

14.3 Importance of Business Correspondence

Now-a-days business operations are not restricted to any locality, state or nation. Today production takes place in one area but consumption takes place everywhere. Since the businessmen as well as customers live in far off places they don't have sufficient time to contact each other personally. Thus, there arises the need for writing letters. In the past the situation was not so. Business letters were not essential in olden days. But now the importance of letters has increased because of vast expansion of business, increase in demand as well as supply of goods. Let us learn about the importance of business letters.

i) Help in maintaining proper relationship

Now-a-days business activities are not confined to any one area or locality. The businessmen as well as customers are scattered throughout the country. Thus, there is a need to maintain proper relationship among them by using appropriate means of communication. Here business letters play an important role. The customers can write letters to the businessman seeking information about products and businessmen also supply various information to customers. This helps them to carry on business on national and international basis.

ii) Inexpensive and convenient mode

Though there are other modes of communication like telephone, telex, fax, etc. but business information can be provided and obtained economically and conveniently through letters.

iii) Create and maintain goodwill

Sometimes business letters are written to create and enhance goodwill. Businessmen at times send letters to enquire about complaints and suggestions of their customers. They also send letters to inform the customers about the availability of a new product, clearance sale etc. All this results in cordial relations with the customers, which enhances the goodwill of the business.

iv) Serves as evidence

We cannot expect a trader to memorise all facts and figures in a conversation that normally takes place among businessmen. Through letters, he can keep a record of all facts. Thus, letters can serve as evidence in case of dispute between two parties.

v) Help in expansion of business

Business requires information regarding competing products, prevailing prices, promotion, market activities, etc. If the trader has to run from place to place to get information, he will end up doing nothing. It will simply result in loss of time. But through business letters, he can make all enquiries about the products and the markets. He can also receive orders from different countries and, thus enhance sales.
