**Export Potential Glossary**

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| Balance of trade | http://c.quizlet.com/a/i/spacer.Thhr.gifThe difference between a country's total imports and exports. If exports exceed imports, a favourable balance of trade exists; if not, a trade deficit is said to exist. |
| http://c.quizlet.com/a/i/spacer.Thhr.gifBarriers to international trade | http://c.quizlet.com/a/i/spacer.Thhr.gifThese are issues that can prevent trade taking place due to potential language and cultural difficulties.  |
| http://c.quizlet.com/a/i/spacer.Thhr.gifCompetitive advantage | http://c.quizlet.com/a/i/spacer.Thhr.gifA unique factor about the business that allows them to outperform their competitors eg: characteristics about the product/service that they offer |
| Consignment | Trading arrangement in which a seller sends goods to a buyer or reseller who pays the seller only as and when the goods are sold. The seller remains the owner of the goods until they are paid for in full and, after a certain period, takes back the unsold goods.  |
| http://c.quizlet.com/a/i/spacer.Thhr.gifCultural barriers | http://c.quizlet.com/a/i/spacer.Thhr.gifMiscommunication between people from different cultures or countries that could make doing business with them difficult.  |
| http://c.quizlet.com/a/i/spacer.Thhr.gifCultural intelligence | http://c.quizlet.com/a/i/spacer.Thhr.gifFinding out about another culture and their protocols in order to minimise barriers and make trading relationships work |
| Distributor | An overseas sales partner which buys products, usually in bulk volumes, for resale to individual clients. A distributor will typically generate revenue by negotiating special price rates from the principal, and adding their own mark-up to the resale price. A distributor should normally support the principal’s marketing strategy by providing local promotional and sales activities, as well as after-sales service, and by providing market intelligence. |
| http://c.quizlet.com/a/i/spacer.Thhr.gifExchange rate | An exchange ratetells you how much your currency is worth in a foreign currency. |
| http://c.quizlet.com/a/i/spacer.Thhr.gifExcise duties | http://c.quizlet.com/a/i/spacer.Thhr.gifTaxes placed upon goods being brought into the country |
| http://c.quizlet.com/a/i/spacer.Thhr.gifExports | http://c.quizlet.com/a/i/spacer.Thhr.gifGoods/services that are sent overseas for sale |
| http://c.quizlet.com/a/i/spacer.Thhr.gifImports | http://c.quizlet.com/a/i/spacer.Thhr.gifGoods/services that are brought into a country to sell  |
| http://c.quizlet.com/a/i/spacer.Thhr.gifIntellectual property | http://c.quizlet.com/a/i/spacer.Thhr.gifRefers to the ownership of an idea or design by the person who came up with it. It gives a person certain exclusive rights to a distinct type of creative design, meaning that nobody else can copy or reuse that creation without the owner's permission. |
| http://c.quizlet.com/a/i/spacer.Thhr.gifJurisdictions | Rules, regulations and legislation that businesses must comply with when exporting into a foreign country. |
| Legislation | A term used in conjunction with certificates of origin, particularly for shipments to Middle East destinations. A certificate of origin (and / or other documents) may have to be legalised (certified) by a representative of the destination country, usually the Embassy in the country of export. Legalisation is an additional form of verification over and above that which is undertaken by the chamber of commerce |
| http://c.quizlet.com/a/i/spacer.Thhr.gifMultinational companies | http://c.quizlet.com/a/i/spacer.Thhr.gifCompanies that have branches or operations in countries other than the one they are based in |
| http://c.quizlet.com/a/i/spacer.Thhr.gifNZTE | http://c.quizlet.com/a/i/spacer.Thhr.gifNew Zealand Trade & Enterprise - an organisation that supports New Zealand businesses and helps them to start trading internationally |
| Political Risk | Political risk is the risk a business could suffer as a result of political changes or instability in a country. Instability affecting investment returns could be from a change in government, legislation, other foreign policy makers or military control. |
| http://c.quizlet.com/a/i/spacer.Thhr.gifProtectionism | http://c.quizlet.com/a/i/spacer.Thhr.gifWhen a government protects industries within their own country |
| http://c.quizlet.com/a/i/spacer.Thhr.gifQuota | http://c.quizlet.com/a/i/spacer.Thhr.gifA physical limit placed upon the amount of a good that can be imported or exported into a country |
| http://c.quizlet.com/a/i/spacer.Thhr.gifTariff | http://c.quizlet.com/a/i/spacer.Thhr.gifA tax on imports |
| http://c.quizlet.com/a/i/spacer.Thhr.gifTrade agreement | http://c.quizlet.com/a/i/spacer.Thhr.gifAn agreement between two countries to work together to make trading easier for both parties |
| http://c.quizlet.com/a/i/spacer.Thhr.gifTrading bloc | http://c.quizlet.com/a/i/spacer.Thhr.gifAny action that makes trading with another firm/country difficult or impossible |
| http://c.quizlet.com/a/i/spacer.Thhr.gifWorld trade organisation | Ishttp://c.quizlet.com/a/i/spacer.Thhr.gif the only global international organization dealing with the rules of trade between countries |