

## Cambridge International Diploma in Business – Advanced Level

### Glossary of Terms

<b>5171 Business Organisation and Environment</b>	
break-even	the point at which a company's revenue equals costs; the point beyond which a company begins to make profit, i.e. fixed costs are absorbed and profit is made by deducting variable costs from additional revenue
budgeting	financial planning involving forecasts of sales, costs, profits, cash flows
business confidence	reflects optimism or pessimism about the ongoing and future business prospects
business (or enterprise) culture	the economic, political and social climate which encourages business (especially small and medium-sized businesses) and the profit motive
casual employee	usually paid by the hour or day and taken on only when needed
centralisation	all authority to take decisions is held by the senior manager(s)
chain of command	refers to the levels of management and the way authority is organised
codes of conduct	company regulations governing employee behaviour, dress and personal adornment
competitiveness	reflection of, e.g. organisation skills, market strategy and penetration, pricing, cost control
<i>communications</i>	the exchange, i.e. sending and receiving, of information
horizontal communications	information exchanged at the same level, e.g. departments
vertical communications	information sent up and down the chain of command
consultation	the process of seeking the views of others before coming to a decision
consumer credit	the means by which people can defer full payment for goods by entering a credit contract, e.g. hire purchase; aka (also known as) 'buy now, pay later'
consumer protection	legislation and regulation designed to protect consumers from fraudulent sales methods and goods which are not fit for the purpose intended nor of merchantable quality
co-operative society	a mutual organisation financed, owned and run by its members
costs: direct or variable	costs which vary with output, e.g. piece rates costs not directly attributable to a product
indirect or fixed	costs which have to be paid whether or not there is any production
marginal	the cost of producing one extra unit
customer profile and psychological factors	the description of an organisation's customers in terms of, e.g. age, class, income, residential area, profession and the factors which influence their buying patterns
customer services	activities which affect the process of buying, e.g. after-sales service, free delivery, credit schemes
debenture	this is properly called stock; it is a means of raising long-term capital for a company; the assets of the company are collateral so if the debenture holders are not paid their annual interest then they can sell assets
decentralisation	authority to take decisions is delegated downwards through the chain of command; gives more responsibility to employees
director	a private or public company acts through human agents, i.e. directors who have the overall responsibility for the policies and direction of the organisation
disposable income	the amount a person has left out of wages or salary after the payment of taxes and essential expenses; the more disposable income people have, the more is spent on luxuries
dispute	conflict between employees and management
economic growth	measures how much an economy produces and how much the income per head increases over a period of time

<i>economy</i>	the nation seen or considered in terms of its business activity
market economy	relies on the market mechanism, i.e. interaction between supply and demand, to determine the allocation of resources
mixed economy	an economic system allowing both the state and the free market to allocate resources
planned economy	production and distribution are organised by the state
enterprise	generally a business but it also refers to a person's ability to create and organise business
external environmental pressures	factors or influences beyond the control of a business, e.g. government regulation, import controls
fixed-term contract	an employment contract offering work for a specific period of time, e.g. 18 months
flexitime	an arrangement allowing employees to complete their working week at times largely convenient to them, but generally a minimum number of hours must be worked in any particular time period but starting and finishing times are flexible
freelance	a self-employed fee-earning person who sells expertise to a variety of clients
goal setting	goals are objectives or targets which can be used to measure the success, progress or failure of a business
grievances	complaints brought by employees because of real or alleged breaches in the terms and conditions of employment
incentive	financial (or non-financial) reward to stimulate employee performance
inflation	a fall in the value of money; tendency for prices to rise faster than wages
investment allowance	a tax incentive to allow a company to claim tax relief on a major investment, e.g. new factory, installation of hi-tech equipment
inward investment	capital attracted to a region or a country from outside, i.e. an importation of financial support
jargon	language or terms used specifically by an industry or profession; expressions which mean little to those not involved in a particular business activity
job creation schemes	government and/or business-sponsored schemes to create work and employment in economically depressed areas
job sharing	a means by which a full-time job can be undertaken by two people working part time, e.g. 21/2 days each
<i>leadership style</i>	the ways in which the head or senior management team of an organisation treats and deals with employees; the style will determine the degree of trust, flexibility, consultation and delegation
autocratic	objectives and tasks are dictated from the top
democratic	permits involvement in decision-making
laissez-faire	allows employees to undertake tasks with minimal direction and supervision
participative	consultation with staff before making decisions
leasing	acquiring assets by renting or hiring
manager	a person responsible for planning, co-ordinating and directing resources; general term identifying an organisational role from supervisor to managing director
margin of safety	this is the amount demand can fall before a business slips below the break-even point and makes a loss
market penetration	strategy based on pricing (e.g. destroyer) to achieve a high market share
<i>market place</i> : domestic	buying and selling in the home market, i.e. own country trading in other countries
global	a presence on all continents
international	conducting business on a world-wide basis
market research	the process of investigating and analysing information about market behaviour and possibilities

marketing mix	the marketing variables of price, product, place and promotion (aka 4Ps); the most important is product
marketing planning	a business's objectives and its market strategy
mission statement	statement or policy detailing the aims and objectives of an organisation; provides a focus for both employees and clients
motivational methods	ways of encouraging employees to work efficiently and effectively, and to help satisfy their needs
mutuality sector	contains the not-for-profit organisations, e.g. charities, life assurance societies, co-operatives
nationalised industry	majority or all of an industry in state ownership, i.e. the public sector; controlled and financed by the government
negotiation	process by which opposing interests, e.g. employees and employers, try to come to mutually acceptable decisions
objectives	the long-term targets of a business
<i>organisational structure</i>	the formal organisation of a company which may adopt one or a mixture of forms
committee	a means to determine policy; encourages employee participation; offers opportunity to debate issues; used widely in local and national government
functional	the flow of responsibility and authority determined by function rather than departmental structure
line	simple structure based on functional departments, clear line of responsibility and authority from top to bottom
line & staff	combination of line and functional; managers have advisory rather than executive authority
matrix	a way of organising a business by putting functional managers in charge of teams of specialists (who are also responsible to line managers)
overheads	aka indirect or fixed costs, e.g. rent, lighting and heating
partnership	business owned and financed by 2 to 20 (more in certain cases like banking) partners; unlimited liability
planning permission	in order to build, say, a new factory or office block, permission from an appropriate authority, e.g. local government, must be sought
plough-back profits	to retain profits for renewal and expansion
pressure group	a group of people with a specific campaign (e.g. a protest against an airport extension or whale hunting) who seek to influence the policy and decision makers
<i>pricing:</i>	
absorption cost	aka full cost pricing: each product item must bear its share of indirect costs or overheads
contribution	a contribution is made to indirect or overhead costs so long as the price is more than the variable or direct cost
cost-plus	average cost of production plus mark-up
customer-value	price reflects what people are prepared to pay to obtain status products
destroyer	aka predatory pricing: reducing prices to eliminate or 'destroy' the competition
discounts and sales	reductions in price for purchasing in quantity or paying cash for a large item, and periodic reductions in price to clear stock
market-led penetration	price is dictated by what the market can bear: used to introduce a new product in the market; price is attractive enough to encourage customers to switch brands; in the longer term once brand loyalty has been established the price may rise
price discrimination	offering the same product or service at different prices, e.g. concessionary rail fares for pensioners or students
skimming	charging a higher price for a new product but for a limited period; high profits are made whilst the product is without competition

