

Name: _____

Business Principles

NOTES: Chapter 1

***Needs vs. Wants**

Wants and needs determine what products and services businesses provide

Need: Something you must have to _____

Want: Something you _____ or would _____

***Satisfying Wants & Needs**

The goal of business is to...

Provide _____ and _____ to satisfy _____ and _____

Goods: physical products

Services: tasks that businesses perform for consumers

***Resources**

Resources: items that people can use to _____ or _____ certain needs and wants

***Decision-Making Process**

1. _____
2. _____
3. _____
4. _____
5. _____

***What is Business?**

Business: any commercial activity that seeks _____ by providing goods and services to others in _____ for money

Profit: money left over after a business has _____ of providing its goods or services

***Significance of Competition**

Competition: the contest between businesses to _____ customers

Companies have the _____ to produce what they feel is most profitable

***Competition**

American economy is based on freedom and _____ exchange

Buyers find the best products at the _____ price

To successfully compete globally, companies must offer the following:

- _____
- _____
- _____

***Business Activities**

- 1) Identify opportunities
- 2) Evaluate the demand
- 3) Obtain start-up money and operating capital
- 4) Manage the production of goods/services
- 5) Market the goods/services
- 6) Keep records (gov. requirements and improve processes)

***Market Research**

Market Research: Act of _____ and _____ information about the wants, needs, and preferences of consumers

***Business and You**

Business impact on you:

- _____
- _____

Your impact on business

- _____
- _____