Please check the examination details below before entering your candidate information

Candidate surname	Other names

Centre Number

Candidate Number

Pearson Edexcel International GCSE (9–1)

Monday 19 May 2025

Afternoon (Time: 1 hour 30 minutes)

Paper reference **4CM1/01R**

Commerce

PAPER 1: Commercial operations and associated risks

You do not need any other materials.

Total Marks

Instructions

- Use **black** ink or ball-point pen.
- **Fill in the boxes** at the top of this page with your name, centre number and candidate number.
- Answer **all** questions.
- Answer the questions in the spaces provided – *there may be more space than you need.*
- Where asked you **must show all your working out** with **your answer clearly identified** at the **end of your solution**.

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.

Turn over

Pearson

SECTION A

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 (a) Which **one** of the following is a physical limit on the quantity of items imported by a business?

Select **one** answer.

(1)

☐ **A** Tariffs

☐ **B** Quotas

☐ **C** Import licence

☐ **D** Exchange control

(b) Which **one** of the following is a payment given by government to businesses?

Select **one** answer.

(1)

☐ **A** Subsidy

☐ **B** Duty

☐ **C** Factoring

☐ **D** Privatisation

(c) Define the term **insurance policy**.

(1)

....

....

(d) Define the term **investment**.

(1)

....

....

(e) *Wellington Fruit Growers* is based in South Africa. It sells a range of fresh and dried fruits, from fresh peaches and grapes to dried figs and raisins. One of the main attractions for customers is that it sells a range of fruit baskets for all occasions.

From time to time *Wellington Fruit Growers* will introduce new types of dried or fresh fruit baskets. It sells these baskets at a reduced price to encourage customers to purchase them.

Usually *Wellington Fruit Growers* sells its fresh fruit baskets for 650 South African Rand (ZAR).

(i) Calculate the price when *Wellington Fruit Growers* sells a basket of fresh fruit with a 12% discount on its usual price of 650 ZAR. You are advised to show your workings.

(2)

.... ZAR

(ii) State **one** advantage for customers when *Wellington Fruit Growers* lowers the price of its fruit baskets.

(1)

....

....

....

(iii) State **one** disadvantage for *Wellington Fruit Growers* of using loss leaders.

(1)

....

....

....

(f) Explain **one** benefit for a business of having fidelity guarantee insurance.

(3)

(g) Explain **one** reason why hypermarkets are so popular.

(3)

Hanoi Weekend Night Market takes place every weekend in Thailand. Most stalls sell items such as postcards, handicrafts and accessories. However, the main reason many people visit is the many rows of food stalls offering Vietnamese street food. Stall holders have to pay a fee to hire the space they use.

(h) Analyse why *Hanoi Weekend Night Market* stall holders should insure against fire occurring at the market place.

(6)

(Total for Question 1 = 20 marks)

2 Figure 1 shows the sales for Walmart supermarkets for 2021 and 2023.

	2021	**2023**
US dollars millions	555	606

Figure 1

(a) Which **one** of the following shows the change in sales from 2021 to 2023?

Select **one** answer.

(1)

- ☒ **A** Sales decreased by 8.42%
- ☒ **B** Sales decreased by 9.19%
- ☒ **C** Sales increased by 8.42%
- ☒ **D** Sales increased by 9.19%

(b) Which **one** of the following best describes an insurance broker?

Select **one** answer.

(1)

- ☒ **A** Arranges insurance between buyers and sellers
- ☒ **B** Can insure against making a loss
- ☒ **C** Guarantees buyers can pay for insurance
- ☒ **D** Calculates insurance premiums

(c) **Figure 2** shows the population of selected towns in India.

Town	**Population**
Achhnera	22,781
Adalaj	11,957
Adoor	29,171
Adyar	7,034
Adra	14,956
Afzalpur	27,088
Akot	92,637

Figure 2

(i) Identify the number of people in the town with the lowest population.

(1)

....

(ii) Identify the town with the highest population.

(1)

....

(d) Define the term **consequential loss**.

(1)

....

....

(e) Explain **one** reason why businesses feel more confident if they have taken out insurance.

