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AS GCE LEISURE STUDIES

G182/01/CS Leisure Industry Practice

PRE-RELEASE CASE STUDY

JUNE 2015



INSTRUCTIONS TO TEACHERS

- This Case Study **must** be opened and given to candidates on receipt.

INFORMATION FOR CANDIDATES

- You **must** make yourself familiar with the Case Study before you sit the examination.
- You **must not** take notes into the examination.
- A clean copy of the Case Study will be given to you with the Question Paper.
- This document consists of **4** pages. Any blank pages are indicated.

Blaxter Livery Yard and Trekking Centre

Blaxter Livery Yard and Trekking Centre (Blaxter's), is a family run equestrian business located in Northumberland. Blaxter's is located on a former farm, and is run by the Warner family. The family had always had an interest in horses, and five years ago, following the decline in the farming industry, the family decided to go down the leisure route and open a livery yard and trekking centre. Hannah Warner and her sister Lizzy are in charge of the day to day operations, with the support of their parents when necessary. 5

Blaxter's is a business concern which offers facilities for horse owners to stable their horses, as well as offering a range of additional products and services. The livery yard has stabling for 30 horses at present. The livery options are:

- full livery – the horse is stabled, fed, watered, groomed, mucked out and exercised 10
- part livery – the horse is provided with stabling, but the owner might undertake to exercise, groom, or muck out and feed, in any combination
- stabling only (often referred to as DIY livery) – the horse is stabled, but the owner is responsible for doing everything else.

Blaxter's also keeps hirelings (horses hired out to customers). The yard generally operates on the basis of hiring out horses or ponies on a pay per hour basis, this usually involves: 15

- customers going out together on a ride accompanied by a member of staff
- more experienced riders going out in groups or alone.

The cost of livery changes with the service provided. Blaxter's are considering offering customers a discount if they are willing to pay for six weeks of livery up front, but as yet have not implemented this offer. 20

Blaxter's offer hay or straw for sale as well as the hire of horse transport for customers without their own. All records are maintained manually with bookings and sales recorded in a large desk diary. The diary records all customer details, sales and livery options. This information is then used to produce invoices for the customers. 25

Despite operating in a competitive market, Blaxter's has performed well, with an average annual occupancy rate of 70%. However, one issue with the livery yard business is that many owners are fickle and move from yard to yard on a whim, and often customers will move en masse to another yard. Horse owners only have to pay for one week's livery in advance, so have little commitment to any yard. 30

Another issue is that the hirelings operate on a seasonal basis, with an increase in sales during the school holidays. These two factors pose problems for Blaxter's in terms of predicting their cash flow.

One current gap in Blaxter's product range is the lack of riding lessons. Lessons are often asked for by customers; however, at the moment neither Hannah nor Lizzy are qualified to teach. The inclusion of lessons as a service would significantly increase Blaxter's insurance costs. 35

Hannah and Lizzy would like to offer customers riding tuition, either in their indoor school or their outdoor arena (manège). This could be done by bringing in a qualified riding instructor, which would allow lessons to start immediately, but would also increase costs. If Hannah or Lizzy decided to teach the lessons themselves, lessons could not start until they were qualified which could take up to a year. 40

Hannah and Lizzy carry out risk assessments for all activities they currently offer and these are reviewed and updated as and when necessary. They also ensure all relevant pieces of legislation which apply to Blaxter's are followed. One of the most important areas is the use of safety equipment such as riding helmets.

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Both Hannah and Lizzy embrace technology and use Facebook as their main means of marketing. Most of the customers at the yard are between the ages of 16 and 25, and this method of marketing fits in well with that customer group. They have thought about using a website, but do not feel that it can bring anything extra to the business, and feel it would take up too much time to initially set up and maintain. Their parents feel that if they were to offer lessons, a website would be useful to attract a wider customer base.

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