



Cambridge Technicals

Sport

Unit **21**: The business of sport

Level 3 Cambridge Technical Certificate/Diploma in Sport
05872

Mark Scheme for January 2018

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This mark scheme is published as an aid to teachers and students, to indicate the requirements of the examination. It shows the basis on which marks were awarded by examiners. It does not indicate the details of the discussions which took place at an examiners' meeting before marking commenced.

All examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the report on the examination.

OCR will not enter into any discussion or correspondence in connection with this mark scheme.

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Annotations

Annotation	Meaning
Tick	correct
Cross	incorrect
BOD	benefit of the doubt
Eg	example
Und	understanding
Max	maximum marks reached / sub-max reached
L1	Level 1 (for 'Levels-marked' questions only) – put at end of response to indicate level awarded
L2	Level 2 (for 'Levels-marked' questions only) – put at end of response to indicate level awarded
L3	Level 3 (for 'Levels-marked' questions only) – put at end of response to indicate level awarded
Id	identification (use for levels questions instead of 'knowledge' with Und being used for more developed points)
R	Repeat of point already made
NBD	no benefit of the doubt - use as alternative to Vg (vague) and also for SEEN

Examiner Guidance on annotations

1. Read and obey the instructions that preface the mark scheme.
2. General guidance:
 - mark in red ink (supervisors mark scripts they are sampling in green)
 - record the total mark for each **part question** (e.g. question 4 (a)) in the right hand margin
 - record the total mark for each **whole question/section** (e.g. question 4 (a), (b) and (c) total) at the end of the question in right hand margin – circle this total mark
3. For Multiple-Choice Questions (MCQs), use a **tick** or a **cross** to the right hand side of the option indicated by the learner as being their answer.

4. For points-marked questions (the majority):
- Structured scheme: one mark = one point, represented by a **tick**
 - Keep referring to the requirements of each question
 - Take into consideration the sub-max for parts of the question where applicable and indicate '**max**' has been reached for each part as appropriate
 - Ringed mark at the end of each whole question only
 - Use only the agreed annotations when marking.
5. For the levels marked questions:
- Keep checking for relevance of the response to the requirements of the question
 - Give '**Id**' for each numbered point in the MS indicative content (don't record the numbered point)
 - Give '**Und**' for every point that has been sufficiently developed and shown understanding (often, but not always, indicated by a bullet point in the MS)
 - Put '**Eg**' in the LH margin if a valid, relevant and accurate practical example is given
 - Use other usual annotations on the body of the script.
 -
 - Now review again the answer.
 - Remember to keep checking whether the response actually answers the question set.
 - REVIEW THE LEVELS' DESCRIPTORS AND ESPECIALLY THE DISCRIMINATOR POINTS TO PINPOINT THE MARK.
 - Write the final mark for the question at the end of the response in the RH margin and also indicate the level awarded (**L1, L2 or L3**).

FINALLY – remember that

- Some learners may make relatively few points but develop them well to show good understanding, meet well the generic criteria descriptors in the top level and answer all parts of the question and therefore score well.
- Some learners may make many points but may not show the depth of analysis required to match the generic criteria descriptors in the top level and therefore score less well.
- Do not be afraid to give full marks if all descriptors / discriminators are met at the required level.
- It is unlikely for learners to score 0 (nil) marks if they have attempted to answer the question set, unless the material is entirely irrelevant.
- Use your professional judgement and contact your Team Leader if you need help in applying the scheme.

THEN:

- Add up the marks for the whole question and put in RH margin and circle.
- Record all question totals on the front of the script in the grid provided on the cover.
- Add up these question totals to give a final mark and record on top left of script encircled.
- Check for arithmetical errors.
- Transfer question totals to the online mark sheet and make sure the total mark on the online mark sheet agrees with the total on the question paper.
- Ensure marks are legible on the question paper.
- Ensure every page of script is annotated – cross through blank pages and if additional pages/material has been provided and considered in the marking, annotate this in the usual way to indicate any credit given or use '**NBD**' if the material has not attracted additional marks to show it has been seen.

