

Business Communication

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Business Communication

(18K3COAC03) syllabus



UNIT – I : INTRODUCTION

Meaning of communication – importance – Objectives- Types and Barriers of Communication – Principles of Effective Communication – Layout of a Business Letter.

UNIT – II : BUSINESS LETTER

Kinds of Business Letter – Enquiries and Replies – Order and their Execution & Cancellation – Claims – Complaints and Adjustments.

TEXT BOOK:

Effective Business English & Correspondence –M.S.Ramesh & Patten shetty.

Reference:

Business Communication – R.S.N. Pillai & Bhagavathi

Business Communication – S.Kathiresan & Dr. V.Radha.

BUSINESS COMMUNICATION



INTRODUCTION

The word communication is derived from the Latin word “communis”, which can be translated as common. Thus, communication signifies sharing of ideas in common.

Meaning of Communication



The dictionary meaning of communication is to convey or exchange information and share ideas.

Simply, communication is a process through which two or more persons transmit or exchange thought and ideas among themselves.

Definition of Communication



According to W.H.Newman and C.F. Summer communication is an exchange of facts, ideas, opinions or emotions by two or more persons”

According to Oxford English Dictionary,

“ communication is the action of conveying or exchanging information and ideas”

Business Communication



- ❖ Business communication is nothing but , the communication between people in the organisation for the purpose of carrying out the business activities.
- ❖ It is the process of sending and receiving business messages.
- ❖ It may be verbal or non verbal communication.

Elements of Communication



1. Message
2. Sender or communicator
3. Receiver or Communicatee
4. Channels
5. Symbols
6. Feedback

Objectives of Communication



The main objectives of communication is to give information and to persuade different persons. In the case of business, the main objective of communication is the improvement of its activities, all round development of the organisation and ultimate success in its operation.

Objectives of communication (contd.)



- To exchange information
- To develop plans
- To implement the plan
- To facilitate policy formulation
- To achieve organisational goal
- To organise resources
- To coordinate

Objectives of communication (contd.)



- To direct the subordinates
- To motivate employees
- To create consciousness
- To increase efficiency
- To bring dynamism
- To improve labor management is relationship
- To increase job satisfaction
- To convey employee reaction
- To orient employees.

Process of Communication

Communication process may involve the various elements as shown in the figure:



Process (Contd.)



Sender:

The person who send intends to make contact with the objectives of passing information, ideas to other persons is known as sender.

Ideas:

This is the subject matter of communication. This might be opinion , attitude, feelings, views, suggestions, orders etc

Process (Contd.)



Encoding:

Since the subject matter of communication is abstract and intangible its transmission requires the use of certain symbols such as words action, pictures, etc. Conversion of subject matter into these symbols is the process of encoding.

Channels:

These symbols are transmitted through certain channels, e.g. radio, telephone, air etc., depending upon the situation of the two parties viz., sender and the receiver.

Process (Contd.)



Receiver:

Receiver is the person to whom the message is meant for. Simply, to whom it is to be sent.

Decoding:

Receiver converts the symbols received from the sender to give him the meaning of the message.

Feedback:

Feedback is necessary to ensure that the receiver has received the message and understands it in the same sense as sender wants.

Principles of Effective Communication or Eight “C” of Communication



The communication to be effective must be based on certain important principles. The following are essentials for effective communication:

1. Conciseness(Brief)
2. Clarity
3. Completeness
4. Correctness
5. Consideration
6. Courtesy
7. Concreteness
8. Comprehensiveness

Principles of Effective Communication (contd.)



Conciseness: (Brief)

Every business letter must be as concise as possible. Making use of few words as possible without sacrificing clarity, correctness and completeness. Strictly avoid verbosity and unnecessary phrases.

Clarity:

Once you have decided about what to say, say it clearly. You should avoid vague meaningless words.

Principles of Effective Communication (Contd.)



Completeness:

Every business letter must deal with its subject in full. It should present all essential ideas. It must not leave any facts or information relevant to the subject matter.

Correctness:

The information given in the letter must be accurate and not false or misleading. It is necessary in order to safeguard the reputation enjoyed by the business.

Principles of Effective Communication (Contd.)



Courtesy:

Courtesy or politeness costs nothing. A courteous business man says “please”, when he wants a favour. And “Thank You”, when he receives a favour, “I am sorry” when he feels that he has hurt someone’s feeling.

Concreteness:

A business letter should be completely free from vague and indefinite statements. The writer must always make use concrete vivid and interesting words in place of abstract and labourious ones.

Principles of Effective Communication (Contd.)



Comprehensiveness:

A letter should be comprehensive. It should cover everything pertaining to the particular subject or issue discussed or answered in the particular letter. The various aspects should be so arranged that they can easily understood by the reader.

Conclusion:

It is clear from the above points that the eight C's make efficient commercial correspondence.

Types of Communication



Communication is a process whereby one person or one group convey some information to another person or to another social group. Communication can be classified into the following heads:

I. On the basis of Organizational Structure

1. Formal Communication
2. Informal Communication

II. On the basis of Media used

1. Oral Communication
2. Written Communication
3. Non-verbal Communication
4. Audio – visual Communication

Types of Communication

On the basis of Organisational structure

- Formal Communication
 - Downward Communication
 - Upward Communication
 - Horizontal Communication
- Informal Communication

On the basis of Media

- Oral Communication
 - Face to Face Communication
 - Mechanical Devices for Oral Communication
 - Signal
 - Speaking Tubes
 - Dictating Machine
 - Telephone
 - Intercom system
 - Electronic Paging System
 - House Telephone or Executive System
- Written Communication
 - Memo
 - Notice
 - Telegram
 - Telex
 - E-Mail
 - Reports
- Non-verbal Communication
 - Body Movement
 - Facial Expression
 - Gesture
 - Body Stance
 - Physical Appearance
 - Voice Qualities
 - Space and Territory
- Audio Visual Communication
 - It uses both the methods that are seen and heard
 - Slides
 - Videotapes
 - Short Films
 - Telecast

I. Organizational Structure



1. Formal Communication

- Formal communication takes place via formal channels of the organisation.
- It is created for regulating the communication flow and link to the various departments or parts of the organization.
- It describes the line of authority, powers, responsibility and accountability of the organizational members.

