

TRADE ENQUIRIES

• Introduction • General Rules • Opening Sentences • Closing Sentences • How to write a letter of Enquiry • Exercise.

Most letters, which are written for commercial purposes are trade letters. Every trade letter is written with a certain aim. They include letters of enquiries and replies, letters of order, letters of confirmation, letters of despatch, letters of settlement, etc.

We can see many types of advertisements in newspapers. Sometimes the advertisement fails to give full information of a particular type of goods, to the buyer or customer. In this case, the correspondence thread, "Enquiry" starts from the buyer. This will naturally be replied. When the response is satisfactory, he sends an order and the seller will execute the order. Accounts are settled, unless there be some cause for complaint. If there is any complaint, they are adjusted. Finally payments are made and the whole correspondence or transaction comes to an end.

The basic stages of correspondence between a buyer and a seller are:

- (a) letter of inquiry
- (b) letter of response
- (c) letter of order
- (d) letter of execution of order
- (e) letter of complaint, if any
- (f) letter of adjustment
- (g) letter of settlement of accounts

In trade enquiries, letters are usually written by a buyer to enquire the price, quality, terms of trade, etc. This type of letters may be based either on the supplier's advertisement or at the instance of the buyer himself. In writing a letter of enquiry the following general points should be remembered:

1. **Description of goods:** If the buyer is definite about his needs, he should describe in detail. By writing detailed description, the chance of getting undesirable goods can be avoided. If enquiry is made on the basis of catalogue number, assigned to each goods, may be given in lieu of the details. However, a clear description must be found in a letter of enquiry, so as to avoid unnecessary further correspondence.
2. **Price, time and place of delivery:** The buyer should know the prices. If not found in the catalogue, he asks for it in his letter of enquiry, as well as the time taken for delivery of goods, the place of delivery, etc. The period of delivery time is an important element. The goods may be supplied at F.O.R. or Ex-godown or C.I.F. value. In order to eliminate doubts regarding the quality of goods, sample may be asked for.

3. **Terms of payment:** If a new purchaser aims at buying goods from a firm with which he has had no previous transactions, he should ask whether goods will be supplied on cash or credit. If it is on credit, the buyer should give references to enable the seller to enquire the status of the buyer. It is also advisable to state the probable quantity that may be purchased.
4. **Other Charges:** Generally insurance, commission, discount, rebate etc., are found in terms of trade. It is seen that where a large quantity of goods is purchased, certain facilities are given by a seller to the buyer viz., discount of commission.

Any suggestions, if needed, can be forwarded and of course the seller will comply with it. Details regarding packing and forwarding of goods can be had from the seller. The shortest route to the destination from the seller's place may also be mentioned.

A few examples of opening sentences and closing sentences are given below:

Opening Sentences

- (a) "As we are in urgent need of your products"
- (b) "We shall be glad to receive detailed information of your....."
- (c) "I shall be grateful to you for"
- (d) "Please quote us your lowest prices for....."
- (e) "Your name has been suggested to us by M/s....."
- (f) "We are interested in your products and therefore please, let us know the details of"
- (g) "Will you please tell us the terms and conditions....."
- (h) "Your firm has been recommended to us by Mr. Ganesh CA, who happen to be our regular customer."
- (i) "We are interested in buying fancy table tops being manufactured by you."

Closing Sentence

- (a) If your terms and conditions prove satisfactory, we shall place our requirements with you.
- (b) As we are able to handle large quantities, we trust that you will make an effort to quote competitive prices.
- (c) To facilitate further orders please quote your lowest prices.
- (d) On hearing from you, we shall place a bulk order with you.
- (e) We hope to place a large order if your terms of the business are found reasonable.
- (f) We trust you will offer us special concessions, as we are in a position to place large orders with you.
- (g) "If terms and conditions are favourable, we would be pleased to send our first order immediately."
- (h) "Since we plan to give you regular business, we are sure, you will quote favourable terms."

CARTON STATIONERY CENTRE

Post Office Road,
Madurai (S.I.) - 625 002.

5th April, 20...

Messrs. Morton & Sons,

Virudhunagar

Dear Sirs,

We are interested in hand-purses, advertised in the Indian Express of 2nd April, 20... We are considering to order a few dozen on a trial basis. The advertisement in the daily paper does not give sufficient information. Therefore, please send us the details as to the quality, durability and the terms and conditions of trade.

Thanking you.

Yours sincerely,
for Carton Stationery Centre,
Manager.

Model 32: Enquiry letter

Tel: 5647

Gram: JOHNCO

JOHN & COMPANY

(Exporters of clothes)

Kali Temple, Main Road,

Madurai - 625 011

1st April, 20...

Messrs. Burn & Company Ltd.,

Temple Street,

Chennai - 600 015

Re : Weaving plant

Dear Sirs,

We are planning to expand our weaving plant, by adding the latest and most up-to-date knitting machine. We, therefore, request you to send the catalogue and price list which includes C.I.F. and F.O.R. rates. Kindly intimate the period for delivery of each item.

