

Paper Reference 4BS1/02
Pearson Edexcel
International GCSE

Total Marks

Business
PAPER 2: Investigating large businesses

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 WILL BE GIVEN

Data Book

INSTRUCTIONS

Answer ALL questions.

Answer the questions in the spaces provided in this Question Paper – there may be more space than you need.

Calculators may be used.

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.

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.

Good luck with your examination.

The formulae for this paper are in the Data Book.

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.

Look at the information in the Data Book.

1. (a) (i) Which ONE of the following sectors would a retail outlet operate in?

Select ONE answer.

- A Primary
- B Secondary
- C Tertiary
- D Quarternary

Answer

(1 mark)

(continued on the next page)

1. (a) continued.

(ii) Which ONE of the following would be used to select a group of applicants for interview?

Select ONE answer.

A Training

B Shortlisting

C Marketing

D Advertising

Answer

(1 mark)

(continued on the next page)

1. (a) continued.

NEXT purchased 5,000 dresses from a Turkish manufacturer at 101·10 New Turkish Lira (TRY) per dress.

The exchange rate is

$$\text{£}1\cdot00 \text{ (GBP)} = 6\cdot74 \text{ (TRY)}$$

(iii) Which ONE of the following would **NEXT** pay in £ (GBP) to the Turkish manufacturer for the 5,000 dresses?

Select ONE answer.

A 5 101

B 5 674

C 33 700

D 75 000

Answer

(1 mark)

(continued on the next page)

Turn over

1. (a) continued.

(iv) Which ONE of the following describes Kaizen?

Select ONE answer.

A Skilled manufacturing

B Just-in-time (JIT)

C Market orientated

D Continuous improvement

Answer

(1 mark)

(continued on the next page)

1. (a) continued.

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

It shows the number of online customers using NEXT in 2017–2018.

(v) What is the percentage increase, to two decimal places, of online customers from 2017 to 2018?

Select ONE answer.

A 2.00%

B 4.08%

C 4.26%

D 4.70%

Answer

(1 mark)

(continued on the next page)

Turn over

1. (a) continued.

(vi) Which ONE of the following is a benefit of buying a franchise?

Select ONE answer.

- A** The franchisor provides training to the franchisee
- B** A franchisee pays a lower rate of Value Added Tax (VAT)
- C** The franchisor pays the franchisee to set up in business
- D** A franchisee makes all his/her own decisions

Answer

(1 mark)

(continued on the next page)

Turn over

1. continued.

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

(1 mark)

(c) Define the term **venture capital**.

(1 mark)

(continued on the next page)

1. continued.

(d) State ONE reason why **NEXT** might use cost plus pricing.

(1 mark)

(continued on the next page)

1. continued.

NEXT predicts that its **£727** million sales will grow by **3·2%** next year.

(e) Calculate the predicted sales for next year.

You are advised to show your working.

(2 marks)

£ _____

(continued on the next page)

1. continued.

(f) Explain ONE disadvantage for a business that does not achieve its predicted growth.

(3 marks)

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Turn over

1. continued.

(g) Analyse the benefits to NEXT of training all its employees.

(6 marks)

Answer lines continue on the next page.

1. (g) continued.

[illegible]

(Total for Question 1 = 20 marks)

2. (a) State ONE reason why **NEXT** would want to promote its own employees.

(1 mark)

- (b) State ONE reason why **NEXT** complies with health and safety laws.

(1 mark)

(continued on the next page)

2. continued.

(c) Explain ONE reason why businesses fail.

(3 marks)

[illegible]

(continued on the next page)

Turn over

2. continued.

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

(3 marks)

(continued on the next page)

Turn over

2. continued.

(e) Explain ONE reason why employees keep their curriculum vitae (CV) up to date.

(3 marks)

(continued on the next page)

Turn over

2. continued.

NEXT already uses a range of promotional methods to encourage customers to buy its products. It is now considering the following two methods as a way of increasing customer awareness of its brand and products:

Option 1: targeted advertising online

Option 2: e-newsletters.

(f) Justify which **ONE** of these two options **NEXT** should choose.

(9 marks)

Answer lines continue on the next two pages.

2. (f) continued.

Turn over

2. (f) continued.

[illegible]

(Total for Question 2 = 20 marks)

Turn over

3. **NEXT** works hard to remain competitive with other retailers of similar products.

(a) Define the term **economies of scale**.

(1 mark)

(continued on the next page)

3. continued.

(b) Outline ONE reason why **NEXT** uses special offers.

(2 marks)

(continued on the next page)

3. continued.

Of NEXT's 43,000 employees, 70% are women.

- (c) Calculate the number of women working at NEXT. You are advised to show your working.
(2 marks)

(continued on the next page)

3. continued.

(d) Analyse why NEXT would want to remove any communication barriers within its organisation.

(6 marks)

Answer lines continue on the next page.

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3. (d) continued.

[illegible]

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3. continued.

NEXT understands that some employees are motivated by non–financial methods and these may help with employee retention. To do this **NEXT** is considering the following two options:

Option 1: job rotation

Option 2: job enrichment.

(e) Justify which **ONE** of these two options **NEXT** should choose.

(9 marks)

Answer lines continue on the next two pages.

Turn over

3. (e) continued.

Turn over

3. (e) continued.

[illegible]

(Total for Question 3 = 20 marks)

Turn over

4. Look at the table for Question 4(a) in the Data Book. **NEXT** continually monitors progress so that it can measure the success of its business. It aims to do this through improving manufacturing techniques and cutting costs, whilst still maintaining the quality of the goods produced.

The table in the Data Book shows selected financial information for **NEXT** in 2019.

- (a) Calculate to two decimal places the operating profit margin for **NEXT** in 2019. You are advised to show your working.

(2 marks)

Answer space continues on the next page.

4. (a) continued.

_____ %

(continued on the next page)

4. continued.

(b) Analyse the effects for NEXT of an increase in UK interest rates.

(6 marks)

Answer lines continue on the next page.

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4. (b) continued.

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4. continued.

(c) Evaluate the importance for NEXT of maintaining quality throughout all of its manufacturing processes. You should use the information provided as well as your own knowledge of business.

(12 marks)

Answer lines continue on the next three pages.

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4. (c) continued.

Turn over

4. (c) continued.

Turn over

4. (c) continued.

(Total for Question 4 = 20 marks)

TOTAL FOR PAPER = 80 MARKS

END OF PAPER