Forms of Formal Communication



There are three forms of formal communication namely,

- Downward Communication
- Upward Communication
- Horizontal Communication

Downward Communication



- Communication is said to be downward when it moves from the top to the bottom.
- It is used for passing on managerial decisions, plans, policies, programmes to the subordinates.
- It may be oral or written.
- The purpose of downward communication are
 - To give job instructions
 - To create understanding of the work
 - To inform about procedures and their performance

Upward Communication



- Communication is said to be upward when it flows from the subordinates to the top management.
- It is used by the subordinates for transmitting information to the top management.
- It is used to convey views, suggestions, grievances and problems of subordinates to their superior.
- It may be oral or written.

Horizontal Communication



- Communication is horizontal when it flows between individuals at the same operational level. i.e. between two departmental heads.
- The purpose is to interact on important matters or to exchange information and
- Coordinate their activities before inform to the top management.

I. Organizational Structure



2. Informal Communication

- Informal communication is free from all the formalities of formal communication.
- It is usually oral and may be conveyed by a simple gesture, nod or smile.
- It is also known as **grapevine**
- It may be made by the members of the organisation regarding task related or non-task related matters.
- It often serves as supplement to formal communication.

II. On the basis of Media used



1. Oral Communication
2. Written Communication
3. Non-verbal Communication
4. Audio – visual Communication

II. On the basis of Media used



1. Oral Communication

Oral communication refers to face to face communication. In this type, the sender and the receiver are in direct contact.

Forms of Oral Communication:

1. Face to Face Communication
2. Mechanical devices for oral communication.

Forms of Oral Communication



1. Face to Face Communication

- It take place face to face between two individuals or among a group. Example, meeting, interview, conference, etc..
- No cost required for this type as there is no need for any equipment.
- Misunderstanding can be avoided.

Forms of Oral Communication



2. Mechanical devices for oral communication.

Mechanical devices which are commonly used for oral communication are listed below:

- Signal (Bell, Buzzer, Coloured Bulb)
- Speaking Tubes
- Dictating Machine
- Telephone
- Electric Paging System
- House Telephone or Executive Systems

II. On the basis of Media used



2. Written Communication

On the other hand, written communication is very wide in its scope. In fact, the main work of any office is written communication. It is paramount important in conveying messages to the external world. Because it can carry assurance of transactions, confirm the dealing and form a reliable record for a future reference.

Forms of Written Communication



There are many forms of written communication. Of them, the letter is by far most widely used form. It may be send by different kinds of postal services such as ordinary mail, express delivery, quick mail service, registered post etc.. It is used for external communication.

- Memo
- Notice
- Telegram
- Telex
- E-mail
- Reports

II. On the basis of Media used



3. Non-verbal Communication

All the communication that occurs in between the people in an organisation may not be spoken, heard, written or oral. All communication is not verbal. Some may be non-verbal i.e. unwritten and unspoken.

1. Body Movement

- Facial Expression

- Gestures

- Body Stance

2. Physical appearance

3. Voice Qualities

4. Space and Territory

II. On the basis of Media used



4. Audio – visual Communication

- Audio – visual communication uses the methods that are seen and heard. It makes use of short films, slides, video, telecasts etc.
- It combines both sight and sound to attract the attention of the communicatee.
- It is most suitable for mass publicity, propaganda, and mass education.

BARRIERS TO COMMUNICATION



Communication fail due to various reasons. Sometimes subordinates may not be receptive. Sometimes, the superiors lack in their expression. Besides, some other barriers may also come into operation. The various barriers to communication are discussed below:

1. Perception
2. Semantic or language barriers
3. Perfunctory Attention
4. Status
5. Resistance to Change
6. Organizational Structure
7. Premature Evaluation
8. Emotional Attitude
9. Failure to Communicate
10. Other Barriers

BARRIERS TO COMMUNICATION



1. Perception:

Perception means an individual's view of reality. People differ greatly in the way they perceive things and events. Even a single individual has different perceptual styles depending on time and circumstances.

2. Semantic or Language Barriers:

Language serves as the basic for the communication. It is a media for conveying message. So, sender should select the words and construct the sentences carefully.

BARRIERS TO COMMUNICATION



3. Perfunctory Attention:

If the receiver pays very little attention to the message, communication in the sense of transfer of information and understanding will fail. When the employee is pre-occupied with a problems, sender face such problems.

4. Status:

This is one of the basic barrier arises due to status relationship that exist in every organization. The superior- subordinate relationships in the organizational structure inhibit free movement of information and understandings.

BARRIERS TO COMMUNICATION



5. Resistance to change:

Generally, people resist changes. Resistance to changes will be strong when the proposed change is great. Managers should take all possible steps to overcome such resistance to change.

6. Organizational Structure:

Effective communication depends greatly upon sound organizational structure. If the policies, rules and procedures are not clear, smooth flow of communication cannot be ensured.

BARRIERS TO COMMUNICATION



7. Premature Evaluation:

It refers to a tendency of forming a judgment before listening to the message fully. Premature evaluation misrepresents the message. Thus, it acts as a barrier to effective communication.

8. Emotional Attitude:

Emotional attitude of the parties involved in the exchange of information is another barrier to effective communication. When an individual is emotional, he may not be able to know the mind of the person.

BARRIERS TO COMMUNICATION



9. Failure to Communicate:

It is a pervasive barrier to communication. The communicator may be lazy or it may be assumed that everything is known to all. Communication also has no impact on those who are not willing to listen or read the message.

