

Please check the examination details below before entering your candidate information

Candidate surname

Other names

Centre Number

Candidate Number

## Pearson Edexcel International GCSE

**Tuesday 19 November 2024**

Morning (Time: 1 hour 30 minutes)

Paper  
reference

**4BS1/02**

### **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 ►

P75961RA

©2024 Pearson Education Ltd.  
V:1/1/1/1/1



P 7 5 9 6 1 R A 0 1 2 0

  
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:

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

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA



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

Some questions must be answered with a cross . If you change your mind about an answer, put a line through the box  and then mark your new answer with a cross .

- 1 The first *Premier Inn* hotel was opened in 1987. *Premier Inn* now has over 820 hotels in the UK, United Arab Emirates (UAE) and India with over 83,000 rooms. It has recently expanded by opening the first *Premier Inn* in Germany and has plans to open more in other countries.

The majority of the hotels have restaurants with facilities for guests to buy meals and drinks.

- (a) (i) Which **one** of the following is the break-even point on a break-even chart?

Select **one** answer.

(1)

- A When fixed costs and variable costs are the same
- B When total costs and fixed costs are the same
- C When fixed costs and total revenue are the same
- D When total costs and total revenue are the same

- (ii) Which **one** of the following is a benefit to a franchisee?

Select **one** answer.

(1)

- A The franchisee can buy supplies from any supplier
- B The franchisee is given support from the franchisor
- C The franchisee is guaranteed a set wage
- D The franchisee has total control

- (iii) Which **one** of the following is an advantage of job production when compared to other methods of production?

Select **one** answer.

(1)

- A Workers will be better motivated
- B Production speeds will be faster
- C Unit costs will be the same
- D Less training will be needed

The cost of getting a room ready for customers at the UAE *Premier Inn* is 325 Arab Emirates Dirham (AED).

*Premier Inn* then adds 25% for other expenses including salaries.

- (iv) Which **one** of the following would be the total amount paid in AED by a customer for a room?

Select **one** answer.

(1)

- A** 81.25
- B** 243.75
- C** 350.00
- D** 406.25

**Figure 1** – Extract from *Premier Inn* financial report in 2021–2022.

	<b>2021</b> <b>£ millions</b>	<b>2022</b> <b>£ millions</b>
Revenue	249.60	772.80

**Figure 1**

- (v) Which **one** of the following is the percentage increase in revenue from 2021 to 2022.

Select **one** answer.

(1)

- A** 5.23%
- B** 67.70%
- C** 209.62%
- D** 523.20%

- (vi) Which **one** of the following is an internal source of finance for a business?

Select **one** answer.

(1)

- A** Crowdfunding
- B** Loan capital
- C** Personal savings
- D** Venture capital

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

(b) Define the term **job description**.

(1)

.....

.....

.....

(c) Define the term **public corporation**.

(1)

.....

.....

.....

(d) State **one** reason why *Premier Inn* managers would delegate tasks to hotel employees.

(1)

.....

.....

.....



To encourage people to stay at a new German hotel, *Premier Inn* offers a 12.5% discount on a room for the first night only.

The price for one night is €89.25.

- (e) Calculate, to two decimal places, the price for the first night after the discount has been applied. You are advised to show your working.

(2)

€.....

- (f) Explain **one** advantage of using focus groups when carrying out market research.

(3)

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....



DO NOT WRITE IN THIS AREA

Premier Inn plans to open more hotels in India.

(g) Analyse the benefits for India of these plans.

(6)

Area with horizontal dotted lines for writing the answer.

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



2 *Premier Inn* wants to retain its employees so it can continue to maintain the service it provides for guests.

(a) State **one** activity carried out by the marketing functional area at *Premier Inn*. (1)

.....

.....

.....

(b) State **one** reason why *Premier Inn* uses seasonal employees. (1)

.....

.....

.....

(c) Explain **one** reason why a business would use robotics in its production. (3)

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....



DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

(d) Explain **one** reason why a business might use sponsorship.