private company	usually a small or medium-sized organisation, often a family business; not quoted on the stock exchange; has limited liability
productivity	measures the efficiency of an organisation generally in terms of output per employee
profit	the remainder after all costs have been deducted from revenue; it is the reward for taking business risks, i.e. the justification for being in business
public corporation	major business organisation in the public sector; similar to nationalised industry
public limited company	likely to be on the stock exchange; large business identified by plc at the end of its name; wide spread of shareholders
quality circles	shopfloor discussion groups whose task is to provide solutions to quality problems
resources	renewable or non-renewable; essentially the factors of production, i.e. land, labour, capital and enterprise
rolling contract	an employment contract for, say, six months which may be extended at any time but for not more than six months, i.e. it is possible for a person to have been employed by a firm for three years on a series of contract extensions
shares	shares represent part ownership and shareholders are the owners of a company; shares earn an annual dividend and give the holders the right to vote at the AGM
SME	small and medium-sized enterprise. A small business has between 10 and 99 employees and a turnover of less than about \$2.2m; a medium-sized business employs 100 - 499 people with a turnover of \$2.2 - 9.2m.
social costs	the costs to the whole community of a business decision, i.e. if an organisation reduces its labour force then the unemployment affects the entire community
sole trader	mostly a one-person business but essentially a business which is the financial responsibility of one person
span of control	the number of people working directly under a manager
staff association	similar to but not to be confused with a trade union; represents employees' interests in a particular organisation but tends to be 'white collar'
subsidies	payments made by government to an industry or organisation to help it, e.g. to compete against foreign competition or to take on more labour in a depressed region
substitute goods and services	availability of alternatives
<i>taxation:</i>	
direct	taxes levied on individuals and companies
indirect	taxes on goods and services, e.g. Value Added Tax (VAT) or fuel tax
team working	employees working on a complete project rather than specialising and (probably) undertaking repetitive work
teleworking	working from home but being linked to the organisation electronically; modern technology enables an employee to work any distance away from the organisational centre
trade association	an organisation set up by the members of a trade or industry to represent their business interests, e.g. lobby government, undertake research etc.
trade credit	business debt to its suppliers; usual credit period, i.e. time given to pay the invoice, is one month or 30 days, but it can be as long as 90 days
trade cycle	the regular or cyclical movement in the economy from slump to boom, downturn to upturn (although most cycles are not so extreme); thought to be about five years
trade union	an organisation which represents employees' interests, e.g. pay and conditions, either on a trade or industry basis

transport infrastructure	the network of road, rail, water and air links in a country
turnover	the sum total of all sales in a trading period
venture capital	firms, mostly SMEs, in need of development capital are financed by merchant banks; considered high risk capital which is usually in the form of a loan and shares
workforce planning	the effective employment of people; forecasting an organisation's requirements taking into account, e.g. the number of employees, training, retirements etc.

<b>5172 Effective Business Communication</b>	
abstract	document that summarises information
action points	a list of actions that must be undertaken by selected individuals, which has been agreed at a meeting
agenda	a document that is followed during a meeting that outlines the programme of discussion, time allocated for discussion etc.
aims	long-term intentions
appendices	an addition to a report that contains explanatory information not necessary to the report as a whole, or if it were to be included in the report it would interrupt the flow of text
bar chart	a diagram that gives a quick comparison between variables, e.g. number of people working in each department
briefing	meeting held to give instructions
business graphics	visual diagrams which give a clear representation of data
chairperson	person responsible for the smooth running of a meeting
communication	the process of transferring information from one person to another
communication channels	the routes taken that allow communication to take place
consultation	a meeting for discussion and information to be considered; normally the final decision is not made at this meeting
counselling interview	advice and information given
criteria	the basis against which the standard is measured
database	system that holds an accumulation of information that can be manipulated in certain ways
desk-top publishing	computer software packages that allow both graphics and text to be manipulated in certain ways
disciplinary interview	meetings to discuss an employee's inappropriate actions
e-mail	electronic mail sent from one computer to another
employment interview	formal interview finding out about a person's suitability for a vacancy within an organisation
external	outside the organisation
flow chart	shows the relationship process and procedures of business activities
formal	information being passed conforms to the official structures set within the organisation
Gantt chart	a horizontal bar chart that displays a project's activities in the order that they need to be carried out and time required
group attributes	the characteristics and qualities associated with a group
hierarchy	the ranking of individuals within an organisation
ideologies	having certain ideas or ways of thinking
inappropriate action	the response or exercises undertaken are unsuitable
inappropriate language	language is unsuitable, i.e. the receiver does not understand terms being used, e.g. jargon
inappropriate medium	method used to convey communication is unsuitable
incompatible technology	systems used do not recognise information being sent and therefore cannot decode message
induction interview	a training programme for new recruits that outlines the job, the layout, health and safety, and security of an organisation
informal	information is passed outside the official channels of communication within an organisation
internal	within the organisation
interviews	special meetings where people can both speak and listen
kinesics	gestures such as shrugs or eye movement
line graph	a diagram that joins the points showing the relationship between two variables

meeting	a gathering of two or more people
memorandum (memo)	an official written internal document for information that is brief or urgent
metacommunications	'pregnant pauses' or silences that allow the receiver to understand the message being sent
minutes	a written record of a meeting that took place which reflects accurately the duration and discussions
multimedia	includes audio elements to computer software programs
non-verbal	body language, eye contact, hand gestures etc.
objective	the plan as to how you will achieve your aims
office automation	technology used in the office
one-way methods	sender receives no feedback
organisational chart	diagram showing the position of management and employees within an organisation
performance appraisal interview	a meeting to discuss the effectiveness of an employee's contribution to the organisation over a period of time
pie chart	a circle split into parts that represent different items
presentation	speech given to an audience
quality circle	a work group that meets to discuss work methods and how these could be improved
report	written business document
route	the method of passing information in an organisation
diagonal	across different levels of the management hierarchy
horizontal	on the same level of the management hierarchy
vertical	up and down the management hierarchy
secretary	person who takes accurate minutes of a meeting
seminar	a group which discusses a particular issue
spreadsheet	used to manipulate data stored as figures, often used for accounting information
table	rows and columns of information (often figures)
termination interview	a meeting to inform an employee of their dismissal
treasurer	the person who is responsible for the funds of an organisation
two-way methods	sender receives feedback
visual communication	message is made clear to recipient by use of graphics, colours and fonts: visual communication cuts down written text and is easier to follow
visual presentation	speech given to an audience using visual aids (graphics and text presented on handouts, overheads, slides or computer generated)
word-processing	used to produce business documents

