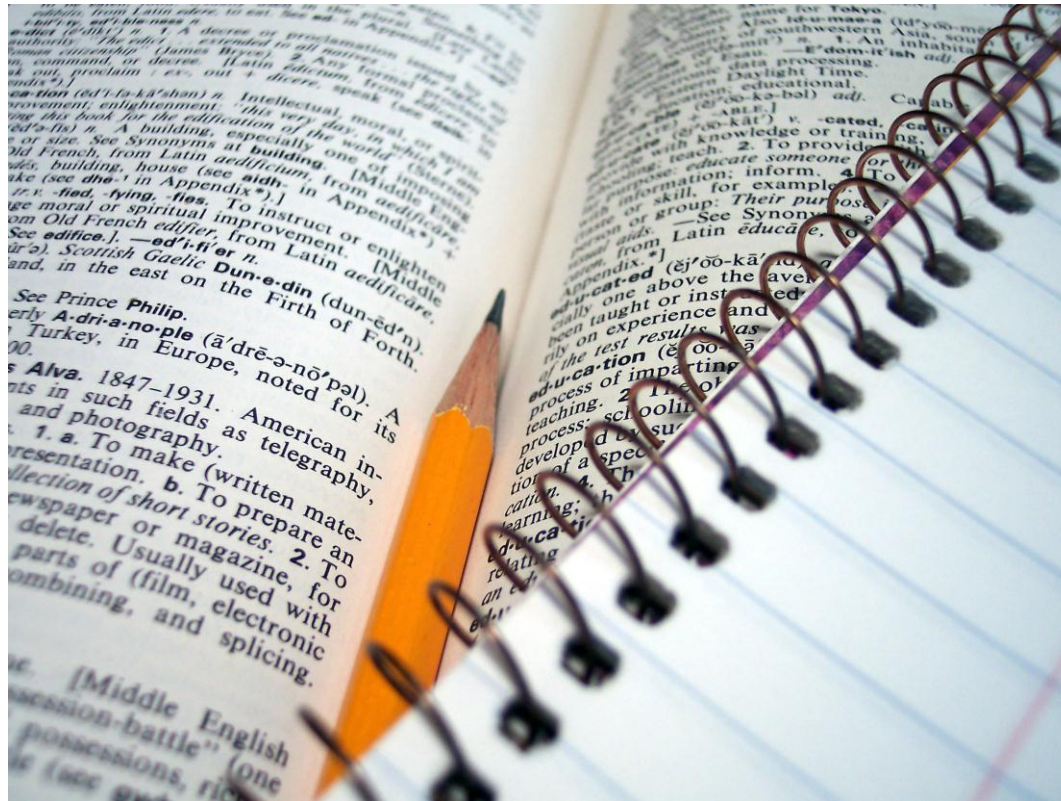


GCSE Business Studies

Key Terms



The following list of words is a comprehensive breakdown of all the main topics covered within the course.

Key Term:	Definition:
Business	The organisation of resources to achieve a reward.
Entrepreneur	An individual with a passion for business who can come up with new ideas.
Social enterprise	An organisation set up to help society rather than make money.
Gap in the market	A business opportunity that is completely new or adds something new to an existing product or service.
Franchise	The legal right to use the name and logo of an existing firm.
Aim	An overall target for the business.
Objective	A clearly defined target for the business over a certain period of time.
Growth	An increase in turnover, market share, profit or size (e.g. outlets, employees etc).
Profit	Revenue - costs (if there is money left it is profit).
Sales	The amount sold or the value sold (e.g. 100 units or £500)
Customer satisfaction	How happy the customer is with the product or service.
Ethics	The moral questions on which decisions are made.

Turnover	The value of sales made during a trading period, also called revenue.
Stakeholder	Someone who has an interest in a business e.g. community, customers, managers, shareholders etc.
Business plan	A statement showing how a business sets out to achieve its aims and objectives.
Funding	The money provided to run the business (both short and long term).
Forecast	Where the business attempts to estimate future sales or costs.
Risk	The potential for loss but possibly higher rewards.
Uncertainty	Not knowing the future or what is going to happen.
Sole trader	A business owned by one person.
Partnership	Where a business is owned by 2-20 people.
Unlimited liability	The owners are personally responsible for the debts of the business (only applies to sole traders and partnerships).
Incorporation	The process of forming a limited liability company (such as an Ltd or a Plc).
Limited liability	Investors (shareholders) can only lose their initial investment in the business, even if the business goes into debt.

Logistics	The process of buying, managing and delivering goods.
Market	A place where buyers and sellers meet.
Mail order	Direct marketing through mail shots, leading to goods being delivered directly to the customer.
Market research	Research that enables a firm to find out about its market, customers and potential customers.
Primary research	Gathering new information specifically for the needs of the business.
Secondary research	Research that uses information that has already been gathered for another purpose.
Questionnaire	A set of questions designed to discover information relating to a product or service.
Internet research	Using published information from the internet (secondary)
Telephone survey	A series of set questions asked over the telephone (primary)
Supplier feedback	Gathering information from suppliers on their forecasts for the future.