

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)

Friday 31 May 2024

Afternoon (Time: 1 hour 30 minutes)

Paper reference 4CM1/02R

Commerce

PAPER 2: Facilitating commercial operations

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.*
- 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 ►

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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 short-term finance?

Select **one** answer.

(1)

- ☐ **A** Debentures
- ☐ **B** Factoring
- ☐ **C** Company shares
- ☐ **D** Venture capital

- (b) Which **one** of the following is a request for payment?

Select **one** answer.

(1)

- ☐ **A** An invoice
- ☐ **B** An advice note
- ☐ **C** An enquiry
- ☐ **D** A receipt

- (c) Define the term **bank giro (credit transfer)**.

(1)

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- (d) Define the term **hire purchase**.

(1)

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(e) *Blue Bottle Coffee* started in 2017, selling takeaway coffee and roasted coffee beans.

(i) State **one** benefit for *Blue Bottle Coffee* of having a bank account. (1)

(ii) State **one** way *Blue Bottle Coffee* could benefit from trade credit. (1)

Figure 1 shows some details of roasted coffee beans bought by *Blue Bottle Coffee* in 2023 on credit.

Credit	Interest rate per year
\$7 500	8%

Figure 1

(iii) Calculate the interest *Blue Bottle Coffee* will be charged in 2023. You are advised to show your working. (2)

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(f) Explain **one** benefit to a customer of using a credit sale.

(3)

(g) Explain **one** benefit to a customer of having a savings account.

(3)



Blue Bottle Coffee now has coffee shops all over the US and a global website that sells coffee to online customers. It aims to support customer concerns about the environment.

It has introduced a range of EcoCups for shop customers and those who want a takeaway coffee. The EcoCup is made from natural materials that result in less waste when customers dispose of their cups.

Most *Blue Bottle Coffee* is organic. This means its suppliers must grow the coffee beans using organic methods.

- (h) Analyse how increasing concern about environmental matters might impact on the way *Blue Bottle Coffee* advertises its products.

(6)

(Total for Question 1 = 20 marks)



2 (a) Which **one** of the following is a bulk carrier?

Select **one** answer.

(1)

- ☐ **A** A cruise liner carrying passengers
- ☐ **B** A container ship transporting containers
- ☐ **C** A single deck ship carrying one type of cargo
- ☐ **D** A ferry transporting people across a large river

(b) Which **one** of the following products would a warehouse stock in large quantities to meet seasonal demand?

Select **one** answer.

(1)

- ☐ **A** Reading glasses
- ☐ **B** Sunglasses
- ☐ **C** Toothpaste
- ☐ **D** Baby soap



(c) **Figure 2** shows the number of letters posted in five regions in 2020.

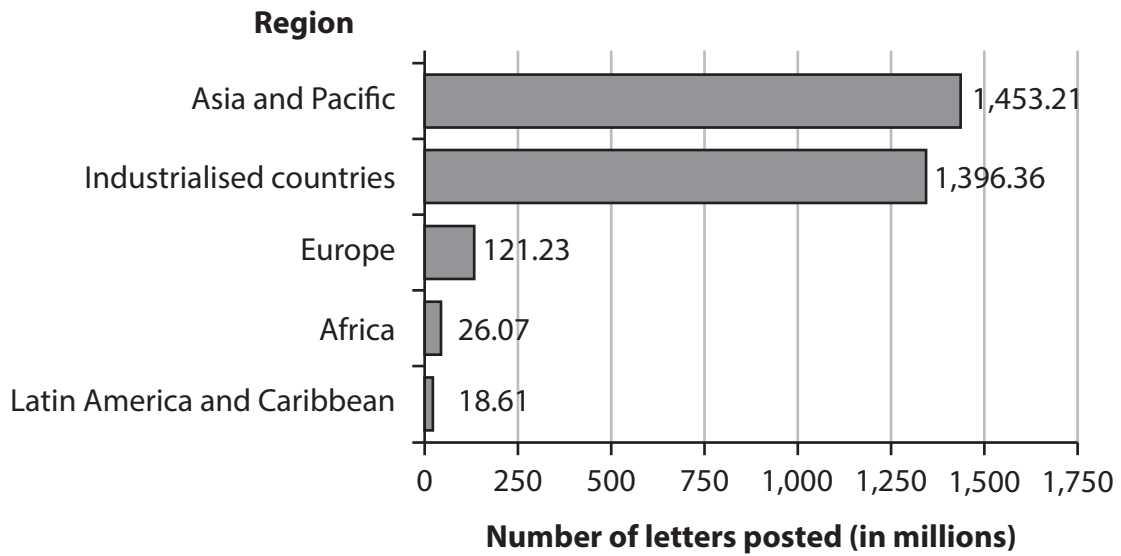


Figure 2

(i) Identify the region with the largest number of posted letters.

(1)

(ii) Identify how many letters were posted in Africa in 2020.

(1)

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

(1)



P 7 5 8 4 8 A 0 7 2 0

(e) Explain **one** benefit to a business of using crowdfunding to finance a new project.

(3)

(f) Explain **one** reason why a business has minutes of its meetings.

