Please check the examination details below before entering your candidate information

Candidate surname	Other names

Centre Number

Candidate Number

Pearson Edexcel International GCSE

Friday 16 May 2025

Afternoon (Time: 1 hour 30 minutes)

Paper reference **4BS1/02R**

Business

PAPER 2: Investigating large businesses

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*.

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

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Pearson

FORMULAE FOR INTERNATIONAL GCSE BUSINESS

Gross profit margin:

Gross profit = revenue – cost of sales

$$\text{Gross profit margin} = \frac{\text{gross profit}}{\text{revenue}} \times 100$$

Operating profit margin:

Operating profit = gross profit – other operating expenses

$$\text{Operating profit margin} = \frac{\text{operating profit}}{\text{revenue}} \times 100$$

Markup:

$$\text{Markup} = \frac{\text{profit per item}}{\text{cost per item}} \times 100$$

Return on capital employed (ROCE):

$$\text{ROCE} = \frac{\text{operating profit}}{\text{capital employed}} \times 100$$

Current ratio:

$$\text{Current ratio} = \frac{\text{current assets}}{\text{current liabilities}}$$

Acid test ratio:

$$\text{Acid test ratio} = \frac{\text{current assets} - \text{inventory}}{\text{current liabilities}}$$

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 *Paco Rabanne* began trading in the 1960's. It changed from *Paco Rabanne* to *Rabanne*. The business was started by Francisco Cuervo. At first it designed and made costumes using plastic and metal for the film industry. Cuervo designed costumes for many film stars including Jane Fonda in Barbarella.

Later Francisco Cuervo developed a range of products for men, such as the aftershaves Paco Rabanne Pour Homme and Invictus, and for women, the perfumes 1 Million and Lady Million.

Rabanne is still one of the leading manufacturers of a range of products including fashionable clothes, handbags and jewellery. It has many employees across the world.

(a) (i) Which **one** of the following is a variable cost?

Select one answer.

(1)

☐ **A** Insurance

☐ **B** Rent

☐ **C** Salaries

☐ **D** Raw materials

(ii) Which **one** of the following is a type of discrimination protected by employee legislation?

Select **one** answer.

(1)

☐ **A** Political

☐ **B** Ethical

☐ **C** Age

☐ **D** Promotion

Rabanne has promotional offers to encourage customers to buy its perfumes and aftershaves.

A customer buying Pour Homme and Lady Million together will receive a 12% promotional discount.

Pour Homme is priced at £85.00 (GBP) and Lady Million is priced £86.00 (GBP).

(iii) Which **one** of the following is the price of buying both items with the promotional discount?

Select **one** answer.

(1)

- ☒ **A** £129.65
- ☒ **B** £150.48
- ☒ **C** £160.80
- ☒ **D** £171.00

(iv) Which **one** of the following is an advantage of primary market research?

Select **one** answer.

(1)

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

Figure 1 shows the monthly cash flow information for a business.

Opening balance	€76 000
Cash inflow	€54 000
Cash outflow	€34 000

Figure 1

(v) Which **one** of the following is the closing balance for this month?

Select **one** answer.

(1)

☒ **A** € 88 000

☒ **B** € 96 000

☒ **C** €110 000

☒ **D** €130 000

An American bank's interest rates have changed from 4.5% to 6.0%.

(vi) Which **one** of the following is a likely effect of this change for American businesses?

Select **one** answer.

(1)

☒ **A** Higher loan repayments

☒ **B** Decrease in labour costs

☒ **C** Improved net cash flow

☒ **D** Increase in sales

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

(1)

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(c) Define the term **qualitative data**.

(1)

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(d) State **one** reason why *Rabanne* may use test marketing when introducing a new product.

(1)

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In Europe a *Rabanne* handbag costs €1 590.00 (euro).

The exchange rate is €0.93 = $1.00

(e) Calculate, to two decimal places, the price of the handbag in US dollars. You are advised to show your working.

(2)

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(f) Explain **one** reason why an employer might use a letter to communicate with an employee.

(3)

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(g) Analyse **two** benefits to *Rabanne* of being a global business.

(6)

(Total for Question 1 = 20 marks)

2 *Rabanne* aims to be the best provider of fragrances for men and women throughout the world. Therefore, it uses a range of methods to make sure it will achieve this aim.

(a) State **one** reason why *Rabanne* ensures that all its employees have job enrichment opportunities.

(1)

(b) State **one** way *Rabanne* could measure its success as a business.

(1)

(c) Explain **one** reason why some businesses fail.

(3)

(d) Explain **one** reason why a business would use targeted advertising online to promote itself.

(3)

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(e) Explain **one** reason why businesses use statements of comprehensive income when making decisions.

(3)

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Rabanne is finding that communicating with its employees around the world is becoming more difficult. Employees are also finding problems in communicating with each other.

Rabanne is considering the following two options to help improve communication within the business:

Option 1: communicate all information through text messaging/email

Option 2: hold weekly meetings.

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

(9)

(Total for Question 2 = 20 marks)

3 (a) Define the term **just-in-time (JIT)**.

(1)

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(b) Outline **one** reason why *Rabanne* uses different methods to advertise job vacancies.

(2)

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Figure 2 shows the current assets for *Rabanne* in 2021 and 2022.

Year	Current Assets
2021	\$8 527
2022	\$5 952

Figure 2

(c) Calculate, to two decimal places, the percentage decrease in current assets. You are advised to show your working.

(2)

.... %

Packaging of all its products is important to *Rabann*e. It wants to ensure that all products delivered to customers are in the best condition and not damaged. However, it works hard to reduce the amount of packaging, thus reducing waste.

(d) Analyse the importance for *Rabanne* of using its resources effectively.

(6)

Over the past few years a number of new aftershave and perfume businesses have opened and may compete with *Rabanne*. To keep up with its competitors *Rabanne* is reviewing its marketing strategies. It is considering the following two options:

Option 1: increasing the number of product trials

Option 2: increasing advertising.

(e) Justify which **one** of these two options *Rabanne* should choose.

(9)

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

(Total for Question 3 = 20 marks)

4 Some of the smaller shops selling *Rabanne* products have introduced a 5% commission for sales assistants.

(a) Calculate, to two decimal places, the commission a sales assistant would earn if they have sold goods valued at £850. You are advised to show your working.

(2)

£ ....

(b) Analyse the benefits to *Rabanne* of using robotics to manufacture its products.

(6)

Rabanne is constantly working on improving its relationship with the public by introducing refillable glass bottles to reduce the number of bottles being thrown away. *Rabanne* is working to reduce the impact it has on the environment by having sustainable packaging, as well as donating to charities.

(c) Evaluate the effect for *Rabanne* of working hard to maintain and improve its public relations. You should use the information provided as well as your own knowledge of business.

(12)

(Total for Question 4 = 20 marks)

TOTAL FOR PAPER = 80 MARKS

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Sources:

https://www.pacorabanne.com

https://en.wikipedia.org/wiki/Paco_Rabanne 27/12/2023

https://find-and-update.company-information.service.gov.uk/company/09673403/filing-history