<b>5173 Business Finance</b>	
<i>accounting:</i>	
cost	a subsidiary of management accountancy which looks to establish precise information regarding the cost of the business activity
financial	the preparation of business accounts from business records
management	preparation of financial statements, reports and data for use by managers
accruals	costs and revenue matched with the period in which they occur
assets	physical items or claims held by a business which have a money value attached to them
tangible assets	physical assets, e.g. land, building equipment etc.
intangible assets	non-physical assets, e.g. patents, trademarks, copyright etc.
current assets	short-term assets which could be converted into cash within one year
fixed assets	longer-term assets which are not liquid in the short term
net assets	total assets minus total liabilities
auditing	an accounting procedure which independently checks the accuracy of a company's accounts
balance sheet	summary of the financial position of a business at a point in time, including liabilities and assets
bank loan	a fixed sum of money lent for a fixed period of time at a fixed rate of interest from one of the commercial banks
bank reconciliation	the agreement of the bank columns of a cash book
book value	the current value of an asset - historic cost minus accumulated depreciation
break-even	the quantity of sales at which total costs equal total revenue
budgetary control	monitoring of financial targets for the future
business entity	business identity as 'an artificial legal person'
capital	the money invested in a business by its owners
capital expenditure	spending on assets which will last for more than one production time period
cash book	a ledger which is used for entry of incoming and outgoing payments
cash flow	cash inflows and outflows over a period of time
consistency	maintenance of valuation decisions
copyright	the exclusive legal right to an originator of material to print, publish, perform or film etc. material.
<i>cost</i>	expense incurred in operating a business
direct costs	costs that a business can link directly with the output of a business, e.g. raw materials
fixed costs	costs which do not vary with number of output units produced
indirect costs	costs which cannot be attributed to just one product
marginal costs	the addition to total costs of producing one extra unit of output
unit/average cost	cost of producing a single unit of output, total cost of production divided by total output
variable costs	costs which vary with the number of output units produced
credit	a positive entry in an account book, recording a payment received
credit note	a supplier's note agreeing or certifying a rebate, usually issued on goods returned
day book	an account book used for the initiation of credit transactions where goods are sold on credit
debit	a negative entry in an account book, recording a payment made
debt factoring	operated by special agencies that 'buy' debts of firms for cash. This is a short-term source of finance where the risk of collecting the debt becomes the factor's.
<i>depreciation</i>	the fall in value of assets over time
reducing balance method	reducing the value of assets by a fixed percentage each year



straight-line method	reducing the value of the asset by calculating the residual value and subtracting from historic cost and dividing by useful life of the asset
disclosure	assumed compliance with accounting standards
double-entry bookkeeping	where entries are made onto books or ledgers as both a credit and a debit
forecast	estimate or calculation of budgets for the future
going concern	the notion that the business will continue to operate ensures that closing balances become opening balances
historic cost	valuation of assets at original cost
incorporated body	a company recognised in law
investment	the production of items that are not for immediate consumption; the purchase by a company of equipment and materials that will add to capital stock
<i>investment appraisal</i>	the analysis of the viability of an investment project
average rate of return	measurement of net return per annum expressed as a % of initial investment
internal rate of return	the rate of return at which the net present value is equal to zero
net present value	the present value of a future income stream minus the initial cost of the investment
invoice	lists of goods shipped or sent, or services rendered with prices and charges
journal	See day book
<i>ledgers</i>	account ruled books used for recording information, in money values, of the day-to-day trading of a business
nominal/general ledger	ledger recording sales, purchase, bank receipts and payments, cash receipts and payments, transfer of money from accounts etc.
purchase ledger	ledger recording goods and services purchased by a business
sales ledger	ledger recording sales made by the business
<i>liabilities</i>	items owed by the business, can be long term or current
current liabilities	liabilities that are likely to require repayment within one year
long-term liabilities	liabilities with a repayment period beyond one year
limited liability	the responsibility to the debts of a business is linked to the initial contribution of capital by the owners
liquidity	the ease with which an asset can be turned into cash
margin of safety	the difference in quantity terms between the break-even point and the full capacity output of the firm
matching	the process of relating costs and revenues to the time period in which they occur
materiality	items ignored if insignificant to overall results
money-cycle	or 'circular flow' refers to the way in which money flows from businesses to households by the exchange of goods and services and factors of production
money terms	values of goods and services expressed accurately in terms of currency units
overdraft	refers to a situation where withdrawals exceed payments in an account
partnership	an association consisting of 2 to 20 people, who agree to contribute money, labour and skill to a business for the benefit of all, and to share the profits and losses
patent	a government authority to an individual or organisation conferring a right or a title
<i>profit</i>	total revenue minus total cost
gross profit	sales revenue minus cost of sales
net profit	gross profit minus trading expenses
profit centre	calculating profit for a particular product or section of a business
profit and loss account	an account showing how the net profit of a business and the retained profit of a company are calculated
ratio analysis	the interpretation of accounts data to aid decision making
raw materials	inputs into production that are provided by nature
realisation	profits earned when products are legally sold
receipt	a record of a payment made

retained profit	those profits kept in the business after the owners have taken their share of the profits
<i>share capital</i>	funds introduced into the business through the issue of shares
authorised	the maximum amount of money that can legally be raised through the sales of shares
bonus (scrip) issue	the 'free' issue of additional shares to existing shareholders from retained profits
issued	the current amount of share capital sold
rights issue	the preferential sale of shares to current shareholders
<i>shares</i>	the division of capital into smaller equal portions
cumulative shares	share which allow for dividends unpaid in one year to be paid in subsequent years
ordinary shares	shares which attract variable dividend payments and have strong voting rights; also known as equities.
Preference shares	shares carrying a fixed rate of dividend which is payable from a company's available profits; shares have limited voting rights
<i>stock valuation</i>	the prudent valuation of the current worth of stocks held
AVCO	Average Cost method
FIFO	First In/First Out method
LIFO	Last In/First Out method
sole trader	a business in which the owner provides the capital and takes all the profits and carries the risk of the business alone
trade credit	an agreement allowing a business to buy goods and services and to pay for them over a fixed period of time
trademark	a device or word secured by legal registration
trading account	the financial statement that records the trading activities of the business and generates the gross profit figure
transnational	an organisation whose operations extend beyond national boundaries
variance analysis	investigating the differences between actual and forecasted figures
venture capital	also known as 'risk capital', where capital is provided by an outside investment wishing to make long-term financial gains
working capital	the excess of current assets over current liabilities

