



Terms and Definitions

Module 4

Business environment – All of the internal and external factors that affect how a business is run as well as its ability to build and maintain customer relationships.

Business model validation – the process of gathering and analyzing data to determine that your business idea is a business opportunity.

Carrying capacity – the number of competing businesses that a customer base will support.

Focus group – a diverse group of people who participate in a guided discussion about a product or service before it is launched.

Future orientation – the extent to which an individual thinks and plans for the future.

Lean startup methodologies – building new businesses while in the process of developing products to get the product to customers faster.

List-rental companies – companies that provide sales leads by selling the names and addresses of individuals that meet tailored search criteria.

Market – potential customers; includes people and businesses.

Market research – gathering information about consumers' needs and preferences.

Minimum viable product – a prototype of a product that the entrepreneur sells to customers with the hope of getting customer input about the product.

Primary data – information collected by researchers directly from sources through surveys, interviews, etc.; considered the best kind of data.

Product management – activities that determine the strategy, roadmap, and feature definition for that product or product line. Also includes marketing, forecasting, and profit and loss (P&L) responsibilities.

Product planning – the process of bringing a product to market; everything that happens after ideation.

Research cycle – a cycle of creating and testing ideas by building something small for customers to try, measuring their reactions, and learning from the results.

Research objective – defining the specific information needed to determine to evaluate a business idea or opportunity.

Secondary data – data that was collected and compiled by other researchers rather than from primary sources.

UE or User Experience testing (also called UX) – allowing customers to use your product so you can collect data about their user experience; this information can be used to improve a product or service.