

Paper Reference 4BS1/02  
Pearson Edexcel International GCSE

Business  
PAPER 2: Investigating large businesses

Monday 3 June 2024 – Afternoon  
Time: 1 hour 30 minutes

Total Marks

Fill in the boxes below with your name, centre number and candidate number.

Surname					
Other names					
Centre Number					
Candidate Number					

**YOU MUST HAVE:**

**Nil**

**YOU WILL BE GIVEN:**

**Data Booklet**

## **INSTRUCTIONS**

**Answer ALL questions.**

**Answer the questions in the spaces provided  
– 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.**

**Calculators may be used.**

## **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.**

**The formulae for this paper are in the Data Booklet.**

**Answer ALL questions. Write your answers in the spaces provided.**

**Some questions must be answered with a cross in a box ☐.**

**If you change your mind about an answer, put a line through the box ☐ and then mark your new answer with a cross ☐.**

- 1 TUI is a holiday business that has over 100 years of experience. It offers customers a variety of holidays including staying in hotels, and river and ocean-going cruises. There are many extras that it offers to holiday makers including: car hire, extensions to the holiday and arranging day trips at all its holiday destinations.**

**The business is well known and flies its customers to over 180 destinations around the world, including Greece, Turkey and Spain. It has 1,600 travel agencies and 27 million customers. Holidays can be booked by visiting a travel agency or online.**

**TUI has holidays to meet the needs of all its customers: families, children, couples and those with disabilities.**

- (a) (i) Which ONE of the following is a non-financial objective?  
(1 mark)**

**Select ONE answer.**

- ☐ **A Generating wealth**
- ☐ **B Personal satisfaction**
- ☐ **C Maximising profit**
- ☐ **D Regular income**

**(continued on the next page)**

**1(a) continued**

- (ii) Which ONE of the following would be a benefit to a business delaying paying its suppliers?  
(1 mark)**

**Select ONE answer.**

- ☐ **A Improved cash flow**
- ☐ **B Increased profit**
- ☐ **C A reduction in the amount of interest paid**
- ☐ **D Improved relationship with suppliers**

**(continued on the next page)**

**1(a) continued**

**Jewellery For You is a jewellery business making earrings and necklaces from stones and pebbles found on local beaches. It makes 240 items a month.**

<b>Price per item</b>	<b>€27</b>
<b>Variable costs per item</b>	<b>€12</b>
<b>Fixed costs per month</b>	<b>€600</b>

- (iii) Which ONE of the following would be the total monthly cost for Jewellery For You?  
(1 mark)**

**Select ONE answer.**

- ☐ **A     €924**
- ☐ **B     €3 480**
- ☐ **C     €6 480**
- ☐ **D     €7 080**

**(continued on the next page)**

**1(a) continued**

- (iv) Which ONE of the following is a reason why a business would produce a cash flow forecast?  
(1 mark)**

**Select ONE answer.**

- ☐ **A It is a legal requirement that a business has a cash flow forecast**
- ☐ **B A cash flow forecast ensures that the business will be successful**
- ☐ **C It can help a bank decide whether it should lend money to a business**
- ☐ **D To show the profit and loss of a business in the past six months**

**(continued on the next page)**

**1(a) continued**

**A 7-day holiday in Thailand in October 2023 cost £998.00**

**The exchange rate is £1 = 40.91 Thai Baht (THB).**

- (v) Which ONE of the following was the cost of the holiday in Thai Baht?  
(1 mark)**

**Select ONE answer.**

- ☐ **A     24.40**
- ☐ **B     1 038.91**
- ☐ **C     40 828.18**
- ☐ **D     40 869.09**

**(continued on the next page)**



**1(a) continued**

- (vi) Which ONE of the following is a reason why a sole trader would want to become a private limited company?  
(1 mark)**

**Select ONE answer.**

- ☐ **A     The business can keep financial records confidential**
- ☐ **B     The business will have unlimited liability**
- ☐ **C     Shareholders are liable for all debts**
- ☐ **D     Increased ability to raise finance**

**(continued on the next page)**

**1 continued**

**(b) Define the term FRANCHISE.  
(1 mark)**

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**(continued on the next page)**

**1 continued**

**(c) Define the term PROFIT.  
(1 mark)**

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**1 continued**

- (d) State ONE reason why TUI pays its employees above the minimum wage.  
(1 mark)**

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1 continued

**TUI** is charging an adult £725·92 for a week in Cyprus. If booked online there is a discount of 12·5%

- (e) Calculate the total price of a holiday for **TWO** adults with a 12·5% promotional discount for booking online. You are advised to show your working. (2 marks)