<b>5174 Marketing</b>	
ad hoc market research	a term used to refer to marketing research carried out 'as and when' required
Ansoff matrix	a simple matrix developed by Igor Ansoff to show strategic options for products and markets
attitude surveys	research carried out to establish individuals' feelings or attitudes towards products, concepts etc.
bias	statistical term referring to errors in sample survey results which may be due to the use of an unrepresentative sample or to undue influence upon the response by the agency conducting the survey
competitive advantage	some benefit or value provided by a product or company, often unique to the organisation concerned, that gives it superiority in the market place
concentrated marketing	a strategy by which an organisation goes after a large share of one or a few markets
consumer behaviour	buying habits or patterns of behaviour of consuming public, either in general or in specific groups
consumer panels	groups of consumers selected as representative of the population reporting on their purchases and purchasing behaviour
continuous research	research studies undertaken on a regular ongoing basis; used by many sponsoring companies as a performance-monitoring method
control	measures by which the implementation of a plan can be monitored
corporate objectives	objectives for the organisation as a whole
customer care	a marketing concept in which everyone in the whole organisation is encouraged to think and act with the customer in mind; has special significance in service organisations
customer orientation	preoccupation with customer needs within an organisation; basis for marketing theory and practice which dictates that competitive survival, growth and returns on investment are proper rewards for the achievement of consumer satisfaction
demographic segmentation	the division of a market into groups based on demographic variables such as age, sex, income, occupation, education, religion, race, family size, family life cycle
differentiated marketing	a strategy in which an organisation decides to target several market segments and designs different offers for each
differentiation	providing a product with a benefit, enabling it to be promoted as a unique brand, to a segment of the market which is seen as valuable and for which people will pay as they believe it is not available elsewhere
DMU (decision making unit)	group of people who together contribute to a decision on whether or not, and what to purchase; used more in industrial marketing but can apply, for example, to a consumer situation (e.g. the multiple household); usually comprises specifier, influencer, authoriser, gatekeeper, purchaser and user
field research	that part of a market research survey involving contact with customers or a representative sample of the population
focus groups	a small sample group of typical consumers under the direction of a leader who explores their response to a stimulus such as an advertisement or new product concept
marketing audit	the assessment of a company's market place including its size, the competitors' strengths and weaknesses, distribution channels and the company's present marketing activities and the relating of them to what it should be doing
marketing mix	planned mixture of the elements of marketing in a marketing plan; the aim is to combine them in such a way as to achieve the greatest effect at minimum cost; also referred to as the 4Ps or the 7Ps

marketing objective	where an organisation aims to be in the market place within a specified time; this may be broken down into products and territories coupled with sales turnover figures and market share
marketing orientation	used to describe organisations that seek to identify and quantify customer requirements and to plan output and profitability accordingly
marketing planning process	the process of analysing marketing opportunities, selecting target markets, developing appropriate marketing mixes and putting in measures to control the process
marketing research	any research activity that provides information relating to marketing operations; the term embraces conventional market research but motivation studies, advertisement attention value, packaging effectiveness, logistics, and media research are also included, as well as analysis of internal and external statistics of relevance
market share	the share of a particular market held by an organisation
market trends	direction of developments in a market
niche marketing	directing marketing activities into a market segment or niche
organisational behaviour	the way in which people behave in an organisation, having regard to the corporate hierarchy and corporate culture, and as distinct from consumer behaviour; in marketing, organisational purchasing has been held to be largely objective compared with consumer subjectivity
PEST factors	political, economic, societal and technological analysis of an organisation's environment
place	one of the elements of the 4Ps; it relates to the outlets and channels of distribution in marketing and also to delivery time in the business-to-business sector
Porter's generic strategies	three competitive strategies that organisations can adopt - cost leadership, differentiation or focus/nicheing; it is important to ensure that the organisation does not let itself be 'stuck in the middle' with no defined strategy
price	agreed exchange value forming the essential basis for a trading agreement
primary research	information gathered for a specific purpose
product life cycle (PLC)	a term used to describe the stages in the life cycle of a product; it is said to go through introductory, growth, maturity and decline stages - at each stage a different marketing mix is appropriate.
product mix	the combination of all product lines and items offered by an organisation
product specification	the stage of the business buying process in which the buying organisation specifies the best technical product characteristics
promotion mix	the combination of advertising, public relations, personal selling and sales promotion that a company uses to achieve its promotional objectives
psychological pricing	a pricing strategy in which the price is used to say something about the product
psychographics	a technique devoted to the segmentation of markets using psychological criteria to distinguish between the different segments
qualitative research	research used to identify customers' motivations, attitudes and behaviour
quantitative research	research which collects sufficient data to allow statistical analysis
relationship marketing	the deliberate building of extra strong relations with existing and past customers, based upon the rationale that new and further business from that source is easier, faster, and much less expensive than gaining new customers. The development of effective relationships should involve a wide range of one's own staff with as many relevant customer staff
sample	a section of the population selected for marketing research to represent the population as a whole
secondary research	information that already exists, having been gathered for another purpose

segmentation	breakdown of market into discrete and identifiable elements, each of which may have its own special requirements of a product and each of which is likely to exhibit different habits affecting its exposure to advertising media. Other marketing factors such as optimum price, quality, packaging and distribution are likely to differ as between one segment and another; typical breakdowns are based upon age, social standing, income, sex, geographical location, leisure pursuits
societal marketing	a marketing principle which involves the consideration of customers' wants, company requirements, consumers' long-term interests and society's long-term interests
strategy	plan, sometimes in outline only, for reaching certain objectives, usually quantified and more often on a relatively long time base.
SWOT	a mnemonic for Strengths, Weaknesses, Opportunities, Threats; situation assessment used in marketing planning
test marketing	method of testing a marketing plan on a limited scale, simulating as nearly as possible all the factors involved in a national campaign; usually carried out in a restricted but representative location, often a particular TV region; this procedure enables a marketing company to obtain an indication of likely market acceptance without the full commitment and expense of a national launch; it also exposes the product and the plan to competitors, and consequently the results of the test can seldom be regarded as absolutely conclusive
TQM (total quality management)	an important management procedure in which high quality standards are set for all operations, including marketing, and subsequently measured and monitored; many business practices are expected to conform to laid down national and international standards from which they gain an important competitive advantage
undifferentiated marketing	products or services aimed at the entire population without any attempt to offer or suggest a unique benefit

