**Topic 1.4 Making the business effective – Key Terms**

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| **Key Term** | **Definition** |
| Limited liability |  |
| Assets |  |
| Incorporated |  |
| Unlimited liability |  |
| Unincorporated |  |
| Sole trader |  |
| Partnership |  |
| Deed of partnership |  |
| Private limited company |  |
| Shareholders |  |
| Franchise |  |
| Franchisee |  |
| Franchisor |  |
| Labour |  |
| Footfall |  |
| Demographics |  |
| National living wage |  |
| Bulk-gaining product |  |
| Bulk-reducing product |  |
| Shopping good |  |
| Topography |  |
| Inertia |  |
| E-commerce |  |
| M-commerce |  |
| Multi-channel |  |
| Undercut |  |
| Price war |  |
| Product differentiation |  |
| Brand loyalty |  |
| Market share |  |
| Recession |  |
| Promotional mix |  |
| Business plan |  |
| SMART objectives |  |
| Market research |  |
| Target market |  |
| Revenue |  |
| Profit |  |
| Cash flow |  |
| Budgets |  |
| Negative cash balance |  |
| Overdraft |  |
| Bank loan |  |