Please also let me know whether free service after sale is effected and if so the period may be let known.

Yours sincerely,
for Johnson Co.,
Sales Manager.

Model 33: Enquiry letter

Tel: 2314

Gram. CHAND

PREMCHAND & SONS

Chand Street,
Agra-282002
23rd March, 20...

Messrs. Ramchand & Company,
Middle Street,
Mumbai-400 001

Dear Sirs,

It is our intention to establish a retail agency of your Photo Album, in this town. We shall be grateful to you, if you will please send the details of your products along with the terms and conditions of trade.

If we are satisfied with the trade conditions, we shall order immediately, because there is a heavy demand in this town.

Thanking you.

Yours sincerely,
for Premchand & Sons.

Model 34: Enquiry for supply of uniforms

COMMERCIAL BANK

78, Town Hall Road,
Chennai-600 020
18th August, 20...

M/s. Ramlal and Sons,
Cloth Merchant,
Chennai-600 098

Dear Sirs,

We need a large number of uniforms for our peons and bearers. White cotton half-shirts and khaki trousers of standard size are required. We shall be glad to receive your lowest quotation. We need 200 sets of white cotton half-shirts and khaki trousers. If your quotation is found reasonable, we shall place order immediately. Our terms are cash. An early reply is requested.

Thanking you.

Yours sincerely,

for Commercial Bank

OFFERS AND QUOTATIONS

• Introduction • How to Answer • Terms Used • Offering Substitute • Exercise.

Both the terms "Offers" and "Quotations" convey the same meaning, but there is a slight difference between the two. Quotation is supplied in reply to an inquiry. An offer can be made to a large number of customers in the form of general terms and in the form of printed circular letter. A specific offer to a particular article in question, is sent to the needed person only. Thus we can see that a general way of an offer is akin to a circular, but a specific offer is equivalent to a quotation.

An offer may be valid only for a specific time. An order sent on the basis of an offer will be accepted at the specified price and conditions and within the specified time only, because prices and availability of goods may be changed due to many reasons—market fluctuations, scarcity of goods, increase in duty, etc.

Letters of offer are sent to customers, with a view to stock the product regularly. The offer letters may include the comparison with other similar products, and retailers will be able to know the advantages of a particular product. Favourable prices will of course stimulate quick sales.

Offers are not only sent through letters, but even made known to the buyers through advertisements in newspapers. If the manufacturer will advertise his products, he will meet all the expenses. If in any local newspapers such an advertisement is made along with the name of the retailer or agent, the expenses for such an advertisement may be shared by the retailer and agent.

Some customers may be regular in sending orders in order to get interested articles. In case a customer ceases to order, the businessman should enquire the reason for the same and should be ready to satisfy him. Special care and attention should be taken to get back his interest in his product. He can be attracted through discounts and concessions.

Quotation is sent against an enquiry. It contains all the information of the product. Every efficient businessman should see that an enquiry letter carries him an order when it is responded.

An order form followed by an offer will certainly increase the sale of goods.

How to answer a letter of Enquiry

1. Thank the enquirer for the enquiry.
2. Reply should be sent promptly.
3. Write the reply in clear language.

4. Additional information, not asked, can be given with advantage and to build goodwill.
5. State the period for which the quotation is valid.
6. Give an undertaking as to the quality of goods demanded.
7. A reply of refusal should start with an appreciation of the interest shown by the enquirer. Reason for refusal may be explained.
8. If the goods asked for are out of stock or not manufactured, a good trader will not bluntly turn the customer away but offer him a substitute.

Terms used in offers and quotations

At Station: This means that the seller will make free delivery to the Railway station nearest to the buyer: but all the costs of carriage by railway will be met by the buyer.

F.O.B. (Free on Board): A price quoted "f.o.b." means that the goods will be put on board the ship at the seller's expense, freight being payable by the buyer.

Ex-warehouse: This relates to a quotation of the price, or a commodity excluding all delivery charges: the price, in fact, is to be paid when the purchaser collects the goods himself from the warehouse, where they are stored at the time.

Guarantee: An undertaking given by a manufacturer regarding the quality of a product for a specified period.

Cash discount: A deduction from the price charged, if payment is made before a certain date: inducement to pay promptly, offered especially by wholesalers to retailers.

Trade discount: This may take the form of a rebate, on the price in a wholesaler's catalogue, allowed to retailers.

Cash on delivery: A service provided by the post-office to assist mail-order business, the purchaser paying the postman who delivers the goods. At the time of delivery of the goods, cash is paid immediately.

3% 10 days: This means the 3% discount of the price is allowed if the payment is made within 10 days.

F.O.R. (Free on Rail): The charges of loading the goods into wagons are payable by the seller and are included in the quotation.

Gross Weight: This is total weight of the goods and the container.

Loco: The price of goods at seller's warehouse or factory.

Carriage Paid: The seller is responsible for delivering the goods at his cost to the nearest station of the buyer.

Carriage forward: The cost of getting the goods (transporting expenses) is paid by the buyers.

C.I.F. (Cost insurance freight): these prices are included in these quotations.