10. Other Barriers:

Other barriers include faulty translation, badly expressed messages, loss by transmission, lack of attention, unclarified assumptions, inadequate adjustment period and communication distrust.

Guidelines For Overcoming the Barriers



Effective communication is very much needed for the success of any organization. The following principles will make communication effective.

- **Principle of clarity**
- **Using simple language**
- **Orientation of Employees**
- **Sound organizational structure**
- **Informal communication channels**
- **Communication channels**
- **Feedback**
- **Flexibility of Communication system**
- **Perceptive listening**

Structure or Layout of a Business Letter



Introduction

The structure of a business letter refers to the proper arrangement of the various parts or the different elements of a business letter. To give the letter the right look and to ensure clarity and convenience, the letter should consist some components.

Structure of a Business Letter



A business letter consists of EIGHT parts:

1. Heading
2. Date
3. Reference number
4. Inside address
5. Salutation
6. Body of the letter – consist of;
 - Introductory paragraph
 - The message
 - Closing paragraph
7. Complementary close or subscription
8. Writer's signature and designation

1. The Heading



Almost all business firms use printed letterheads for their correspondence. Generally the name and address are printed on the top of the letter head. It also mention the telephone number, Fax number, email address etc. Thus, the printed letter head constitutes the sender's address enabling the addressee to reply.

2. The Date



This gives the date of the month and the year. It appears on the right hand side of the letterhead. Some letterheads contains a printed line indicating where the date should be typed. There are three ways of denoting the date.

1. English Style – 30th October 2020.
2. American Style – October 30, 2020.
3. Oxford University Press Style – 30 October 2020.

3. Reference Number



Reference numbers are often quoted at the left hand side of the letter but not on the same line of the date. The reference may take a variety of forms. It may serve to identify the department or the section of a department from where the letter was written.

Example , Our ref: R463/8

4. Inside Address



This is the address of the person to whom letter is directed. It is typed from the left hand margin with three line spacing below the reference line. It is one of the essential ingredients of the physical make up of the business letter. It is generally typed below the reference and above the salutation.

5. The Salutation



The salutation is the complimentary greeting when the writer begins his letter. This appears just three line spacing below the address close to the left hand margin. The form of salutation depends upon the writer's relationship with his correspondent. The salutation "sir" is commonly used in all government correspondence, and in a very formal business letter.

6. The Body of the Letter



This is the most important part of the letter. The ultimate object of a business letter is to convey a message. The body of the letter contains the principal message to be conveyed to the other party. The other parts, though necessary, they are only subordinates to the body of the letter. Therefore, the writer should take utmost care to set out the matter clearly.

Content of the Body of the Letter



The body of the letter usually consists of the following three parts:

1. Opening Paragraph
2. Main communication
3. Concluding paragraph

Opening paragraph serves as an introduction to the subject matter dealt with in the letter. It should begin with such good natured and friendly expression.

The body of the letter depends upon the circumstances. If the letter is short, and deals with only one matter, one paragraph is sufficient. When there are several matters to be mentioned, however, each should be dealt with a separate paragraph. This facilitate easy reading.

The concluding paragraph consists of a few sentences to conclude the letter smoothly. This paragraph should be as effective because this part of the letter is likely to stay in the memory of the reader.

7. The Complementary Close or Subscription



The complementary close is merely a courteous leave taking. In other words, it is merely a polite way of ending a letter. It is like a salutation. It is written below the last line of the body of the letter and just above the signature. A letter without close or an appropriate close is vulgar and ineffective.

List of salutations and the suitable complementary close



Salutation	Complementary Close	Comments
Dear sir, Dear sirs, Dear Madam, Mesdames,	Yours faithfully	This is the standard closure for business letter
Sir, Gentlemen, Madam, Mesdames,	Yours respectfully	Used in case of letters to superiors.
Dear Mr. Kumar	Yours sincerely, Yours very sincerely, Yours ever,	For private letters known to each other. To express a little warmer feeling. When both parties are close friends.
My dear Mr. Rao	Yours affectionately,	To express their intimacy

8. Writer's Signature and Designation



The signature follows immediately after the complementary close. It is usually written in ink. Facsimiles can be used only in case of circular letters. Signatures on commercial letter vary according to the authority of the person signing the letter.

UNIT - II



BUSINESS LETTER

ENQUIRIES AND REPLIES



Introduction:

In the present competitive market condition, a trader should carefully watch the market trends for their goods. Then only he can obtain proper supplier for their goods without any interruption. It is advisable for them to have a bird's eye view of the present market trends. Eventhough newspapers, market reports and price list provide many valuable information, they are not sufficient and hence many enquiries have to be sent. Hence, enquiry letters are of paramount important to all business concern.

Meaning of Enquiry

Making enquiry is the first stage for the buyer to get the necessary information to enable him to place an order for the goods required.

Occasions For Enquiry Letter



Traders usually send letters of enquiry in the following situations:

- When the goods required by them is of a kind, which they do not regularly buy and therefore they do not know the current prices.
- When they want to ensure that the present suppliers are supplying at competitive rates.
- When they want to discover better sources of supply.
- When they want to tap new lines of business.

Classification of Enquiry Letter



Enquiry letters may originate on the writer's own initiative or as a response to appeals and offers made by the sellers. It can be classified as follows:

1. Enquiries asking for a favour
2. Enquiries containing sales possibilities
 - (i) Solicited Enquiries
 - (ii) Unsolicited Enquiries

1. Enquiries Asking For a Favour



This type of letters contains requests for the favour of information with no immediate possibilities for placing an order. Example, a promoter of a company may write suppliers to enquire about certain goods not for buying them. Like students may require the business details for reference in his research work.

The points should be remember while drafting these types of letters are; It should be courteous, compact and at the same time should be confident and definite.