(3)

Dotted lines for writing.

(e) Explain **one** advantage for a country of being in a trading bloc.

(3)

Dotted lines for writing.



To be competitive in India, *Premier Inn* must make sure that it uses the correct pricing strategy. It is considering the following two options:

**Option 1:** competition pricing

**Option 2:** promotional pricing.

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

(9)

Area with horizontal dotted lines for writing the answer.



DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

(Total for Question 2 = 20 marks)



3 *Premier Inn* employees play an important part in the running of its hotels and providing a good service. If they provide a good service, it means guests may return.

(a) Define the term **net cash flow**.

(1)

.....

.....

.....

(b) Outline **one** possible reason why prospective employees at *Premier Inn* complete an application form.

(2)

.....

.....

.....

.....

.....

.....

Employees of *Premier Inn* earn £15.27 per hour when working overtime.

(c) Calculate, to two decimal places, what an employee would earn if they worked six hours of overtime. You are advised to show your working.

(2)

£ .....



(d) Analyse the benefits for *Premier Inn* of motivating its employees.

(6)

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

Area with horizontal dotted lines for writing.



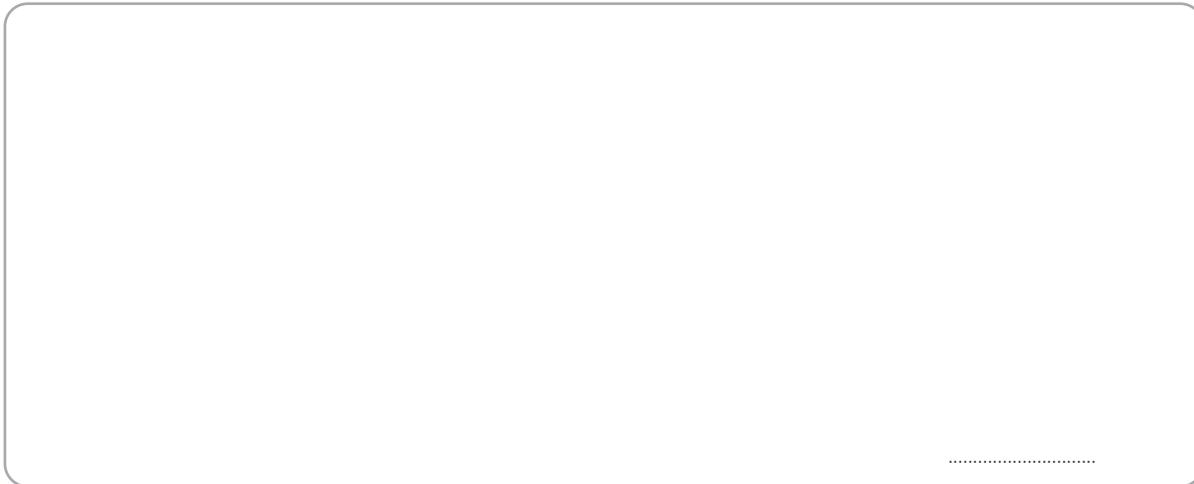




4 In 2022 the current assets for *Premier Inn* were £9 566 million and current liabilities were £5 447 million.

(a) Calculate, to two decimal places, the current ratio in 2022. You are advised to show your working.

(2)



DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA





(c) Evaluate why a business such as *Premier Inn* would only consider profit to measure its success. You should use the information provided as well as your own knowledge of business.

(12)

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA



DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

(Total for Question 4 = 20 marks)

**TOTAL FOR PAPER = 80 MARKS**



DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

DO NOT WRITE IN THIS AREA

**BLANK PAGE**

**Sources:**

<https://uk.globaldatabase.com/company/premier-inn-hotels-limited>

[https://cdn.whitbread.co.uk/media/2021/05/21175600/23076\\_Whitbread\\_AR2020\\_web-1.pdf](https://cdn.whitbread.co.uk/media/2021/05/21175600/23076_Whitbread_AR2020_web-1.pdf)