£ \_\_\_\_\_

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**1 continued**

**(f) Explain ONE of the factors in Herzberg's motivational theory.**  
**(3 marks)**

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# 1 continued

- (g) Analyse the benefits for TUI from including health and safety training for its employees in their induction training.**

**(6 marks)**

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## 1(g) continued

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**(Total for Question 1 = 20 marks)**

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**2 TUI** has employees throughout the world. Some are employed to greet customers arriving at their holiday destination by air, rail or road. Others sell trips and excursions to customers once they reach their holiday destination. **TUI** prides itself on looking after all its employees and making sure that their needs are met.

- (a) State ONE possible reason why TUI would want to keep its customers loyal.**  
**(1 mark)**

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**2 continued**

- (b) State ONE reason why TUI would employ casual employees.  
(1 mark)**

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## 2 continued

**(c) Explain ONE reason why businesses employ people with disabilities.**  
**(3 marks)**

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## 2 continued

**(d) Explain ONE benefit to a business of having a short chain of command.**  
**(3 marks)**

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## 2 continued

- (e) Explain ONE important piece of information that should be included in a job advertisement in a newspaper. (3 marks)**

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**2 continued**

**The travel market that TUI operates in is very competitive, with many different businesses offering the same holidays at the same venues. When TUI introduces a new holiday or experience it has to consider the pricing strategy it will use. For its new holiday destination in Sri Lanka it is considering two options:**

**OPTION 1: competition pricing**

**OPTION 2: promotional pricing.**

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

**(9 marks)**

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**(Total for Question 2 = 20 marks)**

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- 3 TUI wants to maintain its reputation by continuing to provide quality holidays and experiences that customers will enjoy. This will encourage them to return to book future holidays with TUI.**

**(a) Define the term MULTINATIONALS.  
(1 mark)**

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**3 continued**

- (b) Outline ONE reason why TUI offers employees working in its travel agencies a commission based on the number of holidays they sell.  
(2 marks)**

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3 continued

**FIGURE 1** shows the current assets and current liabilities for **TUI** in 2022.

**FIGURE 1**

<b>2022</b>	<b>€ '000</b>
<b>Current assets</b>	<b>7 758 152</b>
<b>Current liabilities</b>	<b>5 654 468</b>

- (c) Calculate, to two decimal places, the current ratio for **TUI** for 2022. You are advised to show your working. (2 marks)

### 3 continued

- (d) Analyse the effect on TUI customers of an increase in interest rates.**

**(6 marks)**

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### 3(d) continued

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**3 continued**

**TUI constantly checks for customer feedback and comments on its holidays, including hotel stays and cruises. It is considering the following two options to gain the most up-to-date views:**

**OPTION 1: using the internet**

**OPTION 2: asking customers to complete a questionnaire.**

- (e) Justify which ONE of these two options TUI should use.  
(9 marks)**

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**(Total for Question 3 = 20 marks)**

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**4**      **FIGURE 2 shows the total cost to TUI of employees' salaries.**

**FIGURE 2**

<b>TOTAL COST OF EMPLOYEES</b>	<b>€ '000</b>
<b>2021</b>	<b>39 631</b>
<b>2022</b>	<b>57 498</b>

- (a) Calculate, to two decimal places, the percentage increase in the total cost of employees from 2021 to 2022. You are advised to show your working. (2 marks)**

\_\_\_\_\_ %

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## 4 continued

- (b) Analyse how TUI could make use of the Boston Matrix to review all the different types of holidays it offers. (6 marks)**

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**4(b) continued**

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**4 continued**

- (c) Evaluate the benefits for TUI of providing a quality service. You should use the information provided as well as your own knowledge of business.**  
**(12 marks)**  
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**4(c) continued**

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(Total for Question 4 = 20 marks)

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**TOTAL FOR PAPER = 80 MARKS**

**END OF PAPER**

**Source:**

**[https://www.tuigroup.com/damfiles/default/tuigroup-15/en/investors/6\\_Reports-and-presentations/Reports/2022/TUI\\_AGBericht2022\\_EN\\_221213.pdf-44a97dee48cddc58f9014f6685f612ec.pdf](https://www.tuigroup.com/damfiles/default/tuigroup-15/en/investors/6_Reports-and-presentations/Reports/2022/TUI_AGBericht2022_EN_221213.pdf-44a97dee48cddc58f9014f6685f612ec.pdf)**