important Information

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

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

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

You must not share your work with other learners.

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Part A Case Study

In preparation for **Part B** you will research **three** different types of outdoor obstacle course race business.

Your research should include:

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

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Part B Set Task Information

Primal Instinct

Primal Instinct is a private limited company (Ltd). The company has been run by the Managing Director for more than 10 years.

Business operations

Primal Instinct offers outdoor obstacle course events across the north of England designed to 'challenge you, have fun with your friends, family or colleagues, in a unique outdoor experience.'

Staffing structure

Managing Director

Promotion, advertisement and website management (permanent position)

Operations Manager

Venues, course and obstacles design (including health and safety)

Fixed term contract (8 months)

Course building and maintenance staff

×15 staff

Site construction and event safety management 5 venues per year 5 days per venue (25 days in total)

Course marshals

×40–60 (according to venue size)

Health and safety
Used for 2 days per event (10 days per year)



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Basic financial records of Primal Instinct

| | 2018/19 | 2019/20 |
|--|----------|---------|
| Income | | |
| Ticket sales | £125,000 | £80,000 |
| Sale of merchandise | £3000 | £3000 |
| Total | £128,000 | £83,000 |
| | | |
| Operational costs | | |
| Staff salaries | £70,000 | £65,000 |
| Legal costs (fixed cost) e.g. insurances | £1800 | £1800 |
| Emergency services | £5000 | £5000 |
| Course builds | £6500 | £7000 |
| Venue hire | £3000 | £3500 |
| First aid training (marshals) | £500 | £500 |
| Marketing | £4000 | £2000 |
| T-shirts and medals * | £3500 | £2300 |
| | | |
| Total | £94,300 | £87,100 |
| Profit | £33,700 | £-4100 |

^{*}Each competitor receives a T-shirt and medal for completing the course.

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Facilities

Provided at each event:

- Toilets
- Changing facilities
- Secure baggage drop
- Official car park.

Products and services

- 10 km obstacle courses at various locations
- 30 obstacles on the 10 km course
- One event is held on the first weekend of each month (May to September)
- Merchandise sales (at the venue only).

Ticket pricing

| Number of tickets | Price |
|-------------------|-------------|
| 1–4 | £40.00 each |
| 5–9 | £35.00 each |
| 10+ | £30.00 each |

All course marshals do a first aid course before they are used at an event. Each event is fully marshalled.

Primal Instinct ensures that an ambulance is on-site at each event.

There is a spectator viewing area on each course, but spectators are not allowed to take photographs. Primal Instinct shows videos and photographs of the events on its website. These videos and photographs are not for sale.

Primal Instinct's website gives the following information:

- dates, times and locations of events, including a map of all events
- prices
- directions and venue parking
- social media is used during the coverage of the events as they happen
- customer support is only available through social media.

Demographics

Adults (18+ years) only.



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NXT LVL

Business operations

NXT LVL is a private limited company (Ltd) that has been operating for 8 years. Its aim is to provide 'fun events using exceptionally high standard courses with more obstacles and less running.'

Facilities

Provided at each event:

- Hot food/drinks
- Toilets
- Changing facilities
- Secure baggage drop
- Official car park.

Products and services

- 5 km or 10 km courses
- Each course has 5 laps and there are approximately 50 obstacles in the course
- Competitors can choose to do the laps at beginner level or at advanced level
- Adult events start at 15+ years old
- There is a family bundle for people who want a family experience:
 - A 1.5 km and a 3 km Family Fun Run. (6+ years old)
- A year's season pass one payment to enter as many events as you like!
- 8 events per year across the whole country.

All competitors receive:

- A branded 'I reached the NXT LVL' t-shirt
- A finisher's medal
- A silicon wrist band.



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Ticket pricing

| Age bracket (years) | Number of tickets | Price |
|---|-----------------------------|-------------|
| 15+ | 1–4 | £50.00 each |
| 15+ | 5–9 | £45.00 each |
| 15+ | 10+ | £40.00 each |
| 6–14* | 1 | £20.00 each |
| Season pass (15+) | All inclusive (1 person) | £150.00 |
| Season pass (6–14*) | All inclusive (1 person) | £60.00 |
| *Must be accompanied by a full paying adult | | |

Tickets purchased 3 months before the event date will receive a 20% discount.

NXT LVL's website includes:

- customer reviews via various social media platforms
- 2021 and 2022 event calendars
- training tips to make sure you are ready for the big event and get the most out of it 'top tips' include diet, nutrition and motivational advice
- full videos of all obstacles so you can choose the correct event for you linked to course ratings (out of 10).

For example, 'Madness in the Midlands' course is as follows:

Obstacle difficulty: 6/10
Obstacle fear rating: 8/10
Obstacle fun factor: 10/10
Obstacle wet & muddy: 7/10

Demographics

NXT LVL has events across the UK, so their courses are accessible for everybody, with reduced travel implications. All sites are also within walking distance of a major train station.

• 6+ (all ages).



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Set Task

You must complete ALL activities.

Produce a business summary by completing the following activities. You will need to refer to the task information and your research notes on outdoor obstacle course race businesses.

Activity 1. Review of business information

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

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

(Total for Activity 1 = 16 marks)

Activity 2. Business model analysis

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

(Total for Activity 2 = 16 marks)

Activity 3. Recommendations

Recommend how Primal Instinct can develop and market itself.

You should consider:

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

(Total for Activity 3 = 20 marks)

Activity 4. Justification

Justify your recommendations for Primal Instinct in relation to:

- NXT LVL and other outdoor obstacle course race businesses
- the wider business context in the sport and active leisure industry.

(Total for Activity 4 = 12 marks)

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Taskbook

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

Activity 1. Review of business information

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

- the purpose
- · the data

| • | your res | search of | the sp | ort and | active | leisure | industry. |
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| (Total for Activity 1 = 16 marks) |
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| Activity 2. Business model analysis | |
|---|------|
| Using the PESTLE or SWOT business model, analyse the factors that are currently affecting Primal Instinct. | |
| anceding Filmar instinct. | (16) |
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| (Total for Activity 2 = 16 marks) |

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| Activity 3. Recommendations | |
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| Recommend how Primal Instinct can develop and market itself. | |
| You should consider: | |
| customer groups trends in the industry the needs of the business. | (20) |
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| (Total for Activity 3 = 20 marks) |
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| Activity 4. Justification |
|---|
| Justify your recommendations for Primal Instinct in relation to: |
| NXT LVL and other outdoor obstacle course race businesses the wider business context in the sport and active leisure industry. |
| (12) |
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| (Total for Activity 4 = 12 marks) |
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| TOTAL FOR TASK = 64 MARKS |
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