

# IMPORTANCE OF COMMUNICATION ON INTERNATIONAL TRADE

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**Abstract:** Communication is an essential part of our day to day activities. It means sharing ideas, feelings, thoughts and emotions between two or more persons. Expression of likes or dislikes one with the other is called communication. It plays an important role as a tool in the international trade in relation to exchange of goods and services, currency, manpower, capital and technology. It helps to have increased production, employment generation, socio-economic development and balanced utilization of natural resources. An ineffective communication may lead to suppression of these above facts.

**Keywords:** Communication, International Trade, Manpower, Technology, Socio- economic.

## Introduction

Communication plays a vital role in the international trade for exchange of goods and service, manpower, capital, technology and currency. Effective communication skills make the foreign trade successful in all the aspects.

Communication is very important to maintain good relationship between the nations in the business transactions. A good communication, through the traders, may turn the leaders of the neighboring countries to maintain cordial bilateral relationship. It builds or closes a gap between the countries.

Sharing information, whether orally, nonverbally, or in writing, is the process of communication. Developing your communication skills can help you perform better at work and progress in your career.

You employ your communication skills both when providing and receiving different types of information. Even though you might use these abilities frequently in your day-to-day job, being able to communicate clearly, effectively, and efficiently is a very important and practical skill. Your efforts to accomplish a variety of personal and professional goals can undoubtedly be supported by regularly practicing techniques to improve your communications over time and by taking notes from excellent communicators around you.

Empathizing, speaking, listening, and observing are all part of communication skills. Comprehending the distinctions between face-to-face contacts, phone discussions, and digital communications, such as social media and email, is also beneficial.

## Need of Communication in Global Trade

The growing impacts and implications of globalization necessitated the necessity for worldwide communication. Because the market is becoming more worldwide, employers are looking for workers who

can communicate across cultural boundaries. "Includes political, economic, social, cultural, and military concerns," according to international communication

## Types of Communication

There are four main types of communication you might use on a daily basis, including

1. Verbal : Speaking to each other in spoken language
2. Non Verbal: Using tone, body language, and facial emotions to communicate
3. Written: Using written language, symbols, and numbers to communicate.
4. Visual: Using photographs, artwork, sketches, charts, and graphs to communicate

## Effective benefits of communication on international trade

1. There will be an increased production in the industries to meet the needs of the foreign countries.
2. There will be an increased employment opportunity internally and externally.
3. Communication in the international trade helps to have socio-economic development of the countries involved in the trade.
4. There will be an advanced technological upgradation not only in the production but also in the service sectors.
5. There will be a good understanding between the traders of different countries who deal with international trade.
6. Due to a good communication, drastic changes will take place in transportation especially water and air transport.
7. A good communication helps the traders to have more knowledge and skills in their goods and services to meet the global standards.
8. It helps to see that there will be a good cooperation and coordination extended by World Trade Organization, International Monetary Fund (IMF) and World Bank.
9. It helps the poor country to become a developing country to fulfill their basic needs.
10. A good communication helps to see that all the available natural resources are systematically used throughout the world by forecasting the needs of future generations.
11. Communication helps the businessmen to learn so many languages of different countries and come out of the language barriers.
12. Communication helps to have good cooperation and coordination among different countries by trading globally.
13. A communication helps to get skilled employees to work in the organization to improve their business activities.
14. It helps to have a good bilateral relationship between the neighboring countries to avoid wars between them.
15. A trader can understand the tastes, fashions and life style of the people of different countries and meet their demands.
16. A good communication helps the trader to take research and developmental activities by studying

international markets and its conditions.

17. National Banks can have their branches opened in different countries as a service sector.
18. A country will become strong to fight against so many international issues.

### **Limitations of ineffective communication on international trade**

1. Due to a language barrier a trader may not be able to find a better buyer in the international markets.
2. Barrier on the language is also one of the drawback to extend the markets globally.
3. The ideas, thoughts and opinions between the traders which are not clear, will defeat the very purpose of international trade.
4. The impact of communication is a drawback on the technology upgradation.
5. It effects on all the aspects i.e., products, employment, technology, manpower, currency.
6. It effects the country's image in the international markets.
7. The method of exchange of words may differ from one to another.
8. It also effects on the relationship of the different countries.
9. It leads to misunderstanding between the leaders of the nation.

### **Conclusion**

Communication is the only channel to have good international trade for the development of socio-economic needs. Effective communication makes the natural resources shared between the countries based on their requirements. Communication plays key role in the overall development of a country on international trade.

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