

1. market segmentation	the way in which a business divides its potential market into different demographic groups or segments	16. team approach	where groups of workers interact in the workplace to achieve a common business goal
2. mission statement	a concise outline of the overall activities and aims of a business and contains its philosophies, goals, ambitions and statements about business culture	17. total market	comprises all the people who want to buy a particular product
3. objective	a specific description of what the business needs to do to achieve a particular goal; convert goals into effective action plans	18. trend analysis	a tool used by management to gauge past economic history and prepare for future events
4. operational plans	the ongoing plans that deal with the day-to-day functions necessary to achieve business goals and objectives	19. variable costs	the costs of inputs that vary as output varies
5. outsourcing	contracting with other businesses to supply some of the key business functions or inputs needed for production	20. vision statement	outlines what a business wants to be or achieve through operations
6. penetration pricing	a pricing strategy that involves setting the price of a new product lower than the prices of competing products		
7. price points	psychological pricing strategies based on customers' perception of value for money		
8. product differentiation	the differences between products of competing businesses as perceived by consumers; is based on features including quality of service, price and product image		
9. product life cycle	the four stages that a product goes through from its launch on the market to its removal, and its associated levels of sales, volume, and market share		
10. situational analysis	an analysis that allows a business to understand its internal and external; situation, its customer base, markets and what the business is capable of achieving		
11. skimming	a pricing strategy that involves setting a high price while demand is high price while demand for the product is high and before competitors enter the market		
12. small to medium enterprises	very small (1-9 employees), small (10-49), medium (50-149) and large (150+)		
13. strategic plan	a long-term general plan that outlines the vision and future direction for the business		
14. tactical plans	more detailed plans that translate the goals and objectives from the strategic plan into actions and tasks for the short to medium term		
15. target market	the specific segment of the total market at which the product is aimed		