

Entrepreneurship Vocabulary

76 words every student entrepreneur should know, from noticing a problem to pitching your solution

WORDS FOR FINDING AN IDEA

Entrepreneur A person who starts a new business or project and takes on the risk of building it.

Entrepreneurship The process of turning an idea into a business or project that creates value for other people.

Startup A young business that is still testing its idea and working out how to grow.

Problem Something people struggle with, put up with or work around.

Pain point A specific part of a problem that frustrates people most.

Need Something people require or want strongly enough to act on.

Opportunity A problem or need that a new solution could serve better than anything available today.

Innovation A new or improved product, service or way of working that people take up.

Invention Something new that has never been made before, such as a new device, material or process.

Market All the people and organizations who might buy a type of product, and the businesses that sell it to them.

Idea validation Collecting evidence that people want your solution before you spend a lot of time or money building it.

WORDS ABOUT CUSTOMERS

Customer The person or organization that pays for your product.

Noncustomers People who don't buy what an industry offers today.

User The person who actually uses your product, who may be different from the customer.

Target market The specific group you're building for first.

Customer segment A group of customers who share needs or traits, such as age, location or habits.

Persona A short description of one imaginary person who stands for a customer segment, with a name, age, habits and frustrations.

Early adopter A customer who is willing to try something new before most people do.

Survey A set of questions sent to many people to learn what they think or do.

Interview A one-on-one conversation where you ask people about their problem in depth.

Feedback What people tell you after trying or hearing about your idea.

Customer acquisition The work of finding and winning new customers.

Word of mouth When customers tell other people about your product.

Retention How well a business keeps its customers coming back.

MARKET AND COMPETITION WORDS

Market research Collecting information about customers, competitors and trends to make better decisions.

Market size How many potential customers there are, or how much they spend in total.

Demand How much of a product people want to buy at a given price.

Industry A group of businesses that offer similar products, such as the fitness wearables industry or the food packaging industry.

Niche A small, specific part of a market with its own needs, such as running shoes for wide feet.

Competitor Any business that gives your customers another way to solve the same problem.

Red ocean The known market space: all the industries that exist today, where companies compete for a bigger share of existing demand.

Blue ocean Market space that doesn't exist yet, where demand is created instead of fought over.

Competitive advantage Something that lets your business serve customers better than others can, such as lower costs, a unique technology or a loyal community.

Differentiation Making your product clearly different from the alternatives in a way customers care about.

Value proposition The main benefit that makes someone choose your product, usually stated in one sentence.

Unique selling point (USP) The one feature or benefit that no competitor offers in the same way.

Value innovation The simultaneous pursuit of differentiation and low cost, creating a leap in value for both buyers and the company (Kim and Mauborgne).

WORDS FOR BUILDING A PRODUCT

Product Anything a business offers to meet a need, whether it's an object, an app or a service.

Feature A specific thing a product does, like a color change, a reminder or an alert.

Prototype An early model you build to test how an idea works or looks.

MVP (minimum viable product) The simplest version of your product that people can actually try, built to learn as much as possible with the least effort.

User testing Watching real people use your product to find out what works and what confuses them.

Pilot A small, real-world trial of a product before a full launch.

Iteration One round of improving a product based on what you learned.

Pivot A major change in direction, such as a new customer, a new product or a new business model, made because the first plan isn't working.

Intellectual property (IP) Creations of the mind that the law can protect, including inventions, brand names, designs and written work.

Patent A legal right that stops others from making or selling your invention for a set number of years.

Scale To grow a business so it serves many more customers without costs growing at the same rate.

MONEY AND BUSINESS MODEL WORDS

Revenue The total money that comes in from sales before any costs are taken out.

Revenue stream One source of revenue.

Cost Money a business spends.

Unit cost What it costs to make one unit of your product.

Pricing How you decide what customers pay for one unit of your product, based on your costs, what customers will pay and what competitors charge.

Profit The money left after all costs are paid.

Profit margin The share of each sale you keep as profit.

Break-even point The moment when total revenue equals total costs, so you're no longer losing money.

Business model How a business creates value for customers and earns money from it.

Subscription A business model where customers pay regularly, often monthly, to keep using a product.

Startup costs The one-time costs of getting a business going, such as equipment, materials and a website.

Cash flow The timing of money moving in and out of a business.

Funding Money raised to start or grow a business, from investors, grants, competitions, loans or the founders themselves.

Investor Someone who puts money into a business in return for a share of its future value.

Equity Ownership of a business, usually measured as a percentage.

Valuation How much a business is worth, often agreed between founders and investors during a funding round.

Bootstrapping Building a business with your own money and early sales instead of outside investment.

Crowdfunding Raising small amounts of money from many people, usually online, often in return for early access to the product.

PITCH AND TEAM WORDS

Pitch A short presentation that explains the problem, your solution, who it's for and why it will work.

Elevator pitch A pitch short enough to deliver in about 30 to 60 seconds, the length of an elevator ride.

Pitch deck The set of slides that supports a pitch.

The ask What you request at the end of a pitch, such as funding, a partner, advice or a chance to run a pilot.

Founder A person who starts a business.

Co-founder One of two or more people who start a business together.

Mentor An experienced person who gives advice and guidance, usually without being paid.

Stakeholder Anyone affected by a business or with an interest in it, including customers, employees, investors, partners and the local community.

Social enterprise A business whose main purpose is solving a social or environmental problem, and which uses its earnings to support that purpose.

Impact The difference a business makes for people or the planet.

Have an idea of your own?

Develop it and pitch it in the Blue Ocean Student Entrepreneur Competition, free for high school students anywhere in the world.

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