

Please check the examination details below before entering your candidate information

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|--------------------------------------------------------------------------------------------------------------|--|--|--|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|-------------------------------------------------------------------------------------------|--|
| Candidate surname                                                                                            |  |  |  |  | Other names                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |  |                                                                                           |  |
| Centre Number                                                                                                |  |  |  |  | Candidate Number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |  |                                                                                           |  |
| <b>Pearson Edexcel</b><br><b>International GCSE (9–1)</b>                                                    |  |  |  |  | <div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> </div> <div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> </div> |  |  |                                                                                           |  |
| Time 1 hour 30 minutes                                                                                       |  |  |  |  | <div style="display: flex; align-items: center;"> <div style="border: 1px solid black; padding: 2px;">Paper reference</div> <div style="background-color: #333; color: white; padding: 10px; font-size: 24px; font-weight: bold; margin-left: 10px;">4CM1/02</div> </div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |  |                                                                                           |  |
| <h1 style="margin: 0;">Commerce</h1> <h2 style="margin: 0;">PAPER 2: Facilitating Commercial Operations</h2> |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |  |                                                                                           |  |
| <div style="border: 1px solid black; padding: 5px;">You do not need any other materials.</div>               |  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |  | <div style="border: 1px solid black; padding: 5px; text-align: center;">Total Marks</div> |  |

### 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.*
- You must **show all your working out** with **your answer clearly identified at the end of your solution.**

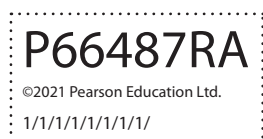
### Information

- 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.
- Good luck with your examination.

Turn over ►



## 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 source of long-term finance?

Select **one** answer.

(1)

- ☐ **A** Factoring
- ☐ **B** Trade credit
- ☐ **C** Bank draft
- ☐ **D** Retained profit

- (b) Which **one** of the following is a financial institution?

Select **one** answer.

(1)

- ☐ **A** A Chamber of Commerce
- ☐ **B** A Central Bank
- ☐ **C** A Trade Fair
- ☐ **D** A Night Safe

- (c) Define the term **delivery note**.

(1)

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- (d) Define the term **cheque**.

(1)

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(e) *Amazon* is one of the largest businesses in the world. It only sells products through its website. These products include electronics, fashion and household items. All customer purchases and preferences are recorded.

(i) State **one** benefit to customers of using the *Amazon* website to buy products.

(1)

(ii) State **one** way the *Amazon* website may help to promote the products it sells.

(1)



**Figure 1** shows financial information for *Amazon*.

| 2019                       | US \$ millions |
|----------------------------|----------------|
| <b>Sales</b>               | 280 522        |
| <b>Cost of sales</b>       | 265 981        |
| <b>Gross profit</b>        | 14 541         |
| <b>Expenses</b>            | 2 953          |
| <b>Profit for the year</b> | 11 588         |

**Figure 1**

- (iii) Calculate, to two decimal places, the profit for the year margin for 2019.  
You are advised to show your workings.

(2)

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- (f) Explain **one** advantage for small retailers of using a cash and carry warehouse.

(3)

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(g) Explain **one** reason why an agenda might be prepared for a meeting.

(3)

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*Amazon* has more than 175 warehouses across the world. Some warehouses are very large so that *Amazon* can store the thousands of products that it sells. Many products will be delivered the day after they are ordered.

(h) Analyse how these warehouses benefit *Amazon*.

(6)

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



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- 2 (a) Which **one** of the following would a supplier send to a business that had received damaged products?

Select **one** answer.

(1)

- ☐ **A** A credit note
- ☐ **B** A postal order
- ☐ **C** A standing order
- ☐ **D** A debenture

- (b) Which **one** of the following is the most suitable form of communication to discuss a new product with managers in different countries?

