

What is Business?

What type of Businesses are in your community?

What is a business?

- It is usually defined as being a commercial enterprise
- How big are businesses? One to Thousands
- Most businesses provide either goods or services designed to satisfy consumer needs and wants.

Business Terms

- A **business** is any activity that seeks to provide goods and services to others while operating at a profit.
- **Profit** is the amount of money a business earns above and beyond what it spends for salaries and other expenses.
- **Entrepreneur**- is the person who risks time and money to start and manage a business.

Matching Risk with Profit

- **Revenue**- The total amount of money a business takes in during a given period by selling goods and services.
- **Loss**- when a business's expenses are more than its revenues
- **Risk**-is the chance an entrepreneur takes of losing time and money on a business that may not prove profitable.

Needs and Wants

- Needs – are the basic necessities of Life needed for survival
- Wants – are nice to have but are not necessary for survival
- Choice- select from several alternatives
- Decision –making model- is a step by step procedure which assist you in approaching some of the more difficult choices you will have to make.
- How do Needs and Wants support Business?

Goods vs Services

- Goods – are items of monetary value that have been produced.
- Services- also have monetary value but you can't touch them. (Grass Cutting)
- Essential Goods and Essential Services- are like needs necessary for survival. (Food)
- Luxury goods – are most enjoyable but are not necessary for survival.(ipad)

More Terms

- Producer – provides either goods or services
- Consumer – the people who purchase the goods or services.
- Entrepreneurs – look at consumer wants and needs and devise innovative goods or services.
- Demand- depends on the willingness and ability of consumers to pay for certain types of goods and services.

More Terms

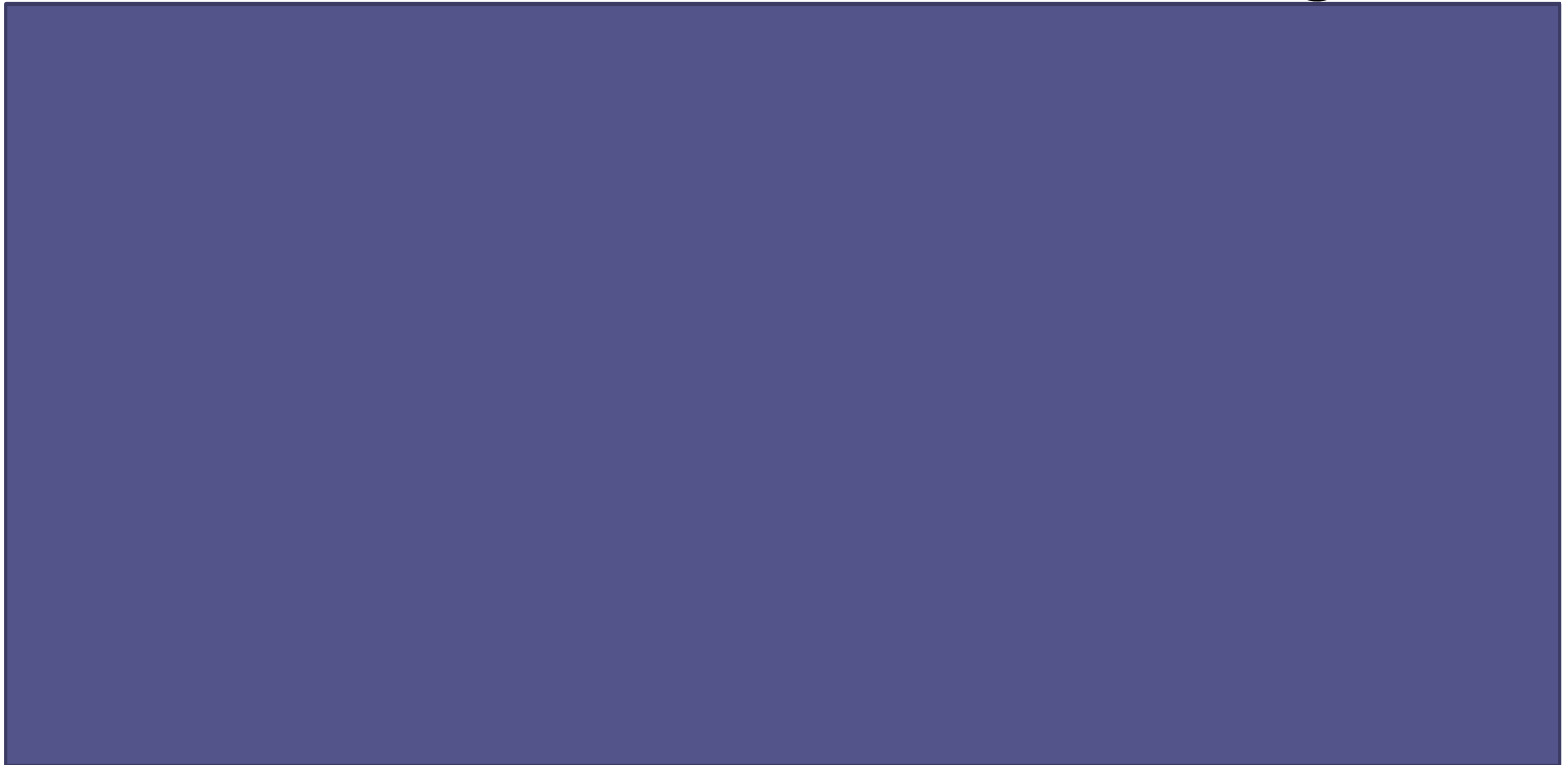
- Supply – a product or services supply is affected by the cost of producing it and by the price people are willing to pay for it.
- Profit- is the reward that an owner receives for taking risks.
- Breaking even-if a business does not make a profit but the owner is still able to pay all debts.
- Interdependent- to satisfy most of our needs and wants we buy the goods and services produced by thousands of different businesses .eg clothing manufacturer.

Peter Drucker quote

- “A business exists to create a consumer.”
- Business needs you and you need business
- Goods and services are supplied by businesses in sufficient quantities to satisfy the demands of you, the consumer.

Hot Dog Sales

- What are the items needed to sell hot dogs?



The City

- <http://www.themoneybelt.gc.ca>