2. Enquiries Containing Sales Possibilities



This should be written by prospective buyers requesting for such particulars as may be necessary to make up their mind to buy specific goods. The enquiries are motivated to place orders on the basis of the information provided by the sellers. The enquiries containing sales possibilities are of two types:

- (i) Solicited letter of enquiry
- (ii) Unsolicited letter of enquiry

(i) Solicited Letter of Enquiry



The solicited inquiries are written in response to advertisements and general offers made by the sellers. Drafting this type of letter should be very brief and usually one or two sentences just state what is wanted in definite manner. It is also appropriate to mention the medium in which the advertisement is made.

(ii) Unsolicited Letter of Enquiry



This type of letter is written by prospective buyers on their own initiative to different firms to get more particulars about the quality, price and other terms of sale. This type of letter is more complex and much more detailed. It should contain the following points;

- A clear statement of the information desired, i.e. what is wanted?, who want it?, why it is wanted?.
- A tabulation of questions or a reference to an enclosed questionnaire. This is preferable when the enquiry is lengthy
- A expression of appreciation.

Some Hints For Writing Enquiry Letter



The letter of enquiry will vary with the product concerned. It calls for careful specifications, clear particulars etc. the following hints are highly useful to draft enquiry letter;

- Exact type of goods (Description of goods)
- Probable quantities that may be needed
- Purpose and time of requirement
- Literature and catalogue
- Other matters – it may include, will ask the seller to state the definite policy of his firm regarding credit, offer of discounts, mode and time of delivery and terms of payment.

Opening and Closing of Enquiry Letter



1. Opening Sentences:

- We should be glad to receive details of your prices.
- We should be obliged if you would inform us of the terms on which you are prepared to supply.
- We should be grateful for...
- We should appreciate details of ...
- As we are now interested in purchasing...
- We should welcome information...

Opening and Closing of Enquiry Letter



2. Closing Sentences:

- we look forward to placing further orders with you and trust that you will make every effort to satisfy our requirements.
- We hope to give you further business and feel sure that you will make every effort to satisfy us.
- We await the favour of an early reply.
- We request your prompt attention to our enquiry.

REPLIES TO ENQUIRY



Introduction :

Writing replies also have greater care and skill on the part of the writer. He should fully take note of each item in the enquiry. The letter should be as precise and clear as the enquiry itself.

Instruction for Dealing with Enquiries



Few instructions regarding enquiries are;

- Answer all enquiries the same day they are received.
- Answer his enquiry in terms of the advantage of our product to him.
- Don't make him wait for information while you refer him to local representatives or branch officers.
- Allow a reasonable amount of time for an order or a reply to come in and then follow it up with another letter.

Kinds of Replies



Replies to enquiries are of three kinds;

- A letter answering the enquiry and referring to the catalogue of samples sent.
- A letter containing a quotation within itself.
- A letter enclosing a quotation on a separate sheet or a separate form.

Hints on Drafting Replies to Enquiries



- Commence your reply by referring to the number if any, and the date of the letter of enquiry and thank the writer for his letter. Then proceed to answer clearly and concisely.
- Don't forget to mention;
 - mode of payment
 - Place and time of delivery
 - Method of transport
 - Charges on account of sales tax, octrai, freight and insurance etc.
- If you send a price list or catalogue in a separate cover, mention that fact in your reply.
- If you are not in a position to supply the article asked for but have substitute, you may offer substitute with fact and confidence.
- Close the reply by assuring the enquiries that you have been glad to be of service to him and are willing to supply him.

Specimen Letter of Enquiry and Reply



1. Solicited letter of enquiry

ARUN & SONS
(Dealers in Hardware and Paints)

**110, Car Street,
Coimbatore.**

4th October 202

**The Sales Manager,
Godrej Locks Ltd.,
30, Gandhi Road, Fort,
Mumbai.**

Dear Sir,

We have read with interest your advertisement in “The Hindu” dated 31st August 2020 regarding the introduction of new type of locks.

We shall appreciate further information about Anchor locks since, we earnestly desire to evoke good response for them in the local market.

Kindly, therefore, send us a copy of your catalogue and let us know your items for the bulk buyers. You can expect from us bulk orders provided your terms are competitive.

**Yours Faithfully,
For Arun & Sons,
s. Kumar
Manager.**

(contd.)



Reply Letter:

GODREJ LOCK LIMITED

**30, Gandhi Road, Fort,
Mumbai.**

10TH October, 2020.

**ARUN & SONS,
110, Car Street,
Coimbatore.**

Dear Sir,

We thank you for your letter dated 4th October, 2020, and have pleasure in sending you under separate cover a copy of our latest catalogue and price list.

Our list prices are subject to a trade discount of 15% and an additional discount of 2% in case your annual purchases from us exceed Rs. 1,00,000.

Our list prices are subject to a trade discount of 5% if your annual purchase of the New Anchor brand lock exceeds Rs. 5,00,000. we trust that you will be able to take advantage of these terms.

**Yours faithfully,
For Godrej Locks Ltd.,
R. Mohan
Sales Manager.**

(contd.)



2. Unsolicited Letter of Enquiry:

MURUGAN BOOK CENTRE

(Book Sellers and Publishers)

**112, Nethaji Road,
Salem – 636 001.**

4th August 2020

**M/S. Modern Book House,
No. 30, Rajaji Street,
Chennai – 600 001.**

Dear Sir,

Please inform if you can supply us the following books and their prices;

- 1. Business Organisation – by S.Kathiresan and Dr. V.Radha.**
- 2. Nuclear Physics – by Prof. Murugesan.**
- 3. Export Management – by S.Kathiresan and Dr.V.Radha.**

**Yours Faithfully,
S.Kumar
Partner**

(contd.)



Reply Letter:

Modern Book House
(Educational Publishers and Book Sellers)

**No. 30, Rajaji Street,
Chennai – 600 001.
7th August 2020.**

MURUGAN BOOK CENTRE
112, Nethaji Road,
Salem – 636 001.

