

## Unit 22 - Investigating Business in the Sport and Active Leisure Industry

Category of SAL	Number of employees	Example
Micro	<9	Local gym
Small	10-49	Leisure centre
Medium	50-249	Football league club
Large	>250	Sports Direct, Nike, Asics

- **Diversification** – is a growth strategy that involves entering into a new market or industry - one that your business doesn't currently operate in - while also creating a new product for that new market.
- **Unique Selling Point (USP)** - A unique selling point (USP), also called a unique selling proposition, is the essence of what makes your product or service better than competitors. In online marketing, communicating your USP clearly and quickly is one of the keys to getting potential customers to convert on your site.

- **Purpose** – The aims of the business
- **Size** - the amount of staff operating at the business
- **Scope** – the total area from which the business deliver their service
- **Type** - the type of business based on ownership and intentions from profits

- **Customer Needs** – Health and safety, Quality of service, Affordability.
- **Business Needs** – A good customer service, profit, reputation, customers
- **Breakeven** – is the point at which total cost and total revenue are equal, meaning there is no loss or gain for your small business.
- **Profit** - the money you have left after paying for business expenses. There are three main types of profit: gross profit, operating and net profit.

Strengths	Weaknesses
<p>Good expertise about the business and training knowledge.</p> <p>Excellent customer service and user satisfaction which has created greater interest in joining the gym</p>	<p>Costs a lot of money to maintain the equipment and to buy new equipment to ensure high tech enough to be in keeping with local rival companies</p>
Opportunities	Threats
<p>Demand for gym use and PT sessions is on the increase and currently only a limited amount of the market share is capitalised on</p>	<p>Increased choice means pricing needs to be very competitive which drives down profit margins.</p> <p>Lots of places offering similar thing</p>

### Command Words:

- AO1** Demonstrate knowledge and understanding of sport and active leisure business operations and how to respond to trends and internal and external influences
- AO2** Analyse and interpret business information and data, and their potential impact and influence on a sport and active leisure business
- AO3** Evaluate evidence to make informed judgements on how a sport and active leisure business should be developed, diversified or adapted
- AO4** Be able to make justified recommendations for a sport and active leisure business, synthesising ideas and evidence from several sources to support arguments

### Wider experiences and opportunities:

- Students will endure business research opportunities to understand how business plans can be adapted for individuals.
- Observations of a multiple businesses in the sports and active leisure industry.

# Unit 22 – How can businesses access knowledge on customers, trends and business needs to further develop within the sport and active leisure industry?

## Section A – Features of sports and active leisure businesses (business operations)

Learning and understanding that **the size, scope and type** of a business determines the **purpose**.

Understanding that **the facilities, services and products** such as where, what and how the company generates is income, can have both positive and negative impacts on the business.

Identifying customer groups and demographics to target the profit opportunities best.

## Section B - Business models in sport and active leisure

Have knowledge of **business models** and to interpret them, utilising them to best analyse a business.

Knowledge of **how to apply business models** in order to effectively consider **trends**, other businesses from research, politics and environmental factors.

Understanding the difference between **internal** and **external factors**.

## Assessment structure:

**Activity 1** – Review of business information in comparison to competitors and researched businesses

**Activity 2** – Business model analysis in the form of a SWOT analysis for internal and external factors

**Activity 3** – Recommendations of how to develop the selected business based on competitors, researched businesses and trends

**Activity 4** – Justifications of each recommendation with researched data-based evidence

## Section C – Human resources

Students should be able to understand **human resources**. Students will know the many job roles that can be established across businesses in the sport and active leisure industry.

Students will understand the different types of contracts alongside **roles and responsibilities**.

Understand different forms of **resource management and resource maintenance**.

## Section D – Marketing

Students should be able to understand the seven components of **marketing** and the application of each component in a review of their performance.

Appropriate marketing knowledge to be considered in accordance with **meeting the needs of the customer** in the environment.

## Section E – Finance in sport and active leisure industry

Students need to be able to understand the **financial structure and concepts** that co-ordinate the operations of a business.

Student should be able to be considerate of **legal expenditures**, such as wages, tax, sales, records of costs and legalities.

## Section F – Trends in the sport and active leisure industry

Students should be aware of rising trends in the sport and active leisure industry, taking note of emerging popular sports, activities, clothing, technology and participation levels.

To understand the **influence of the media and social media** on perceptions and participation.  
To perceive both benefits and drawbacks of considering **meeting trends**.

Scope	
Local	a local SAL could be something like a leisure centre or a PT.
National	These operate in a particular country.
International	An international business who can transgress borders.
Multi-national	Assets and activities in at least 1 other country than it's registered offices,