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## Pearson Edexcel International GCSE

### Friday 16 May 2025

Afternoon (Time: 1 hour 30 minutes)	<b>Paper reference</b>	<b>4BS1/02R</b>
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## Business

### PAPER 2: Investigating large businesses

<b>You do not need any other materials.</b>	Total Marks
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### 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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**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:**

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

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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



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

<b>Opening balance</b>	€76 000
<b>Cash inflow</b>	€54 000
<b>Cash outflow</b>	€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)

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(Total for Question 1 = 20 marks)





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(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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(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)

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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)

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(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)

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

(6)

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**(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](https://en.wikipedia.org/wiki/Paco_Rabanne) 27/12/2023

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