Dear Sir,

We thank you for your letter dated 4th August 2020. We have the pleasure to inform you that we can supply you the following books at prices noted against each.

1. Business Organisation – Rs. 80
2. Nuclear Physics – Rs. 120
3. Export Management - Rs.150

We are sending under separate cover a copy of our latest trade catalogue, which can furnish details of all our publications.

We allow a trade discount of 20% to all booksellers and allow a cash discount of 5% if the bill is retired from the bank within 7 days from the date of the intimation.

We hope that you will be able to take advantage of these terms.

**Yours Faithfully,
For Modern Book House,
S.Kishore
Manager.**

Specimen Letter For Refusing An Enquiry



Mr. Mohan, the manager of Janatha Rubber Company wrote a letter to the Lions Rubber Industries Ltd. Asking for information concerning the basis on which the company pays to its sales representatives.

LIONS RUBBER INDUSTRIES LTD.

**45, Industrial Estate,
Guindy, Chennai – 32.
20th September 2020.**

**Mr. Mohan, The Manager,
Janatha Rubber Company,
115, Purasaiwakkam High Road,
Chennai – 600 007.**

Dear Mr. Mohan,

Thank you for your interest in your letter of 15th September 2020 concerning the way in which we pay our sales representatives.

We regret that we cannot divulge this information. Since each of our sales representatives works under an individual contract. We would be violating the confidence of our employees if the terms of these contracts were given out.

We hope that you may be familiar with the book “setting up a sales organisation” by E.J. Smith. We have found it valuable in its practical suggestions for dealing with specific problems.

If we may be of assistance to you in some other way., please feel free to write us. We want to offer our best wishes for your success.

**Yours Sincerely,
For Loins Rubber Industries Limited,
Raja
Sales Manager.**

ORDER AND THEIR EXECUTIONS



- The order is the direction given by the buyer to the seller to despatch or deliver the goods in accordance with the accepted terms and conditions.
- The person placing an order may act on the information received through the catalogue, advertisement etc.
- It establishes a legal relationship between the seller and the buyer.

Content of an Order Letter



The order letter constitutes a contract of purchase and sale. So proper care should be taken in drafting the order. A good order letter should contain the following;

- Acknowledge of the quotation
- Types of the goods
- Price of the goods
- Quantity of the goods
- Mode of transport
- Time and place of delivery
- Mode of payment

Execution of an Order



When an order is received from a customer, the seller should take prompt steps to despatch the required goods according to the instructions given by the buyer. The execution letter should contain the following.

- A reference to the date and number of the order.
- An expression of thanks for the order.
- An intimation about its execution.
- Information about the date of despatch of the goods and mode of transport.
- A statement of the total amount of the invoice and the manner in which the seller is willing to recover the amount of the invoice.
- A solicitation for further orders.

Delay in the Execution of Orders



In some cases, the seller may find it difficult to execute the order promptly within the period of due to various reasons. Drafting of this type of letter calls for greater care and extraordinary skill. The following hints should be noted while drafting this type of letter;

- The seller should specify the events which made him to unable to execute the order in time.
- It should also be stated when everything will be settled and the probable date within which the goods can be despatched.
- A request to the customer to condone the delay and to wait till the circumstances take a better turn.
- An assurance to the buyer that his order will receive prompt attention on the date mentioned.
- Finally, the letter should be closed with a reference to the inconvenience.

Inability to Execute the Order



Sometimes, the seller himself may not be in a position to execute the order placed with him. In such situations, the acknowledgement of an order can be classified into two categories.

1. Refusal of an order (if the goods are in stock)
2. Substitutes and counter offer (if the goods are out of stock)

1. Refusal of an order



A seller, though, has sufficient stock of the goods ordered, may refuse an order placed with him due to the following reasons.

- When terms mentioned in the order are not agreeable to him or the prices mentioned in the order are less than the quotations etc.
- When the customer has not yet cleared the old dues.
- Sale is through authorized agents only.

2. Substitutes and counter offers



- The seller need not refuse an order merely because the goods ordered are out of stock or not manufactured by the producer.
- But he can offer substitutes to the buyer who placed the order.
- Under such situations, the seller should act tactfully because the counter offer may annoy the buyer.
- And he should specify the reasons for not stocking such goods ordered.
- If the goods are out of fashion and hence not manufactured, he should explain the present trends and offer the new substitutes

Cancellation of an Order



- Sometimes, it may be found necessary to cancel an order after it has been placed. It is not possible in all cases.
- If an order was placed long ago and the goods are already despatched, it is not possible to cancel the order.
- However, if the order is placed recently and the goods are not yet despatched, then the buyer can cancel the order.
- Like that, if the order is placed subject to a condition that it should be executed within a specified time and the seller fails to execute the order within the specified time, then the buyer can cancel the order.

Hints on Drafting Cancellation



- While drafting cancellation letter the following points should be noted.
- If the buyer decides to cancel an order, he should immediately communicate his decision to the seller, preferably by a telegram followed by a letter.
- The reasons for cancellation should be clearly stated.
- The letter should hold out an assurance to make good the loss of the order cancelled.

Specimen For Order Letter



BHARATH STORES

25, Poonamallie High Road,
Chennai – 600 056.

10th August 2020.

M/S Bhava Sales Corporation,
60, Rajaji Road,
Mumbai – 400 001.

Dear Sir,

We thank you for your quotation and the price list. We shall be glad to place an order with you for the following items listed in your catalogues.

No.18 six dozen set of knives and forks with ebony handles Rs. 500 per dozen.

No. 25 twelve dozen set of knives and forks with horn handles Rs.600 per dozen.

Since the above items are needed urgently, we request you to send them through 'Economic Transport Organisation' to Chennai on or before 15th August 2020.

