

2.8: Key Terms

BCG matrix | Boston Consulting Group's framework for analyzing an organization's strategic business units

business portfolio | the group of products, services, and business units that a company possesses

business-level strategy | outline of the actions and decisions a company plans to take to reach its goals and objectives

buyer persona | a semi-fictional representation of your ideal customers based on data and research

concentric diversification | the addition of similar products or services to an existing business

conglomerate diversification | the development and addition of new products or services that are significantly unrelated to a company's current offerings

corporate social responsibility (CSR) | the concept that a company should integrate social and environmental concerns into its business operations and practices

corporate-level strategy | strategy that establishes the overall value of a business through setting strategic goals and motivating employees to achieve them

customer acquisition cost | the amount an organization invests in attracting a new customer

customer lifetime value (CLV) | an estimate of how much a single customer is worth to a company over their customer life span

executive summary | a brief overview of a marketing plan

functional strategy | actions and goals assigned to business units that support the overall business strategy

gap analysis | an internal analysis of a company or organization to identify and review its inherent deficiencies that may hinder its ability to meet its goals

goals | the outcomes one intends to achieve

horizontal diversification | the development of new and perhaps even unrelated products or services to market to existing customers so that a company can garner a larger customer base

key performance indicators (KPIs) | quantifiable measure gauging a company's performance against a set of targets, objectives, or competitors

market development strategy | a growth strategy that identifies and develops new market segments for current products

market penetration strategy | a strategy used when a company focuses on growing its market share in its existing markets

marketing dashboard | summarizes important marketing metrics and key performance indicators into easy-to-understand measurements

marketing ethics | area of applied ethics dealing with the moral principles behind the operation and regulation of marketing

marketing metrics | what marketers use to monitor, record, and measure progress over time; are varied and can change from platform to platform

mission statement | action-based statement declaring the purpose of an organization

objectives | specific targets to be achieved within a specified period of time

product development strategy | complete process of delivering a new product or improving an existing one for customers

product diversification strategy | strategy to increase profitability and achieve higher sales volume through new products

product positioning | strategic exercise that defines where a product or service fits in the marketplace

strategic business unit | a relatively autonomous division of a large company that operates as an independent enterprise with responsibility for a particular range of products or activities

strategy | set of plans, actions, and goals that outlines how a business will compete

SWOT analysis | identification of internal strengths and weaknesses and external opportunities and threats impacting a business

vision statement | aspirational statement that articulates what an organization aims to achieve

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