**LO1 Understand how to target a market – Key Terms**

|  |  |
| --- | --- |
| **Key Term** | **Definition** |
| Market |  |
| Target Market |  |
| Customer Retention |  |
| Market/Customer Segmentation |  |
| Market Share |  |
| Market Research |  |
| Primary/Field Research |  |
| Secondary/Desk Research |  |
| Qualitative Data |  |
| Quantitative Data |  |
| Focus Group |  |

**LO2 Understand what makes a product or service financially viable – Key Terms**

|  |  |
| --- | --- |
| **Key Term** | **Definition** |
| Fixed Costs |  |
| Variable Costs |  |
| Total Costs |  |
| Revenue |  |
| Total Revenue |  |
| Profit |  |
| Break-even |  |
| Contribution |  |
| Cash flow |  |

**LO3 Understand product development – Key Terms**

|  |  |
| --- | --- |
| **Key Term** | **Definition** |
| Product lifecycle |  |
| Extension strategies |  |
| Unique selling point (USP) |  |
| Function |  |
| Economic manufacture |  |
| Aesthetics |  |
| Copyright |  |
| Patent |  |

**LO4 Understand how to attract and retain customers – Key Terms**

|  |  |
| --- | --- |
| **Key Term** | **Definition** |
| Competitive pricing |  |
| Price skimming |  |
| Psychological pricing |  |
| Price penetration |  |

**LO5 Understand factors for consideration when starting up a business – Key Terms**

|  |  |
| --- | --- |
| **Key Term** | **Definition** |
| Sole trader |  |
| Unlimited liability |  |
| Franchise |  |
| Franchisee |  |
| Franchisor |  |
| Partnership |  |
| Limited liability |  |
| Memorandum of Association |  |
| Articles of Association  |  |
| Personal savings |  |
| Loan |  |
| Crowdfunding |  |
| Small business grants |  |
| Business angel |  |
| Business plan |  |
| Entrepreneur |  |

**LO6 Understand different functional activities needed to support a business start-up – Key Terms**

|  |  |
| --- | --- |
| **Key Term** | **Definition** |
| Functional area |  |
| Human resources |  |
| Marketing  |  |
| Operations |  |
| Finance |  |