<b>5175 Human Resource Management</b>	
absenteeism	this does not refer to genuine absence from work but deliberate absence or truancy, caused by poor working conditions, low pay, boring work etc.
annualised hours	an example of flexible working, the measurement of work in hours per year rather than per week; this method involves the employee working more hours in busy periods and vice versa
appraisal	the process of assessing the progress and effectiveness of an employee
aptitude test	a means of measuring or assessing a person's mental and physical abilities to perform certain tasks
bonus	an additional payment for reaching a sales or production target, or recognition of service, or a share of profits
centralisation	all authority to take decisions is held by the senior management
certification	the award of a certificate or statement as evidence that a person has achieved a certain standard in training; the certificate may be issued by a college, the company, professional association or government
collective agreement	an agreement resulting from negotiation between employers and employees (usually a trade union) which affects a whole category of employees within an industry or organisation
conflict	basic disagreement between employees and employers, the reason for conflict may be pay, conditions, redundancy proposals etc.; conflict may result in strike action
consultation	the process of seeking the views of others before coming to a decision
contracting out	this involves giving tasks to independent or outside suppliers rather than directly employing the staff to do them; examples include cleaning, computer servicing, catering
CV (i.e. curriculum vitae)	a document that normally accompanies an application form and contains the details about a candidate that the application form doesn't allow for
decentralisation	the authority to take decisions is delegated downwards through the chain of command, giving more responsibility to those in less senior positions
differentials	differences in pay between one grade or level of employee and another; differentials normally reflect the degree of skill and responsibility
disciplinary procedure	the process by which employees are reprimanded, punished or even dismissed in the event of their failure to work according to their employment contract and/or company code of conduct
discrimination	the unfair selection or categorising of people for reasons other than ability (e.g. race, colour, gender)
dismissal	the loss of one's job, being given the sack owing to incompetence or some infringement of conduct or rule
employee relations	generally describes the relationships at work between management and workforce, union and non-union members; includes policies affecting the workforce
employers' association	an organisation representing the interest of employers within either an economic sector or industry; its activities include research, public relations, negotiation, lobbying
employment contract	a legal document or agreement that sets out the terms and conditions of either a specific job or a category of job
employment protection	the structure of laws, regulations and agreements that safeguard employees from, for example, unfair dismissal, exploitation, inadequate pay
equal opportunities	employees and prospective employees have equal chances of advancement and employment regardless of their religion, gender, disability or race
exit interviews	interviewing all personnel leaving the company in order to find out why they are going; a means of monitoring whether people are happy or discontented at work

fixed rate	rate of pay that is fixed and generally applied to work that is not easily measured
fixed-term contract	an employment contract for a specific period of time, usually for a particular task
flexitime	an arrangement allowing employees to complete their working week at times largely convenient to them; generally a minimum number of hours must be worked in any particular time period but starting and finishing times are flexible
fringe benefits	benefits given to employees in addition to wages or salary (e.g. company car, subsidised meals, medical insurance); they help to motivate staff and maintain loyalty
functional working structure	the flow of responsibility and authority is determined by function with little or no reference to departmental structure; each function is managed or directed by a specialist and this structure reduces the authority of line management
grievance procedure	the means by which employees can seek to resolve complaints of alleged or real breaches of the terms and conditions of their employment
health and safety	employers should provide, as far as is practicable, a safe working environment and appropriate safety equipment, clothing and training
human resource management	the employment, training and development of a company's workforce to be effective and efficient
induction training	an initial or introductory programme designed to ease new employees into a company; the emphasis is on rules and procedures, key personnel, terms and conditions
job creation	government- and/or business-sponsored schemes to create employment in economically depressed areas
job description	a detailed statement identifying what a job entails (i.e. the nature of the work, responsibilities, tasks, measurement of performance, accountability)
job satisfaction	the extent to which employees feel positively about themselves and their work, which can be encouraged by recognition of effort; the lack of job satisfaction will lead to absenteeism, high staff turnover
kaizen	the concept of continual improvement, based on shop-floor ideas on how to solve production problems and complete tasks more efficiently
labour retention rate	the measurement of how stable the workforce is (i.e. determining the proportion of employees remaining in the company)
labour turnover rate	the rate at which people leave the organisation
lifelong learning	the idea that learning (education and training) is an ongoing experience
line managers	they operate in a hierarchical structure; a certain amount of authority and responsibility is delegated to them and they may delegate in turn
matrix working structure	a structure that emphasises the use of project teams; it encourages the skills of people regardless of their status within the organisation
media	the means or channels through which jobs can be advertised; they include radio, television, magazines and journals, cinema, posters, newspapers
mediation	the process of getting both sides to a dispute to come to some agreement
minimum wage	an agreed or suggested minimum rate of pay for an industry or the workforce as a whole; designed to protect the lower paid, it attempts to achieve a living wage
mission statement	the aims of the organisation are set out in an attempt to encourage a sense of common purpose; it provides a focus on the organisation's goals and culture
motivation	the inner force or drive that reflects the way people respond to work and tasks generally; a well-motivated person will achieve more
negotiation	the process by which opposing interests (e.g. employers and employees), try to come to mutually acceptable decisions

operational purpose (human resources)	the targets that must be achieved by human resources in order that the strategic targets or purposes can be fulfilled; operational targets are short to medium term
payment by results	sometimes referred to as PBR, a system of wages designed to achieve specific targets or a higher rate of output generally – commission is an example of PBR
pensions	income on retirement, funded by payments made through the Government, an employer or individually during someone's working life
person specification	describe the qualities, attributes and characteristics required in a person to carry out a particular job
piece-work	a method of wages based on output; the employee receives a payment or rate for each item produced
problem-solving mechanism	a process which seeks to resolve problems and conflicts at work through, for example, disciplinary and grievance procedures
professional body or association	it can be regarded as a form of trade union as it may represent its membership in bargaining with employers, but it is also responsible for setting and maintaining professional standards
profit-sharing	employees are paid a share of the company's profits, usually in the form of an annual cash bonus
promotion	the progress from one appointment or job to a better or higher one; implies improvement in status, pay and opportunity
psychometric test	test designed to measure or reveal a person's personality; usually applied to the recruitment process and used to determine whether or not candidates will fit into the organisation
recruitment	the process of attracting suitable personnel to fill the vacancies in the organisation
redundancy	a form of dismissal, except that redundancy can only occur if a particular job or function ceases to exist; a company cannot declare a person redundant and then appoint someone else to the same job
references	written statements in support of a candidate's application which will contain comments about the person's character, abilities and suitability; references are important to the recruitment process
resignation	an employee voluntarily ends the employment contract by leaving the company; the period of notice will depend upon the nature of the contract and the status of the employee
retirement	this occurs when an employee either reaches the end of their working life or chooses to give up work altogether to live on a pension
salary	a method of pay based on a year's work (i.e. a job may carry a salary of \$20,000 and for that the employee is expected to do the job regardless of the hours it takes)
selection	the process of choosing the most appropriate candidate from those available
service contract	an employment contract mostly given to senior management and usually specifying long periods of notice and high compensation payments (in the case of dismissal)
share option scheme	an incentive usually offered to management which permits them to buy company shares at a future date, say within three to five years, at today's price (e.g. if the current share price is 50 cents and a future purchase is made when the price is \$2, then the executive can sell the shares and make \$1.50 profit on each)
shift system	work is undertaken during non-standard working hours, usually in 3 x 8-hour shifts in every 24-hour cycle; shifts are introduced to maximise use of plant and equipment and to increase output
sick pay	paid to employees who are absent from work due to illness; the amount paid is less than the normal rate of pay but is income related