Question			Answer	Marks	Guidance
A	1		Two marks from:	2	
		1	A person, organisation, activity or enterprise focussed on sport		
		2	Producing / Facilitating / Promoting /Selling/ Organising any activity, experience or business enterprise (with a focus on sport)		
		3	Can be in the private, public or voluntary sectors		
		4	Such as: <ul style="list-style-type: none"> - a fitness instructor or sports coach - a sports club - a sports agent - a governing body - a leisure centre - a sports charity - a gym 		Accept any relevant example used to support the answer for a mark if max 2 marks not already achieved

Question			Answer	Marks	Guidance
A	2		Two marks from:	2	
		1	Retail, e.g. Sports Direct, Decathlon, JD Sports		Accept any relevant example
		2	Professional sports clubs		Accept any professional club associated with any sport
		3	Private leisure centres/sports clubs, e.g. Virgin Active, David Lloyd, Nuffield Health		Accept any private commercial leisure/sport club example
		4	Personal trainers/fitness instructors		
		5	Consultancy agencies		
		6	Marketing and sponsorship agencies		Accept any relevant example
		7	Sports media companies, e.g. Sky Sports, BT Sport, ESPN, Liberty Media		Accept any relevant example
		8	Equipment manufacturers, e.g. Umbro, Gilbert, Under Armour, Adidas, Nike, Puma		Accept any relevant example from any sport
		9	Sports betting companies, e.g. William Hill, Coral, Bet365, Dafabet, 32Red, Paddy Power		Accept any relevant example
		10	Sports nutrition, e.g. USN, MaxiMuscle, Holland & Barrett		Accept any relevant example
		11	Sports rehabilitation/therapy		Accept any relevant example

Question			Answer	Marks	Guidance
A	3		One mark:	1	
		1	D National Private Organisation		
A	4		Four marks from:	4	
		1	Equipment		
		2	Finance		
		3	Employees		
		4	Functional responsibilities		

Question		Answer	Marks	Guidance
A	5	Four marks from:	4	Accept any appropriate example, as per the following suggestions, (the terms political, environmental, social and technological on their own are not acceptable):
	1	Political environment- including any references to trade regulations, political stability, general laws & legal issues, government agencies and pressure groups which are influential on the activities of a society's organisations and its population		Accept any answer which includes the term political, with a single example of how the political environment impacts on sport, e.g. the influence of the DCMS
	2	Economic environment – including any references to elements which have an influence on the spending power and purchasing habits of consumers, e.g. inflation, interest rates, economic growth, economic stability, unemployment policies		Accept any answer which includes the term economic, with a single example of how the economic environment impacts on sport, e.g. the availability of disposable income to spend on sporting activities/events
	3	Social and cultural environment – including any references to demography and culture, e.g. population growth, age groups, religious and ethical focus, education, environmental and health issues and job market patterns, fashion trends		Accept any answer which includes the term social/cultural, with a single example of how the social/cultural environment impacts on sport, e.g. the heightened awareness of diet and healthy lifestyle influencing health related fitness businesses
	4	Technological environment – including any references to forces which establish new technologies, providing new opportunities, governmental investment in new technology, the influence of new technology and the life cycle of existing technology		Accept any answer which includes the term technology, with a single example of how the technological environment impacts on sport, e.g. the availability of hardware and apps to encourage physical activity amongst the general population

Question		Answer	Marks	Guidance
A	6	Four marks from:	4	Accept any explanation which reflects the examples highlighted
	1	Profit - An increase in comparison to previous year(s)/maximising income		
	2	Share Price - improved compared to previous year(s)		
	3	Customer satisfaction levels have increased based on customer feedback. There have been a small/decreased number of complaints		
	4	Growth in sales of the product & service volume offered to customers/An increased reach of products & services into new or existing markets/Increased inclusion of a broader product/service range		Accept 'increase in customer footfall'
	5	Reputation has been enhanced reflected in positive customer feedback		
	6	Loyalty - Repeat business/customer loyalty/customer retention is more prevalent with existing customers generating more sales revenue than in previous year(s)		
	7	Expansion of organisation , demonstrated by a greater online presence, more retail outlets or establishing a presence in new geographical areas		
	8	Legacy - Leaving a legacy of high quality customer service, integrity, trust, honesty or social responsibility in the areas where the business has been operating		Accept any example which denotes a positive legacy
	9	Winning trophies and competitions for such areas as customer service and growth, including internal recognition for individual outlets regarding sales and service performance		

Question			Answer	Marks	Guidance
		10	Recognisability in terms of brand, the products and services offered and what the organisation wants it to be seen to represent, e.g. quality, reliability & service		