(3)

(f) Explain **one** reason why clauses are included in an insurance policy.

(3)

Pavers is a shoe manufacturer. It began trading in 1971. *Pavers* is now one of the UK's leading comfort shoe retailers, with a focus on quality and affordability for men and women. It offers its customers a variety of different shoes and styles from sandals to walking shoes and boots for all occasions. It works hard to ensure that its customers receive the best quality shoes and service from its employees. Customers of *Pavers* can buy their shoes either from its shops or online. It is considering the following two options to improve customer loyalty:

Option 1: training staff on how to deal with customer complaints

Option 2: training staff to provide good customer service.

(g) Justify which **one** of these two options *Pavers* should choose.

(9)

(Total for Question 2 = 20 marks)

TOTAL FOR SECTION A = 40 MARKS

SECTION B

Answer ALL questions.

Read the following extract before answering the questions.

Write your answers in the spaces provided.

3 *Sony* is a multinational business that trades around the world. It sells a variety of different electronic products, including televisions, PlayStations, camera equipment, drones and many other electronic items.

Sony has large distribution warehouses that make deliveries to its customers throughout the world.

(a) Which **one** of the following risks is uninsurable?

Select **one** answer.

(1)

☒ **A** Customer injured visiting a shop

☒ **B** Damage to stock caused by flooding

☒ **C** Failure of a business

☒ **D** Injury to an employee at work

The price of a *Sony* PlayStation in the UK is £389.95 (GBP).

The exchange rate is £1.00 = $1.26

(b) Which **one** of the following is the price of a *Sony* PlayStation in the US?

Select **one** answer.

(1)

☒ **A** $309.48

☒ **B** $388.69

☒ **C** $491.34

☒ **D** $492.60

(c) State **one** administration cost for *Sony*.

(1)

....

....

....

(d) Outline **one** way consumer protection might affect *Sony*.

(2)

(e) Analyse **two** reasons why Sony prefers not to sell its products to small independent retailers.

(6)

DO NOT WRITE IN THIS AREA

The demand for electrical items is increasing. To meet this demand *Sony* is considering the following two options:

Option 1: supplying directly to multiple chain retailers

Option 2: supplying through wholesalers.

(f) Justify which **one** of these two options *Sony* should choose.

(9)

(Total for Question 3 = 20 marks)

TOTAL FOR SECTION B = 20 MARKS

SECTION C

Answer ALL questions.

Read the following extract before answering the questions.

Write your answers in the spaces provided.

4 Over the last 90 years *Pothys* has become a leader in the Tamil Nadu textile industry. It makes and sells a range of silk sarees as well as necklaces, earrings and other accessories. Its sarees are exported throughout the world.

At various times in the year, *Pothys* will have a sale of its sarees. In such sales sarees originally priced at 44 805.00 rupees (INR) are sold with a 25% discount.

(a) Calculate, to **two** decimal places, the price of a saree after the discount. You are advised to show your working.

(2)

.... INR

DO NOT WRITE IN THIS AREA DO NOT WRITE IN THIS AREA DO NOT WRITE IN THIS AREA

P 7 8 7 9 9 A 0 1 6 2 0

(b) Analyse why *Pothys* would take out insurance on goods it is exporting.

(6)

Pothys exports its sarees to many countries including England, Germany and Italy.

(c) Evaluate how *Pothys* deals with language difficulties when exporting its goods to other countries. You should use the information provided and your own knowledge of commerce in your answer.

(12)

(Total for Question 4 = 20 marks)

TOTAL FOR SECTION C = 20 MARKS
TOTAL FOR PAPER = 80 MARKS

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Sources:

Question 1

https://www.wellingtonfruitgrowers.co.za/about.php

Question 2

https://s201.q4cdn.com/262069030/files/doc_financials/2023/ar/Walmart-10K-Reports-Optimized.pdf

https://en.wikipedia.org/wiki/List_of_towns_in_India_by_population

https://www.pavers.co.uk/

Question 3

https://www.sony.com/en/SonyInfo/products/

Question 4

https://www.pothys.com/know-us