social costs	the costs to the whole community of a business decision (i.e. if a company issues redundancy notices the resulting unemployment may affect the entire community)
strategic purpose (human resources)	the long-term objectives of human resources which reflect the company's goals
succession planning	the policy to fill senior posts when managers leave or retire; based on appointing the best in accordance with the organisation's development programme and in practical terms may not result in deputy or assistant managers being promoted
support costs	costs additional to pay involved in employing staff (e.g. protective clothing, training, company pension scheme)
task group	a group of employees brought together to deliver a particular element of a project; generally a temporary team until the project is complete
team performance	the assessment of a team's target setting and achievement
total quality management (TQM)	a method of monitoring the production process to prevent errors and poor quality; it attempts to influence the attitudes and actions of the workforce in order to create a quality culture
trade union	an organisation representing employees' interests (e.g. pay, safety, training, conditions)
training: off-the-job	all forms of training carried out away from the actual workplace (e.g. college, training centre, conference room)
training: on-the-job	training or instruction carried out at the actual place of work
training needs analysis	if training is to be cost effective it must reflect actual rather than assumed needs of the workplace; the analysis identifies what is required
turnover	the number of people that leave a business over a period as a percentage of the average number of people employed
wage	a method of pay based on one hour's work; the pay packet may be issued weekly but it will represent actual hours worked
welfare activity	apart from recruitment, training and discipline, human resources is concerned with the health and welfare of the workforce (e.g. protective clothing, medical examinations, safety, sports and social amenities, counselling)
worker director	a representative of the workforce who sits on the board of directors (as an acknowledged director, not as an observer)
working at home	the employee's workbase is home rather than the office or factory; work may be simple table-top assembly or organised electronically via a modem; also known as teleworking; it is possible to work for a company from the other side of the world
works council	a meeting or committee comprising representatives from both management and the general workforce which discusses the development and improvement of the company and its processes

<b>5176 Interpersonal Business Skills</b>	
active listening	involves; thinking consciously about what is being said; showing you are listening by maintaining an appropriate amount of eye contact, using facial expressions such as smiling, nodding and frowning where appropriate; making listening noises, such as 'mmm', 'yes', 'I see'
aggressive behaviour	when people behave aggressively they try to impose their views and wishes on others, either by using threats and sanctions or through manipulation; they think primarily of themselves and do not respect the views, opinions and rights of others
assertive behaviour	when people behave assertively they express what they think and feel clearly and concisely; they listen to other people's points of view; even though they may not agree, they respect other people's rights to, for example, say 'no' to requests they have made; an assertive conversation is an adult-to-adult, two-way exchange.
Behaviour	the word 'behaviour' describes what people do, whereas 'personality' refers to what they are. Good communicators focus on behaviour (e.g. 'You lost your temper.') rather than personality (e.g. 'You are a bad-tempered man.')
body language	includes facial expression, eye contact, tone of voice, posture and gestures
building	describes a positive type of behaviour in which we listen to an idea proposed by another person and then suggest how to add to or modify it to make it better
Buying signals	in most sales negotiations a moment comes when the buyer begins to say things like, 'Well, I can see that it would make my job easier if I had one of these' – this is a signal that the person is ready to buy and the seller must start closing the deal.
closed questions	closed questions prompt a 'yes' or 'no' answer (e.g. 'Have you done your homework?'); some people also include in the definition questions which have a one-word answer (e.g. 'What time is it?')
gatekeeper	used to describe the person chairing a meeting when controlling who speaks at any particular moment
hypothetical questions	hypothetical questions invite respondents to speculate or describe what they would do in situations which have not arisen (e.g. 'What would you do if the building caught fire?')

leading questions	leading questions either try to prompt respondents to give a particular answer (e.g. 'Surely you would agree that it would be best to sell before we lose any more money?') or they are questions which assume something that has not been established (the example. Which lawyers often quote is 'When did you stop beating your wife?')
negative power	the power to stop things happening or to cause damage or chaos; everyone in an organisation possesses negative power, even those who have no formal authority
non-verbal communication	includes body language, but also covers factors such as dress, spatial distance and orientation, physical setting and status
open questions	open questions begin with 'why', 'what', 'how', 'where', 'when' and 'who'; they encourage the respondent to provide detail, rather than single word answers
passive behaviour	people who behave passively either fail to say what they think or feel or they do so in such a roundabout or submissive manner that they are not understood; they defer to the opinions, wishes and rights of others at the expense of their own
positive / assertive mental attitude	when faced with difficult situations, such as having to criticise a friend, the thoughts which pass through our heads can be aggressive ('I don't care what he thinks, I'm going to give it to him right between the eyes.') or passive ('This is going to be awful. He'll never speak to me again.');
trigger	Refers to situations or circumstances that prompt us to feel specific emotions; eg. certain people or opinions may make us feel irritated