On receipt of the consignment, we shall cover you for the amount of the invoice.

Yours Faithfully,
For Bharath Stores,
V.Mohan
Manager.

Specimen For Order Letter(Form)



CHERAN BOOK HOUSE

**130, Big Bazaar Street,
Coimbatore – 641 001.**

10th August 2020.

**M/S Prasanna Publications,
No.20, Murugappa Nagar,
Chennai -600 005.**

Dear Sir,

**We have enclosed our order No. 32/5/2020 and request you to
execute it promptly.**

**Yours Faithfully,
For Cheran Book House
S.Ramachandran.
Manager.**

Encl.: Order form No. 32/5/2020

Specimen For Order Letter(Form)



ORDER FORM

CHERAN BOOK HOUSE

**130, Big Bazaar Street,
Coimbatore – 641 001.**

Ref. No. 32/5/2020

10th August 2020.

**M/S Prasanna Publications,
No.20, Murugappa Nagar,
Chennai -600 005.**

Dear Sir,

Kindly arrange to supply the following books as early as possible

Lorry : SLS, Bank: Bank of Madura

(PTO)

Specimen For Order Letter(Form) (Contd..)

S.No.	Name of the Book	Price	Copies	Total
1.	Marketing	75	10	750
2.	Business Law	50	20	1000
3.	E-Commerce	200	10	2000
4	Company Law	75	20	1500
				5250

**Yours Faithfully,
For Cheran Book House
S.Ramachandran.
Manager**

Order by Telegram



BABU CYCLE TRADERS

167, Nethaji Road,
Chengalpat – 603 001.

10th September 2020.

M/S Balaji Sales Corporation,
21, Gandhiji Road,
Chennai – 600 018.

Dear Sir,

We thank you for your quotation dated 5th September 2020 and confirm our order by telegram of today's date as follows.

“send 1000 super tubes at twenty immediate despatch”

Please confirm this order and inform us when you will despatch the goods.

Yours Faithfully,
For Babu Cycle Traders,
J.Raja
Manager.

Letter Intimating the Execution of an Order



Balaji Sales Corporation

21, Gandhiji Road,
Chennai – 600 018.

12th September 2020.

Babu Cycle Traders

167, Nethaji Road,
Chengalpat – 603 001.

Dear Sir,

We thank you very much for your order of 10th September 2020 for cycle tubes and are pleased to inform you that it has been executed this morning.

We enclose an invoice for Rs. 20,000 that include postal and insurance chages.

We have this day drawn a bill of exchange on you for Rs.20,000/= payable 30days after sight and trust that you will honour it on maturity.

We thank you once again for the order and hope that you will continue to patronize us.

Yours Truly,
Balaji Sales Corporation
V. Bharathi
Managing Partner.

Letter Asking for Extention of Time for Delivery



Balaji Sales Corporation

21, Gandhiji Road,
Chennai – 600 018.
12th September 2020.

Babu Cycle Traders
167, Nethaji Road,
Chengalpat – 603 001.

Dear Sir,

We thank you for your order dated 10th September 2020 for cycle tubes requiring immediate execution.

Unfortunately, we are unable to meet your requirements as our present stock is exhausted and owing to a breakdown in the factory at Mumbai our suppliers are unable to execute our order for the cycle tubes before 1st October of this year.

If you can see your way to extending the date of delivery to 5th October 2020, we shall be glad to accept your order and ensure its punctual execution.

An immediate reply would be appreciated.

Yours Truly,
Balaji Sales Corporation
V. Bharathi
Managing Partner.

Letter Intimating that Sales Through Authorised Agents Only



Balaji Sales Corporation

21, Gandhiji Road,
Chennai – 600 018.
12th September 2020.

Babu Cycle Traders

167, Nethaji Road,
Chengalpat – 603 001.

Dear Sir,

We thank you for the order of 10th September 2020 for 1000 cycle tubes. We also appreciate your interest in our product.

However, as a general policy we are now selling our products only through authorised agents and do not accept any direct order and even our regular customers are quoted by these agents only.

Therefore, we have passed on your order to M/s S.Kumar, No.12, New Bazaar Street, Chennai – 600 003, who are our authorized agents for your area.

We are sure that you will continue giving us the pleasure of serving you through our agents.

Yours Truly,
Balaji Sales Corporation
V. Bharathi
Managing Partner.

Letter offering a Substitute



Balaji Sales Corporation

21, Gandhiji Road,
Chennai – 600 018.
12th September 2020.

Babu Cycle Traders
167, Nethaji Road,
Chengalpat – 603 001.

Dear Sir,

Your order of 10th September 2020 for the supply of super cycle tubes indicates your selective taste for quality products.

Since we have already exhausted the stock of these tubes, we made a telephonic enquiry with the manufacturers about the availability of the brand you have ordered. We sorry to say that due to some legal difficulties our manufacturers have stopped the production of that brand.

If your demand is not compelled to use the exact thing, we can supply our ‘victory cycle tubes’ which are as good as the one you have ordered. The price also such lower compared to that quality. We are sure you will find ‘victory cycle tubes’ a good substitute for super cycle tubes.

If you are interested, we can supply the new product immediately on receipt of your confirmation. We assure you that you will find it satisfactory. And awaiting for your reply.

Yours Truly,
Balaji Sales Corporation
V. Bharathi
Managing Partner

Letter Cancelling an Order



BABU CYCLE TRADERS

67, Nethaji Road,
Chengalpat – 603 001.

10th September 2020.

M/S Balaji Sales Corporation,
21, Gandhiji Road,
Chennai – 600 018.

Dear Sir,

We confirm our telegram of today, which runs as follows.

“CANCEL ORDER FOR 1000 TUBES DATED 20TH OCTOBER LETTER FOLLOWS”

we are sorry to have to cancel our order dated 10th September for 1000 Super Cycle Tubes. We are compelled to do this as we find on re-examination of our stock report, that we have sufficient stock of super cycle tubes at present. Our order was the result of an error on the part of our storekeeper.