(3)



In 2016, mother and daughter, Hetal and Lekhinee Desai started *The Indian Ethnic Co* (TIEC). They bought some fabric and used local tailors to make the long traditional Indian tops known as kurtas.

Lekhinee began a social media marketing campaign. She created a Facebook page, posted some pictures of the completed outfits and sent the link to all her friends. The next day *TIEC* received its first orders from the Indian regions of Goa and Kerala.

Lekhinee managed the marketing. For two years she used free marketing and only sold through social media. Orders rapidly increased and the business and brand grew, allowing it to build retained profits.

Lekhinee wants to promote the *TIEC* brand internationally. Since 2018, *TIEC* has enough money to pay for professional marketing.

Lekhinee is considering the following two options:

Option 1: launch a *TIEC* website

Option 2: attend international trade fairs.

(g) Justify which **one** of these two options *TIEC* should choose to promote the brand internationally.

(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.

Whole Kids is a family business in Australia. It makes luxury, organic and healthy foods for babies and children. Its products are available in major retail outlets across Australia. *Whole Kids* exports to the Middle East and Asia where buyers use different currencies. It is planning to start exporting to China. As global shopping patterns have changed, *Whole Kids* has launched its own ecommerce site.

- 3 (a) Which **one** of the following is a consular service?

Select **one** answer.

(1)

- ☐ **A** A chamber of commerce
- ☐ **B** A trade organisation
- ☐ **C** A government
- ☐ **D** An office assisting people abroad

- (b) Which **one** of the following approaches to advertising would *Whole Kids* use to say its baby food is better than its rivals?

Select **one** answer.

(1)

- ☐ **A** Collective
- ☐ **B** Persuasive
- ☐ **C** Competitive
- ☐ **D** Informative

- (c) State **one** banking service *Whole Kids* may use when making business trips abroad.

(1)

- (d) Complete the quotation below to show the missing amounts.

Whole Kids South Melbourne Australia		Quotation Date: 28/02/2023 Quote number: 00121 Customer number: SY02522 Valid until: 28/03/2023		
CUSTOMER: Qantas Airlines Sydney Australia				
Item	Description	Quantity	Unit price \$	Total \$
AO11	Banana and apple frooshies	(i)	6.95	1 668.00
BF23	Organic vanilla cookies	480	2.95	1 416.00
Total due				(ii)

Figure 3

(2)



(e) Analyse how an overseas agent could help *Whole Kids* successfully export to China.

(6)

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Monica and James Meldrum started *Whole Kids* in 2005 because they wanted healthy food for their own children.

Whole Kids uses only high quality, organic ingredients. It does not add any artificial colours or preservatives.

Monica and James had to compete with big food companies. They have been very successful. By 2017 annual sales turnover reached seven million Australian dollars.

Whole Kids sales are still growing. It wants to increase its profit margins.

It is considering the following two options:

Option 1: increasing its selling prices

Option 2: finding cheaper suppliers.

(f) Justify which **one** of these two options *Whole Kids* should choose to help it increase its profit margins.

(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.

Nike sells sportswear including running shoes and football kits to retailers across the world. Its brand is well known and in high demand. As internet shopping has become more popular, *Nike* now sells direct to customers through its online store. It aims to further develop this ecommerce site.

Nike has opened several regional distribution warehouses across the US and Europe. These are used when selling direct to customers.

Four distribution warehouses are now open across the US. Deliveries are often made by road. *Nike* opened a new regional distribution warehouse in the south of Europe to support its warehouse in Belgium in northern Europe.

- 4 (a) Outline **one** benefit to *Nike* of delivering its products by road in the US.

(2)

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(b) Analyse why *Nike* has increased the number of regional distribution warehouses it operates.

(6)

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Nike aims to be digitally connected with its customers. It has created Nikeland, a free digital world of sport.

Visitors to Nikeland can test their skills competing in various mini-games. If a visitor wants to play football, they can dress their digital person in the latest *Nike* sportswear kits and experience a digital game. Players in Nikeland games win ribbons and medals. There is a Nikeland tool kit that creative visitors can use to easily design their own mini-games from interactive sports materials.

- (c) Evaluate how Nikeland helps *Nike* promote its ecommerce sales. You should use the information provided and your own knowledge of commerce in your answer.

(12)

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(Total for Question 4 = 20 marks)

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



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Source information

Q1 adapted from: <https://www.cnn.com/2019/07/12/blue-bottle-coffee-went-from-single-coffee-cart-to-700-millionbrand.html>

and

<http://magazine-b.com/en/blue-bottle-coffee/>

and

<https://www.americanexpress.com/en-us/business/trends-insights/articles/building-empire-james-freeman-bluebottle/>

and

<https://www.statista.com/topics/1248/coffee-market/#dossierKeyfigures>

Q2 adapted from: <https://lb-aps-frontend.statista.com/statistics/737171/international-letter-post-traffic/>

and

<https://theindianethnicco.com/pages/about-us>

and

<https://yourstory.com/smbstory/mother-daughter-duo-sewed-ethnic-wear-business-home/amp>

Q3 adapted from: <https://www.wholekids.com.au/about-us/>

and

<https://www.foodbusinessafrica.com/australian-organic-childrens-snack-company-whole-kids-to-launch-in-china/>