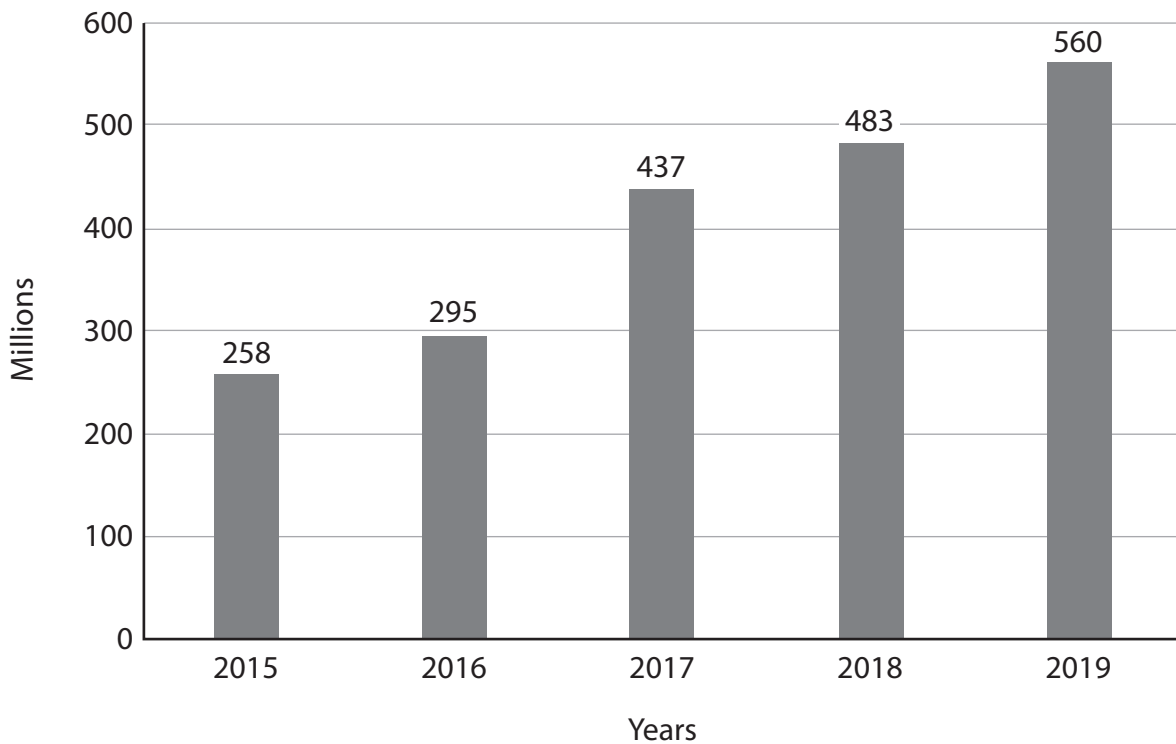
Select **one** answer.

(1)

- ☐ **A** An email
- ☐ **B** A telephone call
- ☐ **C** A videoconference
- ☐ **D** A face-to-face meeting



(c) **Figure 2** shows the number of internet users in India from 2015 to 2019.



**Figure 2**

(i) Identify which year had the smallest number of internet users.

(1)

(ii) Identify how many internet users there were in 2017.

(1)

(d) Define the term **average inventory**.

(1)

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(e) Explain **one** reason why a business might use **competitive advertising**.

(3)

(f) Explain **one** benefit to a business of being paid by direct debit.

(3)



*Gogoro* manufactures and sells electric scooters in Taiwan. Many city workers use them as cheap transport.

The Taiwanese government values the environmental benefits of electric scooters. *Gogoro* is planning to launch its new Viva model for a price of \$3 600. The government will give a 50% subsidy for each Viva scooter sold and this will allow *Gogoro* to reduce the selling price.

The batteries *Gogoro* fits to its scooters are of the highest quality and expensive. Scooter owners have to regularly exchange their flat batteries for fully charged ones, only available from *Gogoro*.