<b>5177 Business Start-Up</b>	
accountant	a person who advises businesses on financial matters and produces their accounts
accounting system	method of recording all the business transactions carried out on a daily basis within a business
advertising agent	a person or business who specialises in advertising, helping businesses to design advertising campaigns and to advertise in the best possible place in order to maximise sales
agent	a person or firm that acts on behalf of another firm
balance sheet	a financial statement showing all assets and liabilities at a given point in time
banker	a person who deals with the money deposited in the bank by a business or individual
brand name	a distinctive name identifying a product or manufacturer
break even	the level of output where total revenue is equal to total costs, resulting in neither a profit nor a loss
budgeting	the act of summarising probable income and expenditure for a given period in order to foresee future difficulties in terms of revenue or income
business accounts	bank accounts held by a business in its own name
business consultant	a person who advises businesses on business strategies and procedures
business proposal	a new business idea which has been researched and is ready for implementation
cash-flow forecast	a document that lists all cash inflows and outflows over a given period, clearly showing the balance of cash held at the end of each week or month
chamber of commerce	a group of local business people who get together to promote their industrial area and to assist businesses when starting up by giving advice
cheque signatories	people within a business who have the authority to write and sign cheques on behalf of the business
competition/competitor	other businesses within the same business field who sell the same or similar products
credit terms	the amount of time given to a business to pay its outstanding bill; most invoices give credit terms of 30 to 60 days
customer finance	financial deals given to customers to encourage them to purchase items from a business, such as interest-free credit
customer services	services provided to customers to ensure purchase, and repeat purchasing, of your product, such as free delivery and after-sales service
debenture	a certificate issued by a company to acknowledge a long-term loan; these can only be issued by limited companies and are usually taken up by a bank
debt financing	the cost of maintaining business debts such as overdrafts, loans and mortgages, including interest charges
depreciation	the annual reduction in the value of the fixed assets of a business
direct cost	a cost that is directly attributable to the production process, for example raw materials and production worker's wages
direct sales	sales made directly to the public without use of a wholesaler or agent
discount	a reduction in the price paid for items which can be a result of paying cash or buying in bulk, or due to trade association membership
employer's liability insurance	insurance paid by a business to cover injuries to employees whilst at work
equity	the amount of capital invested in a business
estate agent	a person or organisation that specialises in the buying and selling of properties, either commercial or private
factoring companies	companies which buy the debts (amounts owed to a business) from a business, paying a reduced rate and hoping to make a profit on the collection of the debts; this allows the business to have instant cash rather than waiting months for its debtors to pay

finance houses	financial institutions that specialise in providing financial services to businesses and individuals
fitting-out costs	the costs incurred by a business when it is trying to establish new premises, such as shop fittings and lighting
franchise	a business in which the owner has purchased the right to call their product by another's name; the owner will purchase the brand name and in return will receive privileges; this enables a small business to run whilst gaining the benefits of belonging to a large organisation, allowing them to carry out group advertising and promotions
gearing ratio	a ratio illustrating what proportion of the capital invested in the business is represented by loans/mortgages from outside agencies
goodwill	the amount paid for a business which is over and above the value of its net assets, in order to take into account the existing business and customer base built up over a period of time
gross profit	the profit calculated when the direct costs of production are taken away from the sales
hire purchase	the purchase of goods by paying a monthly amount; the goods do not belong to the purchaser until the last monthly payment is made
indirect cost	a cost which is not directly related to production, such as insurance and lighting
insurance	the payment of a sum of money to an insurance company that will guarantee to cover any losses should the event insured against occur, for example fire insurance
intangibles	items owned by a business which have no physical presence, for example a brand name or goodwill
interest rates	the cost of maintaining a debt; all money borrowed from a bank will result in interest charges
lawyer	a qualified legal person who advises businesses and individuals on legal matters
lease/leasing	the hire of premises or equipment for a monthly or annual sum of money
limited company	a business that raises its capital by selling shares to shareholders
loan	money borrowed from the bank to purchase assets for the business, usually over a fixed number of years
local government	government departments set up locally to deal with regional problems and local issues such as refuse collection, housing and education
mail order	purchase of items from a catalogue or advertisement; the goods are sent by mail
management structure	the structure of a business in terms of its management levels and lines of communication
market downturn	a slump in the sales of a particular product or service nationally or locally
marketing mix	these are the measures that a business uses to attract buyers to its products or services; they are commonly known as the 4Ps.
market penetration	the amount or percentage of total national sales of a product supplied by your business
market research	the investigation of prospective customers' likes and dislikes in terms of age, gender, race, location etc.
method of payment	the type of financial service used to make a payment to suppliers and creditors, such as BACS, cheque or credit card
mission statement	a general statement issued by a business stating its core values and provides a focus for action
net profit	the profit calculated when all business expenses have been taken out
occupancy costs	the costs incurred by a business in order to move into business premises, for example rent, lease and mortgage
order	a business document requesting the supply of goods or services from another business

organisational structure	the structure of a business in terms of its management, such as sole trader, partnership or limited company
overdraft	where the bank account holder takes out more money than is held in the account
partnership	an association consisting of two to twenty people who agree to contribute money, labour and skill to a business for the benefit of all, and who share in the profits
party selling	the act of selling goods or services through customers holding parties to promote the goods, with the customer receiving a discount or a free gift
personal home selling	the selling of goods to individuals in their own home; door-to-door selling
pricing	the system by which the business or firm arrives at their retail price
profit and loss account	a financial statement listing all revenues and costs, giving a final profit or loss for the period
profitability	the ability of a business to generate a profit
profits	the amount of money left when all costs have been paid
printer	a person or business who produces printed documents, leaflets and catalogues to a professional standard
quotation	a business document which lists all the items required for a project with the price clearly stated and gives a total amount
retail	the selling of goods and services through a high-street shop
sales promotion	a campaign designed to generate more sales of a particular product, such as offering two for the price of one
share capital	all companies issue share capital, which is the sale of a portion of the business; these are usually sold in standard amounts such as £1 shares
sole trader	a business in which the owner provides the capital, takes all the profits and carries the risk of the business alone
start-up capital	the amount put into the business by the owner when the business is first started
stock control	the control of stock to ensure that the production line always has a constant supply of raw materials, to reduce wastage and pilfering and to ensure the quick replacement of utilised stock
surveyor	a qualified property or land expert who visits premises and gives valuations and advice on the structural condition of premises
tangibles	items owned by a company which are solid and can be touched, such as vehicles, premises and machinery
tax authority	the local/national tax office, which is responsible for collecting the company's tax liabilities, such as corporation tax and PAYE
telephone banking	a service offered by banks which allows customers to complete their banking over the telephone without having to visit a branch
trade association	a group of similar businesses that link together to ensure that standards are maintained, promotional activities are carried out and knowledge of innovations is shared
trade credit	an agreement between a buyer and a seller to allow a business to buy goods and services now and pay for them at a later date
trade terms	the contractual terms laid down by an agreement regarding the supply of goods, such as delivery dates, payment terms, amounts etc.
trading premises	premises where the main trading of the business occurs, for example a retail shop
unlimited company	the owner's personal possessions are at risk in business in the case of bankruptcy
wholesale	the purchase of large amounts of goods from a central warehouse; the wholesaler usually purchases goods from a manufacturer and then sells them on to retailers in smaller amounts
working capital	the capital used for everyday trading; the amount left when current liabilities are taken away from current assets