We apologies for the inconvenience our mistake may cause to you. We, however, assure you that we shall be pleased to place a large order for cycle tubes with you when our present stock is sold out.

Yours Faithfully,
For Babu Cycle Traders,
J.Raja
Manager.

CLAIMS, COMPLAINTS & ADJUSTMENTS



Introduction:

- Orders may be executed improperly or incompletely; goods may be damaged or unsatisfactorily received; misunderstanding may arise over discounts, bills, credit terms and exchanges.
- The letter written to bring these errors to the attention of those who must take the responsibility for them is known as claim letters.
- Those written to take action on each claims are called as adjustments letters.

COMPLAINTS



- Business is conducted by human beings. Therefore, there cannot be business without complaints. Even the best business conducted by the most efficient executives also will receive complaints.
- As human beings are subject to various weakness, mistakes are bound to occur. When mistake occur, complaints arise.
- Complaints are a regular feature of business life.

Causes for Complaints



Occasions giving room for a claim or complaint are many and varied. Even in well managed business concerns, errors occur frequently in spite of all the precautions taken. However, the buyers may cite the following as the popular causes frequently give rise to claims.

- Unjustifiable delay in the execution of orders.
- Supply of inferior goods.
- Supply of wrong goods.
- Delivery of damaged goods.
- Variance in the terms and conditions relating to the payment and delivery.
- Mistakes in calculations.

ELEMENTS OF A GOOD COMPLAINT LETTER



A well drafted complaint letter according to Robert L. Shurter, **should contain the following four elements.**

- An explanation of what is wrong. It should give exact dates, amounts model numbers, sizes or any other specific information that will make a re-check easier for the reader.
- A statement of loss or inconvenience that has resulted from this error.
- An attempt to motivate action by appealing to the reader sense of fair play, his honesty or his pride.
- A statement of what adjustment is considered, fair, if the writer does not know what adjustment is equitable, he should try to stimulate prompt investigation and action.

HINTS ON DRAFTING THE LETTER OF COMPLAINTS



To draft a letter of complaint, the writer should note the following hints.

- [1] Give exact and clear reference of the order to which the complaint relates.
- [2] Make a clear, definite statement of the mistake committed by the seller. The complaint should not be vague.
- [3] Clearly identify whether the fault lies with the goods supplied or services rendered.
- [4] Explain the nature and extent of inconvenience or damage caused, in terms of money, sales, service or goodwill.
- [5] Specify the steps necessary to rectify the defect.
- [6] Make a polite but firm request that the matter should be attended promptly.
- [7] Express the hope of continued business relations with the seller, if the error is rectified.

Replies to Complaint Letters or Adjustment Letters



Introduction

The modern businessmen and industrial leaders should welcome comments from their customers. Actually claim and complaint letters offer an excellent check on the quality of service or products, and many business concerns maintain a continuous record of the letters.

Replies to such complaints are called “adjustment letters”.

Adjustment Letters



Writing a reply to a complaint is the most difficult task to a businessman. It requires the most delicate and skillful handling because the letter has not only to satisfy the customers but also to safeguard the goodwill of the seller. It can play a vital role in building up the firm's reputation only when the writer keeps the following principles in mind.

1. Every complaint or claim, no matter how trivial it seems, is important to the person who makes it.
2. It therefore, requires a prompt answer and acknowledgement.
3. The answer should be factual, courteous and fair.
4. Above all, it should not argue or take a critical attitude.

Kinds of Adjustment Policies



The adjustment policies followed by modern business concerns can be classified into three categories.

- 1. The consumer is always right.** Therefore, all claims are granted. This policy is used only by few firms.
- 2. Grant adjustments wherever the claims seems fair.** This by far the most widely followed policy towards claims.
- 3. Caveat empter – let the buyer beware.** The buyer bought the goods and he should assume the responsibility. Therefore, no claims are granted.

Classification of Adjustment Letters



The adjustment letter can be broadly classified into two categories.

1. Letter granting the adjustment.
2. Letter refusing the adjustment.

1. Letter granting the adjustment.

This type of letter is usually easy to write. It should make the adjustment cheerfully and should admit the error frankly. Its ultimate object is not just to grant the adjustment but to retain the goodwill and the business of the disappointed customer. The following four points are usually included.

1. Letter granting the adjustment



This type of letter is usually easy to write. It should make the adjustment cheerfully and should admit the error frankly. Its ultimate object is not just to grant the adjustment but to retain the goodwill and the business of the disappointed customer. The following four points are usually included.

1. An express of regret for the inconvenience caused.
2. An explanation for the cause of the error.
3. A statement of what adjustment is to be made.
4. An attempt to build goodwill.

2. Letter refusing the adjustment



Refusal of an adjustment is much more difficult than admitting a claim. A partial adjustment can be made, that is, it does not comply with the request, and it is still a refusal of adjustment. While writing such letter a soft answer is the best. A soft answer according to **Robert L. Shurter** should contain the following.

1. An attempt to get on common ground with the reader by agreeing with him in some way.
2. A clear explanation of the situation from seller's point of view.
3. An attempt to get the reader to accept the Seller's opinion about the situation.

HINTS ON DRAFTING THE LETTER OF ADJUSTMENTS



It should be noted that there is no exact formula to solve the problem of writing effective adjustment letters. Whether the claim is granted entirely, partially or refused, the writer must always seek to :

1. Convince the buyer that he is being treated fairly.
2. Gain his confidence in the products, services or policies.
3. Regain his goodwill.

Hints (contd.)



The claim should be answered promptly. Delay will cause further problems.