Question		Answer	Marks	Guidance
A	7	Four marks from:	4	
	1	Cost of attraction v cost of retention – cheaper to retain than attract e.g. advertising costs reduced/lower for retained customers		Accept any explanation which reflects the examples highlighted here
	2	Impact on reputation – customer retention likely to be perceived as a positive thing; ‘losing’ lots of customers seen negatively		
	3	Predictability of income/financial security		
	4	Loyal customers have a decreased tendency to migrate to competitors, with an increased likelihood to purchase more and be less price sensitive. Don’t require same financial incentives/discounts		
	5	Employee jobs are more straightforward as they appreciate what customers want.		
	6	Regular and ongoing customers are easier to service due to the familiarity with the product/service. Customer confidence increased/increased spending		
A	8	Two marks from:	2	X 2 synoptic marks linked to Unit 3, LO4
	1	Event support staff (e.g. stewards, registration desk personnel, security staff)		Accept any example which relates to the type of examples highlighted here
	2	Sports coaches/leaders		
	3	Club/team committee representatives		
	4	Officials		
	5	Administrators e.g. secretary		

Question		Answer	Marks	Guidance
A	9	One mark from:	1	
		1 Insurance		
		2 Grievance		
		3 Zero hour contracts/no contract/leave position whenever they want		
		4 Right to training e.g. basic First Aid		
A	10	Two marks from:	2	
		1 Sector – some sectors will need specific business skills such as marketing and finance, e.g. sports retail, some will need sport specific coaching skills, e.g. private football/hockey coaching company		Accept any similar type of example
		2 Roles & requirements (e.g. legal requirements such as minimum age or licence to practice, personal qualities such as communication skills)		
		3 Local requirements will dictate the type of staff required – e.g. language skills and /demographics – could also have an influence, e.g., the business may be located in an area with an ageing population who don't have required social media skills to help grow the business		Accept similar examples which refer to local requirements and demographics
		4 Available budget - a limited staffing budget might be reflected in the ability to attract and retain high quality staff. Conversely, a higher staffing budget is likely to attract & retain more capable staff		
		5 Reputation of the business – a positive image/reputation will help to increase staff recruitment.		

Question		Answer	Marks	Guidance
A	11	Two marks from:	2	
		1 Time frame is short term		
		2 Organisational goal is simply to make a sale/profit		
		3 Customer service is a relatively low priority/poor relationships		
		4 Customer contact is low to moderate		
		5 Level of customer commitment is low		
		6 Seller-customer interaction is based upon conflict manipulation		
		7 The source of quality is primarily from production		
A	12	Two Marks from:	2	Accept answers which touch upon the key areas of impact on society and the environment, as well as any reference/example to economic, social and environmental benefits
		1 An approach where a business considers how its activities impact on society		
		2 An approach where a business considers how its activities impact on the environment		e.g. – a business adopts a policy to recycle more (plastic)
		3 Where an organisation contributes to sustainable development by providing economic benefits for all stakeholders		
		4 Where an organisation contributes to sustainable development by providing social benefits for all stakeholders		e.g. business increases recycling so there is not as much litter in the community
		5 Where an organisation contributes to sustainable development by providing environmental benefits for all stakeholders		e.g. a business provides bins for recycling (plastic)

Question			Answer	Marks	Guidance
B	13		Five Marks from:	5	Sub max 3 marks for CSR facts only Max 5 must have at least two examples
		1	Community projects e.g. Coca-Cola GB & ParkLives e.g. Football clubs with a Community Sports Trust		Accept any example from any sport business, where there is a benefit to the community
		2	Adhering to laws and regulations		Examples might include employment law, equal opportunities, accept any similar examples
		3	Environmental and sustainability awareness/policies e.g. reducing the carbon footprint of large sporting events such as the Olympics & EURO football championships e.g. UEFA's Respect campaign – an emphasis on public transport & walking etc. e.g. Stadia powered by clean energy sources e.g. sports clubs growing organic pitches fed by collected rainwater e.g. LED floodlights powered by solar panels e.g. eco-friendly materials for sports clothing/equipment		
		4	Positive reputation of the organisation		Accept any example which is likely to project a sport business in a positive light

Question			Answer	Marks	Guidance
		5	Ethics, accept examples relating to: <ul style="list-style-type: none">○ Fair trade○ Living wage○ Staff exploitation (e.g. child labour to make products & flouting employment laws)○ Customer exploitation of customers, e.g. excessive pricing of goods & services/fair pricing○ Equality and diversity within the workforce		Similar examples as per point 3 may apply here for environmental policies

