



# Fiver Challenge

## Word Guide

As you learn more about business, you will discover that there are lots of new words which explain actions, items and areas linked to the world of business. **Use this word guide to help you learn more about business and talk about the Fiver Challenge.**

You will find many of these words in the **Fiver from Home Workbook**.

Word	Meaning	Example
<b>Advertising</b>	Advertising is how a company encourages people to buy their products, services or ideas.	The posters selling things on the bus or train.
<b>Breakeven</b>	The point when your costs and your sales are the same, so you are not losing or making any money.	If I buy 3 chocolate bars for £1 and sell them all at £1 then I will breakeven.
<b>Cost</b>	Costs are anything you spend money on to make your product or service.	If you are making cakes your costs would be the ingredients.
<b>Commercial Awareness</b>	Knowing what makes a business successful.	A business owner knows what customers want and makes sure they get it from their business.
<b>Competitors</b>	A competitor is any company that sells the same thing as you.	Apple and Samsung are competitors because they both sell phones.
<b>Good or Product</b>	A good or product is an object that is made by a company to be sold to customers.	A chocolate bar.
<b>Invest</b>	To use money to buy something that may increase in value over time, for example, jewellery, property or shares in a company.	Gold.



<b>Investors</b>	An investor is a person or company that gives businesses money to help their business grow. If the company grows it will give the investor back their money plus a bit extra as a reward.	If your family give you the £5 to start your company then they are your investors.
<b>Logo</b>	A logo is a symbol or picture that a company uses to let people know that a product or service is made by them.	The Nike tick.
<b>Market Research</b>	Market research is when a company asks possible customers questions to find out information that can help them improve their product, service or business.	One market research question that is used is "What price would you pay for this?"
<b>Profit</b>	Profit is the extra money you have left over from selling your product or service once you have taken away the money spent to make your product or deliver your service. Profit is the money your business has earned minus your costs.	If the ingredients needed to make a cake cost £2 and you sell the cake for £3 then you will have £1 left, the £1 is your profit.
<b>Revenue</b>	The money you make by selling your product or service.	If you sell a cake for £3 your revenue is £3.
<b>Sales Pitch</b>	A sales pitch is a presentation that explains why investors should give their money to the presenter's business.	If you explain your business idea to your parents to get the £5 to start your business that is a sales pitch.
<b>Service</b>	A service involves completing some work for someone in exchange for money.	A car wash.
<b>Slogan</b>	A slogan is a short phrase used by companies for advertising.	McDonald's slogan is "I'm Lovin' It".
<b>Start-Up Capital</b>	Start-up capital is the money used to pay for any or all of the costs involved in setting up a new business.	Example –
<b>Sustainability</b>	Sustainability means that we live in a way that doesn't harm the world.	Using fewer single use water bottles because plastics are not good for the environment.
<b>Target Market or Target Customers</b>	Target customers or target market is the group of people that you think will buy your goods or services.	The target market for Lego is children between the ages of 1-10.
<b>Unique Selling Point (USP)</b>	A unique selling point is something that makes your business special.	A pen that lasts for longer than other pens.