<b>5178 Customer Care</b>	
administration systems	the different structures that support business organisations such as finance, human resources, post room and so on; since such systems do not contribute directly to profits, it is vital that they are efficient; the increasing use of IT in accounting packages has had a profound impact upon administration systems in recent years.
body language	the conscious or unconscious use of the body to convey unspoken messages – a shrug of the shoulders may convey indifference, while an aggressive stance may undermine a manager's attempt to apologise to a subordinate.
business organisation	any organisation in the private or public sector whose activities involve providing goods or services.
closed question	a question to which a limited number of pre-set answers are offered (e.g. Do you buy a newspaper these days?)
colleague	a fellow official or worker in a profession or business.
commodity	any good, as opposed to a service, that can be bought or sold; the term is usually applied to markets in which there is almost no product differentiation - these include commodities traded in commodity markets such as unprocessed tea, sugar, rubber, wool and so on.
compensation	usually money or other gift given to a person as recompense, to make amends.
complaints procedure	the process whereby a customer complaint is resolved to their satisfaction and the problem communicated to management to prevent its repetition; some organisations have a special department for dealing with complaints, which is likely to be efficient, but may insulate other staff from hearing the causes of customer dissatisfaction; the ideal method is to ensure that all staff are trained to deal with and resolve complaints immediately - this is likely to achieve the desired effect: a contented customer who will return in future.
consumer	any person who uses the goods or services of business organisations.
credit	exists as soon as someone has acquired goods or services without paying for them at once or has paid for them with someone else's money.
cultures	the culture of an organisation is the code that affects the attitudes, decision-making and management style of its staff; the culture will affect resistance to change within the business and therefore the ability of a new boss to impose their style or decisions upon subordinates.
customer	a person who receives the goods or services of a particular business organisation; a potential customer is somebody who in certain circumstances may become a customer for a particular product or of a particular organisation.
customer care	all customers expect, and are entitled to be treated with, care and consideration.
customer feedback	a system that is organised to be a deliberate way of finding out what the customers think about the job you are doing; it is not left to chance or fate, not collected haphazardly, and is proactive rather than reactive.
customer focused	a concentration on the customer as a person, the focal point in caring and providing a service that answers the need of the individual.
customer satisfaction	measures how well an organisation has lived up to the expectations of their customers; at a down-town supermarket customers might judge their shopping experience primarily on the basis of low prices; customers of a high-class grocer will be more concerned about impressive service in impressive surroundings; monitoring satisfaction requires a survey of the factors customers are looking for, then regular (perhaps monthly) research to track trends in customer satisfaction.

customer service	covers all the activities that affect the customer's experience of dealing with an organisation, including the impressions created by the manner, appearance and training of staff, plus the reality of how well the customer's needs or wants can be satisfied; businesses offering a high level of customer service will add value to their products, enabling them to charge a higher price while ensuring customer loyalty.
demand	the demand, or consumer demand, for a product is the level of pressure from consumers for goods or services to be supplied by business organisations and for which the consumer is willing to pay.
disability	a physical or mental incapacity that prevents a person from doing something.
empathy	the ability to project one's personality into the situation facing the individual, thereby fully comprehending it
goods	products manufactured or supplied by business organisations; goods are tangible and are used by consumers.
health and safety	imposes on employers the duty to ensure, so far as is reasonably practicable, the health, safety and welfare at work of all staff; health and safety issues also relate to members of the public (e.g. customers and potential customers)
hierarchy	in a business context, this refers to the way that most organisations are structured; the layers of the hierarchy are usually arranged in a pyramid structure
manager	an employee with authority over a number of subordinates and the responsibility to plan and monitor short- and medium-term strategies
market	the term used to describe the meeting place between customers and suppliers
market research	the process of gathering primary and secondary data on the buying habits, lifestyle, usage and attitudes of actual and potential customers
marketing	the all-embracing function that links the company with customer tastes to get the right product to the right place at the right time
needs	the requirements of consumers for goods and services essential to sustain life and an acceptable level of comfort
non-profit-making organisations	may be run in a businesslike way, but their objective is not the conventional one of the profit motive; examples include charities, clubs and societies
observation	a survey technique that requires the researcher to watch and record behaviour rather than ask questions; for example, to help decide where to locate a new shop on a high street, it would be helpful to measure the number of passers-by at the sites of the available shop premises, unless the rental is too high, the retailer should choose the shop where customer traffic flow is highest.
open questions	those that invite a wide-ranging, reflective or imaginative response; on a questionnaire, they are questions that do not have specific answers to be ticked; in an interview, they are the (harder) questions that demand more than just a factual answer. An example of an open question would be, 'Tell me a bit more about yourself.'
organisation	an organised body, system or society; in business terms a generic term for any properly formed company or service made up of different parts that operate together to achieve a desired objective
product	a term used by manufacturing and service businesses to indicate the goods or services they provide
professionalism	qualities or typical features associated with a profession such as law, medicine, teaching or management
promotion	the activities involved in marketing an organisation or its goods and services; organisations frequently have special promotions on particular goods and services in order to attract customers and generate sales



public relations	a company's efforts to establish a good reputation and image in the eyes of consumers
qualitative	concerned with or depending on aspects of quality in an analytical sense
quantitative	concerned with measurement, those things such as size, extension, weight, amount or number
questionnaire	a document containing a series of questions designed to discover the information required to meet a firm's research objectives
record systems	the methods used in organisations to store information about business functions including goods, services, staffing, finance etc.; most organisations now use computerised storage systems
refund	a repayment to a customer for goods or services no longer required
replacement	an exchange of goods, usually for an identical item, because of poor-quality workmanship, wrong size or colour etc.
respondent	an individual who responds to a market research exercise and is therefore part of the actual sample
sales force	the team of sales representatives employed to achieve high distribution in wholesale and retail outlets, or to sell direct to consumers
services	activities that business organisations do to or for consumers
signs	communication between two people using a gesture
special needs	needs of customers who are disabled both mentally and physically, who are suffering from poor health or who are lacking the skills of communication and basic education
status	how highly a person is rated by other members of a group or work force; this might derive from the individual's own abilities and achievements or from institutional factors such as job title or remuneration
stock	materials and goods required in order to produce for, and supply to, the customer
stock control	covers the procedures needed to ensure that stock is ordered, delivered and handled with efficiency so that customer demand can be met cost effectively
survey	another term for quantitative market research; in other words, research among a large enough sample of consumers to provide valid data
systems	organisations as groups of interrelating elements that require coordination and information to turn a wide range of input into a variety of outputs
wants	the requirements of consumers for goods and services to enhance their lives and lifestyles