

Paper Reference 4BS1/02
Pearson Edexcel
International GCSE

Total Marks

Business
Paper 2: Investigating Large Businesses

Friday 24 May 2019 – Afternoon

Time: 1 hour 30 minutes plus your additional time allowance.

In the boxes below, write your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

You do not need any other materials.

YOU WILL BE GIVEN

Data Book

INSTRUCTIONS

Answer ALL questions.

Answer the questions in the spaces provided in this Question Paper or on the separate data sheets – there may be more space than you need.

INFORMATION

The total mark for this paper is 80

The marks for EACH question are shown in brackets – use this as a guide as to how much time to spend on each question.

A calculator may be used.

There may be spare copies of some data sheets.

Turn over

ADVICE

Read each question carefully before you start to answer it.

Try to answer every question.

Check your answers if you have time at the end.

Answer ALL questions.

Write your answers in the spaces provided.

Some questions are multiple choice. Write the letter(s) of your chosen answer(s) in the box(es) provided.

1. Look at the information for Question 1 in the Data Book.

(a) (i) Which ONE of the following is an external source of finance?

A Retained profit

B Selling assets

C Sales revenue

D Share capital

Answer

(1 mark)

(continued on the next page)

Turn over

1. (a) continued.

(ii) Which ONE of the following forms of discrimination is covered by legislation?

A Ability

B Age

C Ethical

D Political

Answer

(1 mark)

(continued on the next page)

1. (a) continued.

(iii) Which ONE of the following could be used to gather data for a business?

A Market research

B Market orientation

C Market segmentation

D Market place

Answer

(1 mark)

(continued on the next page)

Turn over

1. (a) continued.

(iv) In a break–even graph, the break–even point is when:

A total costs and fixed costs are the same

B fixed costs and variable costs are the same

C total costs and revenue are the same

D fixed costs and revenue are the same

Answer

(1 mark)

(continued on the next page)

Turn over

1. (a) continued.

Look at the table for Question 1(a)(v) in the Data Book.

It gives details of one of the many suppliers of tyres to **Tata Motor Company**.

(v) What are the monthly total costs for the business?

A €8 412

B €34 800

C €74 400

D €204 000

Answer

(1 mark)

(continued on the next page)

Turn over

1. (a) continued.

A customer in Germany wishes to buy a Tata Nano car from India. The cost of this vehicle is 465 000 Indian Rupees (RS). The exchange rate is $\text{€}1.00 = \text{RS}78$

(vi) What would the German customer pay to the nearest euro for the car?

A €3 621

B €4 650

C €5 962

D €36 270

Answer

(1 mark)

(continued on the next page)

Turn over

1. continued.

(b) Define the term **insolvency**.

(1 mark)

(c) Define the term **product life cycle**.

(1 mark)

(d) State ONE reason why a **Tata Motor Company** employee could be dismissed.

(1 mark)

(continued on the next page)

Turn over

1. continued.

In December **2016** the global vehicle sales for
Tata Motor Company were **89,841**

In December **2017** the global vehicle sales figure
was **23%** higher.

(e) Calculate the global vehicle sales for
Tata Motor Company in December **2017**
You are advised to show your working.
(2 marks)

(continued on the next page)

Turn over

1. continued.

(f) Explain ONE impact of technology on the manufacture of vehicles.

(3 marks)

(continued on the next page)

1. continued.

(g) Analyse the importance of good public relations for Tata Motor Company.

(6 marks)

Answer lines continue on the next page.

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Turn over

1. (g) continued.

(Total for Question 1 = 20 marks)

2. **Tata Motor Company** has employees across the world. It prides itself on looking after all its employees and ensuring that their needs are met.

(a) **State ONE non-financial objective for Tata Motor Company.**

(1 mark)

(b) **State ONE reason why Tata Motor Company would employ casual staff.**

(1 mark)

(continued on the next page)

2. continued.

(c) Explain ONE reason why a business uses fringe benefits.

(3 marks)

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Turn over

2. continued.

(d) Explain ONE reason why a business would use job production.

(3 marks)

(continued on the next page)

Turn over

2. continued.

(e) Explain ONE benefit to a business of having a short chain of command.

(3 marks)

(continued on the next page)

Turn over

2. continued.

Tata Motor Company uses different pricing strategies. It is considering **TWO** options for the launch of a new vehicle:

Option 1: cost plus

Option 2: promotional.

(f) Justify which **ONE** of these two options **Tata Motor Company** should use.

(9 marks)

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2. continued.

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(Total for Question 2 = 20 marks)

Turn over

3. Look at the table for Question 3 in the Data Book. The Chairman of **Tata Motor Company** works closely with the Finance Department to ensure that the company maintains its financial position. The table shows the revenue for **Tata Motor Company, 2011–2017**

(a) Define the term **revenue**.

(1 mark)

(b) Outline **ONE** reason why **Tata Motor Company** uses overdrafts.

(2 marks)

(continued on the next page)

Turn over

3. continued.

- (c) Calculate to **2** decimal places, the percentage increase in revenue from **2011** to **2017**
You are advised to show your working.
(2 marks)

_____ %

(continued on the next page)

3. continued.

(d) Analyse how Tata Motor Company could use the financial information in the table.

(6 marks)

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3. (d) continued.

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3. continued.

Tata Motor Company gathers data to help it promote its vehicles. It is considering **TWO** options:

Option 1: primary research

Option 2: secondary research.

(e) Justify which **ONE** of these two options **Tata Motor Company** should use.

(9 marks)

Answer lines continue on the next page.

3. (e) continued.

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(Total for Question 3 = 20 marks)

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4. **Tata Motor Company** employs over **60,000** employees around the world. In **2017** the turnover was **\$42** billion, with **9** million car sales. **Tata Motor Company** has **6,000** car showrooms around the world.
- (a) Calculate the average number of vehicles sold in each car showroom.
You are advised to show your workings.
(2 marks)

(continued on the next page)

4. continued.

(b) Analyse why Tata Motor Company ensures that its staff have a detailed induction programme.

(6 marks)

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4. (b) continued.

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4. continued.

Tata Motor Company is always looking to find the right location for its new factories.

(c) Evaluate the factors **Tata Motor Company** would have to take into account when making decisions about where to locate new factories. You should use the information provided as well as your own knowledge of business.

(12 marks)

Answer lines continue on the next three pages.

4. (c) continued.

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4. (c) continued.

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4. (c) continued.

(Total for Question 4 = 20 marks)

TOTAL FOR PAPER = 80 MARKS

END OF PAPER
