

Topic 1.1: What Is a Business?

LO: 1.1.A, 1.1.B | Skill: 1.A, 2.A | Canvas: Task 1

Topic 1.1 — Vocabulary

Print and trim into half-sheets, or keep as a one-page reference.

Term	Definition
Business	An organization or entity that produces and distributes products (goods and/or services).
Goods	Tangible products.
Services	Intangible products — work done for the customer.
Customer	The individual or business that PURCHASES a product.
Consumer	The individual who USES a product (may or may not be the buyer).
Problem, need, or want	A specific gap, requirement, or desire a customer has that a business can address. Together, these define a market opportunity.
Market opportunity	An unsolved customer problem, need, or want that a business can serve.
Problem-solution fit	When a business's product successfully addresses a specific customer problem.
Value	The worth or benefit a product gives the customer.
Value creation	When a business provides a product that responds to a customer's problem, need, or want.
Value capture	When a business charges customers a price higher than the cost to produce the product.