



Oxford Cambridge and RSA

Wednesday 15 June 2022 – Afternoon

Level 3 Cambridge Technical in Sport and Physical Activity

05872 Unit 21: The business of sport

Time allowed: 1 hour 30 minutes

C404/2206



No extra materials are needed.



Please write clearly in black ink.

Centre number

Candidate number

First name(s) _____

Last name _____

Date of birth

INSTRUCTIONS

- Use black ink. You can use an HB pencil, but only for graphs and diagrams.
- Write your answer to each question in the space provided. If you need extra space, use the lined pages at the end of this booklet. The question numbers must be clearly shown.
- Answer **all** the questions.

INFORMATION

- The total mark for this paper is **70**.
- The marks for each question are shown in brackets [].
- Quality of written communication will be assessed in questions marked with an asterisk (*).
- This document has **16** pages.

ADVICE

- Read each question carefully before you start your answer.

FOR EXAMINER USE ONLY	
Question No	Mark
Section A: 1-12	/30
Section B: 13	/5
14	/4
15	/6
16	/5
Section C: 17	/20
Total	/70

Section A

Answer **all** the questions.

1 Identify **two** characteristics of a national sports business.

1

2

[2]

2 Give **two** examples of how a community tennis club might use funding for new facilities.

1

.....

2

.....

[2]

3 Apart from funding new facilities, give **two** other examples of how a sports club might use funding.

1

.....

2

.....

[2]

4 A hockey club is organising a ‘taster day for children to come and try playing hockey’.

Give **three** possible sources that the club could access funding from.

1

2

3

[3]

5 Other than National Governing Bodies (NGBs), identify **four** different types of organisations involved in sport in the UK.

- 1
- 2
- 3
- 4

[4]

6 Which **one** of the following is an example of a public sector sports business?

Put a tick (✓) in the box next to the correct answer.

(a) Community volleyball club

(b) David Lloyd gym

(c) Leisure centre

(d) Sports clothing shop

[1]

7 Give an example of each of the following types of private sector sports businesses.

Sports media company:

Sports equipment manufacturer:

Sports betting company:

Sports clothing retailer:

[4]

8 Explain how staff members and customers benefit when a company has good retention of its staff.

Benefits to staff members

.....
.....
.....

Benefits to customers

.....
.....
.....

[4]

9 Identify **two** roles that could be undertaken by volunteers at a school sports day.

1

.....

2

.....

[2]

10 Give **two** types of corruption in sports businesses.

1

.....

2

.....

[2]

11 Describe **two** ways that a sports business can demonstrate competitiveness.

1

.....

2

.....

[2]

12 The statements below relate to what Corporate Social Responsibility (CSR) involves.

Show whether they are True or False by circling the correct answer.

CSR involves 'Positive reputation of the organisation'.

True / False

CSR involves 'The Influence of Government and the Department for Digital, Culture, Media and Sport (DCMS)'.

True / False

[2]

14 Sports businesses regularly use a variety of methods to attract and retain customers.

Match the following methods of attraction/retention to the examples in the table below by placing the correct letter next to each one.

- A Reputation/positive word of mouth.
- B Identify and understand target group.
- C Loyalty/reward schemes.
- D Success of organisation.

Method of attraction/retention	Example
	A company might offer a free drink in the café for every new customer recommended by an existing member/customer.
	Giving people '11 months for the price of 12' when renewing their membership.
	Sending out a leaflet to a retirement home about the benefits of exercise for over 60s with a timetable of suitable classes.
	Advertising how well the business has done on social media and using customer feedback to reinforce this.

[4]

Section C

Answer **all** the questions.

Davis Cup Tennis: The new format

The Davis Cup is a team tennis competition where countries have always competed against each other in either 'home' or 'away' matches over the duration of the season. The competition has now been shaken up, and the matches will be played as a week-long tournament instead. The previous format was quite time-consuming for big stars and not very TV friendly, but the new format means the competition is in one place, and less of a time commitment for players playing and travelling.

Gerard Piqué, the Barcelona footballer, has overseen the transformation of the competition into a season-ending finals featuring 18 nations. This has not been popular with a lot of tennis players, although Britain's Andy Murray said that he was "open to change" and urged everybody to give the new system a chance. The controversial proposals to revamp the tournament are part of a 25-year \$3 billion plan, (approximately £2.2 billion), funded by the Kosmos investment group fronted by Piqué.

Many top players have skipped Davis Cup matches in recent years to ease their schedule, and there will be pressure placed upon players to represent their nations and play in the tournament, despite the risk of burnout.

With the online streaming platforms having a bigger influence on elite-level sport, (e.g. Amazon Prime cover a lot of professional tennis), the game is ever-changing and the players don't want to be left behind in case the money goes to a different sport instead. This is highlighted by the fact that 130 men on the professional golf tour earn more than the 50th best male tennis player on the professional tennis tour. Put simply, if tennis doesn't move with the times, it will be left behind.

How much richer might tennis be?

The International Tennis Federation has licensed the rights to the week-long Davis Cup finals to Kosmos for 25 years from 2019. In return, Kosmos has promised to invest about \$125 million into the sport each year. Much of this will be prize money, with several millions being awarded to member nations and development projects each year with the aim of growing the game across the world.

The hope is that broadcasting rights and sponsorship for the finals will be offered out to the world's media and corporations to create a bidding war among the subscription-based TV services. This will provide income for Kosmos as well as increasing the exposure of the event.

Sources:

<https://www.bbc.co.uk/sport/tennis/45661675>

<https://www.theguardian.com/business/grogonomics/2018/jan/18/tennis-players-want-more-money-its-not-as-absurd-as-it-sounds>

ADDITIONAL ANSWER SPACE

If additional answer space is required, you should use the following lined pages. The question numbers must be clearly shown in the margins – for example, 15 or 16.

A vertical line on the left side of the page is followed by 25 horizontal dotted lines, providing a ruled area for writing answers.

A series of horizontal dotted lines for writing, spanning the width of the page.



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