- Give due weight to the customer's inconvenience. The tone should be conciliatory and you should be prepared for a settlement that may bring satisfaction to both parties.
- Thank the customer for calling your attention to the difficulty, defect, damage or mistake. Apologies for the trouble and inconvenience.
- If the claim is reasonable, offer the adjustment graciously.
- If the claim is unreasonable or unjust, state clearly why you are refusing or only partially accepting his claim.
- When the customer is at fault or when the complaint is the result of a misunderstanding on the part of the customer, explain the matter tactfully in a friendly but in a definite tone.
- If the customer's letter is sarcastic and written in an angry tone, do not pay back his own coin. You should not use the same words used by the customer. But try to turn his anger into a smile.
- Close the letter with a hope that the customer will be pleased with the adjustment and continue to repose confidence in you.

Specimen letters of complaint



Letter Complaining Delay:

AMAR BROTHERS LIMITED

**21, G.N. Chetty Road,
Chennai – 600 017.**

12th August 2020.

**M/S Vijaya Sales Corporation,
122, South Main Street,
Madurai – 625 001.**

Dear Sir,

We regret to have complain that you have not yet delivered the goods ordered on 10th August 2020.

As your representative promised to deliver promptly, we have decided to your favour rejecting even more favorable tenders. Therefore, we must insist on its fulfillment.

The goods are required for shipment and must be with us in four days. Should you fail in your obligation, we should be compelled to cancel the order.

**Yours faithfully,
For Amar Brothers Ltd.,
S. Arjun
General Manager.**

Reply to the above complaint letter

M/S VIJAYA SALES CORPORATION

**122, South Main Street,
Madurai – 625 001.**

14th August 2020.

**Amar Brothers Limited,
21, G.N. Chetty Road,
Chennai – 600 017.**

Dear sir,

We thank you for your letter dated 12th August 2020. we wired to you
This morning as follows

**“ GOODS DESPATCHED ON 13TH AUGUST ITSELF REGRET DELAY”
Which we confirm.**

We are extremely sorry for the delay and we did our best to expedite delivery. The sudden breakdown of machinery in the factory of our suppliers placed us into great difficulties for the past two months.

We hope that you will accept our appologies for the delay and continue the same friendly relations with our firm which existed in past.

**Yours faithfully,
For Vijaya Sales Corporation
A. Gopal
Manager**

Letter Complaining the Dispatch of Wrong Goods
VINAYAGA ENTERPRISES

**122, West Car Street,
Chidambaram – 608 001.
15th May 2020.**

**M/S Sekar Sales Corporation,
25, Broadway,
Chennai – 600 001.**

Dear Sir,

We have ordered 20 Vijaya International Moped Tyres Nylon Button under order No. 47/2020. Today when the consignment arrived, we checked its contents and found that it contained 20 – Palmer Lucky star Moped Tyres. We presume that this must be due to a mistake by one of your packers.

There is a great demand for this Moped Tyres in our area and we are compelled to disappoint numerous customers who are daily calling on us at our stores to enquire about the tyres.

Therefore, we request you to let us know by telegram when we may expect the correct consignment.

**Yours faithfully,
Vinayaga Enterprises,
p. Gopal.
Partner.**

Reply to the above Complaint Letter

SEKAR SALES CORPORATION

**25, Broadway,
Chennai – 600 001.
17th May 2020.**

**122, West Car Street,
Chidambaram – 608 001.**

Dear Sir,

We greatly regret for the mistake made in the execution of your order No. 47/2020 dated 7th May 2020.

The packer who was assigned with the despatch of your order was transferred from our Bombay office only a few days ago and he committed an error in packing the goods.

We have today, forwarded 20 – Vijay International Tyres you have ordered and request you to return carriage forward at your convenience, the Palmer tyres sent to you by mistake.

We are now taking effective steps to secure better supervision of the work of our new hands, so that our customers may not be put to any sort of inconvenience in future.

We apologies for the inconvenience you have suffered in this instance.

**Yours faithfully,
For Sekar Sales Corporation
K.Kumar**

Letter Complaining Despatch of Defective Goods

THIRUPATHI BOOK HOUSE

**7-A, Raman Chetiyar Street,
Chennai – 600 001
10th May 2020.**

**M/S. London Books,
45, New Bazaar Street,
Hydrabad – 500 001.**

Dear Sir,

Thank you very much for the despatch of 100 books on “Business Communication” sent to us by you in accordance with our order No.31/2020 dated 24th April.

On going through these books we found that one of the copies sent by you is incomplete as pages 49 to 64 (16pages) are missing while another copy is badly damaged.

Will you please let us know whether we can return these two copies to you so that you may replace the books b another two good and complete copies?

**Yours faithfully,
For Thirupathi Book House,
A.Arun
Manager.**

Reply to the above – accepting to replace the defective goods

M/S. LONDON BOOKS

**45, New Bazaar Street,
Hydrabad – 500 001.**

12th May 2020.

Thirupathi Book House

**7-A, Raman Chetiyar Street,
Chennai – 600 001.**

Dear sir,

We thank you for your letter dated 10th May 2020. we are sorry to know that you have received one damaged and another incomplete copy of our publication ‘Business Communication’.

We shall be highly grateful to you if you will kindly return those two copies so that we can replace them immediately.

We are sorry for the inconvenience caused to you. However, we assure that such mistakes will not be repeated in future. We shall, of course, bear the postage both ways.

**Yours faithfully,
London Books,
V. Mohan
Managing Director.**

References

BOOKS Referred :

- 1.S.Kathiresan & Dr. V. Radha : Business Communication, Prasanna Publications,
Chennai.
2. M.S.Ramesh & Pattenshetty : Effective Business English& Correspondence
R. Chand, New Delhi
3. Rajender Paul & Korlahalli : Essentials of Business Communication,
Sultan chand & sons New Delhi.
- 4.R.S.N.Pillai & Bhagavathi : Commercial Correspondence and
Office Management, S.Chand & Co. New Delhi.