Question		Answer	Marks	Guidance
B	14	Five Marks from:	5	Sub max 3 marks for commercialisation facts only Max 5 must have at least two examples
	1	Exploitation to make a profit, e.g. cost to spectate, increased ticket prices, cost of replica kit and equipment		
	2	Sports moving from leisure activity to a paid spectator activity e.g. improved stadia gives better experience		Accept any sporting example
	3	Introduction of media contracts limiting access to sport, e.g. F1, Premier League Football, Boxing		e.g. Sky and BT Sport have contracts with NGBs e.g. change of kick off times
	4	Realisation by sport businesses that strong engagement with consumers has become essential e.g. professional sports clubs with community engagement programmes e.g. large sports goods manufacturers supporting & sponsoring sporting events and children's events		Accept any examples where consumer engagement has been developed by sport businesses
	5	The impact on consumers by sport businesses utilising or being represented in the mass media e.g. product advertisements e.g. product endorsements by celebrities e.g. product placement		Accept any relevant example
	6	The amount of social media and digital marketing which consumers are exposed to connected with sport business e.g. product advertisements e.g. product endorsements by celebrities e.g. product placement		Accept any relevant example

Question		Answer	Marks	Guidance
B	15	Five Marks from:	5	x 5 synoptic marks linked to Unit 3, LO4
		Recruiting (in the first place)		Sub-max of 4 for each aspect ('recruiting' and 'managing')
	1	Promoting the benefits of being a volunteer		
	2	Understanding people's motivation to want to volunteer		
	3	Attracting sufficient numbers of volunteers		
	4	Retaining volunteers		
	5	Lack of experience		
		Managing (Training/staff needs)		
	6	Type of training needed (e.g. H&S training)		
	7	Limitations of training		e.g. limited budget & availability for training
		Managing (expectations)		
	8	Potentially a one-off position		
	9	No remuneration/no pay		
	10	No contract/zero hour contracts/legal requirements		e.g. terminate employment when they want
	11	Treating volunteers as consistently as other types of employee		
	12	Ensuring rights of volunteers are respected		(e.g. Insurance, Grievance)

Question		Answer	Marks	Guidance	
B	16		Five Marks from:	5	Accept relevant examples as alternative answers
		1	By being environmentally/ecologically friendly (e.g. in terms of what they 'produce' or how they operate)		
		2	By making a profit if they are in the private sector		
		3	By breaking even or achieving stated aims if in the public/voluntary sector		
		4	By securing future funding (could relate to any sector)		
		5	By becoming more efficient/requiring less investment		
		6	Being able to show that they are achieving their goals to stakeholders		
		7	By creating a lasting legacy (e.g. creating a product/event/image/reputation which is recognised and valued)		
		8	Being involved in work which is a high priority for other organisations – e.g. part of increasing participation which is funded/supported by government		
		9	By seeking to expand what they do where appropriate		
		10	Being aware of changes in the sport business environment in which they operate and adapting to these (e.g. raising money themselves where funding is potentially becoming scarce)		
		11	Diversifying what they do (e.g. creating a wider range of products; being involved in different projects)		

Question			Indicative Content	Marks	Guidance
C	17	a	<p>Impacts on the IAAF:</p> <ol style="list-style-type: none"> Short to medium term decreases to IAAF revenue <ul style="list-style-type: none"> loss of sponsorship income from Adidas over duration of the deal potentially highlights an over-reliance on such monies by the IAAF could affect other financial commitments of the IAAF Reduced money available to invest <ul style="list-style-type: none"> e.g. a lack of funding support for new technology e.g. a decrease in financial support for anti-doping initiatives e.g. to invest in new stadia/improvements to stadia e.g. in improvements to training facilities and coach development Could mean having to cut back on initiatives or events <ul style="list-style-type: none"> may not run some which were not going to make a profit may cancel some activities which were aimed at raising profile of athletics in countries/areas where its less popular could affect investment into youth/grass roots Effect on other sponsors <ul style="list-style-type: none"> Other sponsors may leave/withdraw Harder to attract new sponsors Future sponsors may want to pay less/weakens IAAF's negotiating position Negative impact on IAAFs/athletics' reputation <ul style="list-style-type: none"> Adds to the pressure on the IAAF Adds to sense that athletics is 'in crisis' Perception that issues are widespread is reinforced 	8	<p>Level 3 (7-8 marks) - a comprehensive answer:</p> <ul style="list-style-type: none"> Detailed knowledge and understanding Effective analysis/evaluation and/or discussion/explanation/development Clear and consistent practical application of knowledge Accurate use of technical and specialist vocabulary High standard of written communication. <p>At Level 3 responses <u>are likely</u> to include:</p> <ul style="list-style-type: none"> At the top of this level many impacts are identified and discussed in detail. Responses contain a range of relevant examples. Both IAAF and Adidas are comprehensively covered. Analysis of potential impacts on both organisations is considered and evaluated.

