

Business Correspondence

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Meaning of Letter

A letter is a written message sent by one person to another. In addition to conveying a particular message, they perform important public and social relations functions in fostering good working relationships with customers, suppliers and others.

A letter has a complex layout which has to be carefully followed.

Business Letter

A business letter is a letter from one company to another, or such organizations and their customers, clients, or other external parties.

Letters are brief written message sent to recipients outside the organisation.

According to Hanson, **“The letters which are exchanged among businessmen and connected with business affairs are called business.”**

Purposes/ Functions of Business Letters

Business letters in all situations should be written with politeness and respect for each other. The business letters may be good news letters, routine letters, bad news letters etc. The fundamental functions of business letters are as follows-

A.Sales Promotion Functions: Sales promotion is the primary function of business letters. Letters can play the role of salesman in maintaining and expanding the market for goods and services. The sales functions performed by a business letter are as under-

- ❖ Providing Information
- ❖ Highlighting merits
- ❖ Periodical contact
- ❖ Handling competition

- ❖ Handing queries

B. Goodwill Function: Goodwill indicates the positive mental response of the potential customers to the suggestive appeals of producers and traders. Goodwill is built up by the following ways-

- ❖ Replying Customers
- ❖ Compensate complaints
- ❖ Order execution
- ❖ Collection of dues
- ❖ Writing social letters.

C. Reference Functions: Business letters are message communicated in writing and hence can serve as valid records for ready reference in the office routine.

D. Legal Function: Business letters can provide evidence in legal disputes, if any, that occur in a transaction. They are useful as legal documents in quotations and offers.

Types of Business letter

1. Classification according to function: On the basis of function, business letters are of the following types-

- ❑ Response letter - It is an answer to the unsolicited letter.
- ❑ Unsolicited letter - It is created by sender with a special purpose.

2. Classification to the nature and tone of the message:

- ❑ Positive letter- The purpose of positive letters is to convey good news, creation of goodwill, to congratulate someone, recommendation, adjustment etc.
- ❑ Negative letter- Negative letters are useful for transmitting bad news.
- ❑ Persuasive letter- Persuasive letters may be written to convince someone to do something or to accept an idea.

- ❑ Routine letter- Letters written for regular business activities can be termed as routine letter.

3. Classification according to structure : These are of two types-

- ❑ Restricted- This letter means here writers are obliged to follow to the letter structure and can not break the rules of its writing.
- ❑ Unrestricted- The unrestricted letter structure refers to the free form of the letter.

4. Classification according to the letter subject: The business subject is broadly divided into two main types-

- ❑ The commercial Restricted: It is used in preparation for bargaining or at fulfillment of contract conditions. Letters of this type can be-
 - Offer letter
 - Letter of inquiry
 - Complaint letter

❑ **The noncommercial or proper business letter-** This letter which is used to decide the organisational issues, legal matters and economic relationship. Letters of this types-

- Letter of gratitude
- Letter of commitment
- Informational letter
- Letter of confirmation
- Covering letter
- Letter of congratulations
- Letter of invitation
- Letter of condolence