*Gogoro* wants to improve its commercial performance and increase profits. It is considering the following two options:

**Option 1:** increase the sales of electric scooters

**Option 2:** buy cheaper, lower quality batteries.

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

(9)

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(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.**

*Big Blue* is a fashion business with 22 stores in South Africa. It uses only local designers and locally made fabrics to design and produce its wide range of unique dresses, trousers and clothes for men, women and children. Its bestselling item is a T-shirt with varying logos that show its pride in African heritage.

- 3** (a) Which **one** of the following is an example of a point of sale promotion?

Select **one** answer.

(1)

- ☐ **A** A local sponsorship
- ☐ **B** A magazine advertisement
- ☐ **C** A carrier bag
- ☐ **D** A credit card

- (b) Which **one** of the following may be a reason *Big Blue* holds face-to-face meetings with its designers?

Select **one** answer.

(1)

- ☐ **A** To keep written records of the meeting
- ☐ **B** To touch the local materials
- ☐ **C** To plan future meeting dates
- ☐ **D** To agree to send the prices by email

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- (c) State **one** way the South African government could help *Big Blue* export products abroad.

(1)

- (d) Complete the statement of account to show the missing amounts.

(2)

| <b>STATEMENT OF ACCOUNT</b>                                            |           |        | <b>Big Blue</b>                                    |            |
|------------------------------------------------------------------------|-----------|--------|----------------------------------------------------|------------|
| To: <i>Big Blue</i><br>Clearwater Mall<br>Johannesburg<br>South Africa |           |        | From: Wild Designs<br>Johannesburg<br>South Africa |            |
| 25 August 2020                                                         |           |        | Ref: 150                                           |            |
| Date                                                                   | Ref       | Amount | Credit                                             | Amount Due |
| 04.08.2020                                                             | S1 1002   | R 150  |                                                    | R 150      |
| 11.08.2020                                                             | S11 10016 | R 600  |                                                    | R 600      |
| 20.08.2020                                                             | CR 20560  |        | R 175                                              | (R 175)    |
| <b>Subtotal</b>                                                        |           |        |                                                    | (i).....   |
| <b>Opening Balance</b>                                                 |           |        |                                                    | R 1 250    |
| <b>Total due</b>                                                       |           |        |                                                    | (ii).....  |

Payment due by: 30 September 2020

Please make payments to Wild Designs

**Figure 3**



Customers can open an account with *Big Blue* and make a payment each month for three months. There is no interest charged.

- (e) Analyse the benefit to *Big Blue* of allowing customers to pay for their purchases by spreading the interest-free payment over three months.

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*Big Blue* wants to keep in contact with its customers and inform them of its latest fashions as demands change. It always wants to attract new customers and encourage them to buy more of its original designs.

*Big Blue* is considering two options:

**Option 1:** offer a specially designed free T-shirt with all purchases

**Option 2:** open an online shop.

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

(9)



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(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.**

Nigeria has very few trains that are suitable for carrying agricultural freight across the vast country. Deliveries of manufactured products are by road and are often delayed by congestion in ports and cities. There are too few roads across Nigeria and these roads are poorly maintained. All this can increase the cost of deliveries for businesses. The Nigerian government plans to improve the road and rail network in the near future.

*Kobo360* is based in Nigeria and operates a website to connect and support companies needing transport for a wide range of products using Nigerian roads. With 13,000 different trucks travelling all over the country, it has specialist knowledge of the best routes and the current problems on particular roads.

Using its mobile applications, businesses can choose the most suitable truck for its products and have it delivered quickly.

- 4** (a) Outline **one** advantage for farmers in remote areas of using trains to transport their agricultural products to the cities.

**(2)**

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(b) Analyse the likely benefits to businesses of using *Kobo360* to transport their products.  
(6)

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In 2018 three venture capitalists saw a potential of growth for *Kobo360*. Demand for transport services was likely to increase to other African countries because of increasing trade and improved roads. The venture capitalists invested \$250 000 in *Kobo360* to fund its growth.

- (c) Evaluate whether the use of venture capital is a good source of finance to help *Kobo360* grow. You should use the information provided and your own knowledge of commerce.

(12)



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(Total for Question 4 = 20 marks)

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

