

Paper Reference 4BS1/02R
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 Jimmy Choo was born in Malaysia. He moved to London and became the founder of Jimmy Choo. The business was first known for the shoes it made for women.

Over the years the business has become a multinational business. It has expanded into countries including America, Japan and France. As part of its growth, it now sells clothing, perfume, trainers and wedding outfits. Many celebrities in the fashion and music world are well known for purchasing Jimmy Choo products.

Jimmy Choo's brand is identified by its logo, 'JC', which is printed on all items produced. The business has won many awards over the years, including 'Designer of the Year' and 'Ace Brand of the Year'.

- (a) (i) Which ONE of the following describes Kaizen?
(1 mark)

Select ONE answer.

- ☐ A Continuous improvement
- ☐ B Just-in-time (JIT)
- ☐ C Market orientation
- ☐ D Job production

(continued on the next page)

Turn over

1(a) continued

- (ii) Which ONE of the following function areas would pay its employees' wages?
(1 mark)**

Select ONE answer.

- ☐ **A Finance**
- ☐ **B Human resources**
- ☐ **C Marketing**
- ☐ **D Production**

(continued on the next page)

1(a) continued

The price of buying a pair of Jimmy Choo shoes in Malaysia is 3 359.13 Malaysian Ringgits (MYR).

The exchange rate is 5.65 MYR = £1.00 (pounds).

**(iii) Which ONE of the following is the price of the shoes in pounds?
(1 mark)**

Select ONE answer.

☐ **A £565.00**

☐ **B £594.54**

☐ **C £3 353.48**

☐ **D £18 979.08**

(continued on the next page)

1(a) continued

- (iv) Which ONE of the following is a benefit of being a sole trader?
(1 mark)

Select ONE answer.

- ☐ A Additional capital can be easily raised
- ☐ B Decisions can be shared
- ☐ C Independence for the owner
- ☐ D Limited liability

(continued on the next page)

1(a) continued

Look at FIGURE 1 in the Data Booklet. Figure 1 shows the cash flow information for a business.

- (v) Which ONE of the following is the closing balance for the business?
(1 mark)**

Select ONE answer.

☐ **A £44 000**

☐ **B £48 000**

☐ **C £55 000**

☐ **D £65 000**

(continued on the next page)

1(a) continued

- (v) Which ONE of the following is an advantage of primary market research?
(1 mark)**

Select ONE answer.

- ☐ **A It is cheaper than other types of market research**
- ☐ **B It is less time consuming than secondary research**
- ☐ **C It is only done by market research agencies**
- ☐ **D It is a more up to date method of research**

(continued on the next page)

1 continued

**(b) Define the term E-NEWSLETTER.
(1 mark)**

(continued on the next page)

1 continued

**(c) Define the term MINIMUM WAGE.
(1 mark)**

(continued on the next page)

1 continued

- (d) State ONE reason why Jimmy Choo would want loyal customers.
(1 mark)

(continued on the next page)

1 continued

Many countries are concerned about the environment and the amount of plastic waste created. In 2018 the value of recycled plastic was \$41.73 billion (US dollars). Experts are predicting that this value will increase by 6.6% by 2027.

- (e) Calculate, to two decimal places, the predicted value of recycled plastic for 2027. You are advised to show your working.
(2 marks)**

\$ _____ billion

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Turn over

1 continued

(f) Explain ONE reason why businesses comply with equal opportunities legislation.
(3 marks)

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1 continued

- (g) Analyse TWO problems for Jimmy Choo if customer needs are not satisfied.**

(6 marks)

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1(g) continued

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(Total for Question 1 = 20 marks)

Turn over

2 Jimmy Choo ensures that it meets all legal requirements of each country where it has factories or shops.

**(a) State ONE non-financial objective Jimmy Choo might have.
(1 mark)**

(continued on the next page)

2 continued

- (b) State ONE reason why Jimmy Choo complies with health and safety laws.
(1 mark)**

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2 continued

(c) Explain ONE advantage to a country of being a member of a trading bloc.
(3 marks)

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2 continued

(d) Explain ONE way businesses support employees with disabilities.
(3 marks)

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2 continued

(e) Explain ONE impact on a business of an increase in interest rates.
(3 marks)

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2 continued

There are times during the year when Jimmy Choo needs additional employees to manufacture its products. It is considering the following two options:

OPTION 1: casual employees

OPTION 2: part-time employees.

- (f) Justify which ONE of these two options Jimmy Choo should choose.**

(9 marks)

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2(f) continued

(Total for Question 2 = 20 marks)

3 One aim of Jimmy Choo's is to ensure that all its employees are well motivated and fully trained to carry out the jobs they are employed to do. This is to reduce the number of employees leaving the business.

**(a) Define the term PERSON SPECIFICATION.
(1 mark)**

(continued on the next page)

3 continued

- (b) Outline ONE reason why branding is important to Jimmy Choo.
(2 marks)**

(continued on the next page)

Turn over

3 continued

A Jimmy Choo handbag costs \$1 590 (US dollars) to manufacture. It sells for \$2 450

- (c) Calculate, to two decimal places, the percentage increase on this Jimmy Choo handbag when it is sold. You are advised to show your working.
(2 marks)**

_____ %

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3 continued

- (d) Analyse why Jimmy Choo asks all candidates applying for a vacancy to complete an application form. (6 marks)**

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3(d) continued

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3 continued

Jimmy Choo employs people in many countries to produce its shoes, handbags and perfume. To ensure that its new employees have the best start possible the following two training options are being considered:

OPTION 1: induction training

OPTION 2: off-the-job training.

- (e) Justify which ONE of these two options Jimmy Choo should choose.**

(9 marks)

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3(e) continued

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3(e) continued

(Total for Question 3 = 20 marks)

4 Jimmy Choo has many shops around the world.

Look at FIGURE 2 in the Data Booklet. Figure 2 shows the number of Jimmy Choo shops in some locations.

- (a) Calculate, to two decimal places, the percentage of Jimmy Choo shops in the UK. You are advised to show your working.
(2 marks)**

_____ %

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4 continued

- (b) Analyse the benefit to Jimmy Choo of using share capital to fund its growth.
(6 marks)**

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4(b) continued

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4 continued

Jimmy Choo is supplied by a number of different businesses. There are some factories that Jimmy Choo has a large financial interest in. The majority of the manufacturing businesses are located in Italy with a few in Spain and China.

Jimmy Choo is considering investing in another clothing and shoe factory and will require skilled employees.

- (c) Evaluate the factors Jimmy Choo would have to consider when making decisions on the location of a new factory. 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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4(c) continued

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(Total for Question 4 = 20 marks)

TOTAL FOR PAPER = 80 MARKS

END OF PAPER