Question	Indicative Content	Marks	Guidance
	<p>6. Provides an opportunity to explore new types of sponsorship with rival sponsors to Adidas</p> <ul style="list-style-type: none"> • e.g. sponsorship which covers physical facilities e.g. stadia sponsorship • e.g. sponsorship which supports and appears in all social media activity <p>7. Increased opportunity to promote the sport of athletics alongside alternative global brands instead of Adidas to a national/international and global audience</p> <ul style="list-style-type: none"> • e.g. TV promotion of athletics events • e.g. co-ordinated social media campaigns • e.g. press campaigns • e.g. CSR events <p>8. An alternative sponsor could permit an association with different global superstars supported by a global brand</p> <ul style="list-style-type: none"> • e.g. global superstars promoting the IAAF, whilst wearing branded products <p>Impacts on Adidas:</p> <p>9. Reputation/image</p> <ul style="list-style-type: none"> • could improve their image with some who are associating them with cheating in athletics • will limit/stop further reputational damage if other allegations/issues arise in athletics • could be seen as too little too late – so damage already done and loss of money on top <p>10. Financial</p> <ul style="list-style-type: none"> • could affect share price depending on how the decision is received • potential loss of revenue through associated products 		<p>Level 2 (4–6 marks) - a competent answer:</p> <ul style="list-style-type: none"> • Satisfactory knowledge and understanding • Analysis/evaluation and/or discussion/explanation/development attempted with some success • Some success in practical application of knowledge • Technical and specialist vocabulary used with some accuracy • Written communication generally fluent with few errors. <p>At Level 2 responses <u>are likely</u> to include:</p> <ul style="list-style-type: none"> • At the top of this level several impacts are identified and discussed in detail. • Responses contain some relevant examples. • Both IAAF and Adidas are covered. • There is some analysis of potential impacts on both organisations. <p>Level 1 (1–3 marks) - a limited answer:</p> <ul style="list-style-type: none"> • Basic knowledge and understanding • Little or no attempt to analyse/evaluate and/or discuss/explain/develop • Little or no attempt at practical application of knowledge • Technical and specialist vocabulary used with limited success • Written communication lacks fluency and there will be errors, some of which may be intrusive.

Question	Indicative Content	Marks	Guidance
	<ul style="list-style-type: none"> • loss of advertising/promotion as a lead sponsor of high profile organisation and events • rivals could take over sponsorship <p>11. Other sponsorship deals</p> <ul style="list-style-type: none"> • Could be positive in terms of others they sponsor feeling that Adidas are starting to be tainted by association with athletics • May make others they sponsor question their commitment • 'Frees up' money which they can invest in other sponsorship deals • If they sponsor individual athletes then they need to decide whether to continue 		<p>At Level 1 responses <u>are likely to include:</u></p> <ul style="list-style-type: none"> • At the top of this level several impacts are identified. • Only IAAF or Adidas may be covered. • Responses are predominantly factual with little or no understanding.

Question			Indicative Content	Marks	Guidance
C	17	b	<p>Six Marks from:</p> <ol style="list-style-type: none"> 1. A new sponsorship deal (to replace Adidas) 2. Other existing sponsors (organisations like the IAAF usually have a range of 'commercial partners') 3. Raising money through their events/products (e.g. ticket sales, TV money, publications, merchandise) 4. Finding new revenue streams (e.g. Pay Per View; online streaming) 5. Loans/bonds/grants e.g. Government 6. Membership Fees paid by affiliated national organisations 7. Debentures (e.g. long-term season tickets/corporate facilities/private boxes at IAAF stadia) 8. (Philanthropic) Donations 9. Fundraising Activities/Events 	6	

Question			Indicative Content	Marks	Guidance
C	17	c	<p>Six Marks from:</p> <p><u>Benefits - sub-max 4</u></p> <ol style="list-style-type: none"> 1. Security of income over a fixed period of time/financial security/increased income 2. Mutual benefit between the partners e.g. brand exposure/secure better deals 3. Reputation of both sport and/or sponsor can improve 4. Big name sponsor could make products seem more fashionable/brings kudos 5. Increases global reach if sponsor is international <p><u>Drawbacks - sub-max 4</u></p> <ol style="list-style-type: none"> 6. Over-reliance on one source of finance 7. Potential conflicts of interest 8. Could restrict other potential sponsorship deals – e.g. with rivals to main sponsor 9. Risk reputational damage by association 	6	<p>e.g. McDonalds (unhealthy food) sponsoring the Olympics (healthy lifestyle)</p> <p>e.g. Betting companies sponsoring football teams which can be seen as encouraging gambling e.g. Tiger Woods lost sponsorships deals following criminal convictions</p>

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