C.W.O. (Cash with order): It is a type of advance. Cash must be sent when the order is placed and not when the goods are delivered.

Model 42: Reply to an enquiry

Tel: 3874

Gram: Singer

SINGER COMPANY OF AMERICA

Palace Road,

New York.

15th Aug., 20...

The Hindustan Machine Tools Ltd.
Bangalore-560 001.

Sirs,

We thank you for your enquiry dated the 14th of July, 20... We have forwarded to you separately a complete set of literature and price lists covering all models manufactured by our company.

Our usual terms are 25% of the price is to be paid along with order and the balance to be paid within three months.

We are represented by Singer Sewing Machine Co.-Bombay. If you require any further information, you may contact our branch or communicate directly with us.

Yours truly,

for Singer Co. of America

Model 43: Reply to an enquiry about an article which the firm does not make.

BANNERJEE BROTHERS & COMPANY

(Dealers in Furniture & Household)

Mandir Street, Kolkata,

19th Sept., 20...

M/s. Das & Co.,

Patna.

Sirs,

We have your enquiry letter of 13th Sept.; but regret to inform you that we have only steel almirahs in our stocks. However, we have handed over your letter to M/s. Mukherjee & Sons, who deal in furniture and you will soon hear from them.

As we are dealers in almirahs, you will be interested in our products and so we take this opportunity to send you a copy of our latest catalogue. We particularly draw your attention to the special terms to big purchases on page number 10 of our catalogue.

We also enclose an order form for your convenience.

Yours sincerely,

for Bannerjee Bros & Co.

Model 44: Offer to retailer (quotation)

SUNTALSONS & COMPANY

(Dealers in pump sets)

4722/14, Daryagunj,
New Delhi-110002
10th June, 20...

M/s. Jain & Co.,
Church Road,
Mumbai-400001

Dear Sirs,

Pump Sets

We thank you for your courtesy extended to our representative, when he called on you recently and demonstrated the working of our pump set. We take pleasure in confirming our quotations as follows:

Price: Double capacity super size pump 3 HP @ Rs. 6,500/-

Single: Capacity super size. 1.5 HP @ Rs. 2800/- per set.

Tools: @ Rs. 200 per set.

Sales Tax: State or central tax, as applicable will be charged.

Guarantee: Both the pump sets are guaranteed for a period of two years. During this period oiling, repairing, replacement, etc., will be done free of any charges. After the guarantee period is over, we charge Rs. 150/- per year for servicing.

Payment: Bill will be paid within two months.

This offer will remain open for three months from the date of this quotation. More details, if any, can be had on calling us.

We are sure that both the pump sets will serve your requirements in every way and we await your valuable order.

Thanking you.

Yours sincerely,

TRADE ORDER

• Introduction • Important Features • Hints for Drafting • Model Letters • Exercise.

Introduction

After receiving the quotations, if the offer is favourable, the buyer may accept it by sending a letter of acceptance. It must be understood that by sending the acceptance letter a contract arises between the seller and the buyer. If no offer or quotation is received, the question of letter of acceptance does not arise.

Persons can order even without calling quotations from sellers. By using a proforma, it is easy to embody the requirements. Detailed columns can be seen in a blank order-form. In an order form we can find, S.No., name of the articles, price, quantity required, total price, remarks etc. Before placing an order, we should clear all our doubts regarding the goods.

A good business order-letter has the following important features. Let us discuss them one by one.

1. **Specification of Goods:** The order-letter should not create any doubt, in the mind of the seller. If there arises a doubt further communications will be necessary to clear the doubt. Therefore, to avoid all these, the order-letter should contain exact information of goods—rate, size, colour, kind, etc. When ordering the goods, reference number of catalogue or letter should be mentioned. If there is any identifying number for each item, it should also be given. If all these pieces of information are in the order-letter, the seller will be at ease to perform his duty.
2. **Mode of payment:** A price-list is also sent to the buyer by the seller. The buyer may bargain for some reduction in prices. If so, the price for the item should be settled first. When the price-list is strictly adhered to, the seller's price is written. If a buyer mentions the price in his order, the seller cannot exceed the limit without communicating to him. It will also be essential to mention whether he is willing to purchase on cash or credit basis. The way of making the payment should be mentioned—by cheque, bank draft, etc.
3. **Delivery period:** Time of delivery is an essential matter. Therefore just as in the case of quotations, in the order also, the buyer should give the time limit, within which period the goods must be sent to him. It is important to note that if the buyer is not giving the date, he cannot blame the seller for any delay that may happen in despatching the goods.
4. **Mode of carriage:** If the transport facilities are not easily available and if there is no arrangement for sending the goods, the buyer informs the seller to send the consignment through parcel post, goods train, passenger train etc.,—through the easiest

and most convenient route. If all these details are mentioned in the order, the seller has to comply. He must obey the buyer in every respect. If he fails, he will be responsible for all damages.

The buyer should also give instructions regarding insurance, packing, etc., charged on the goods.

Model 48: Order

MORRISON SALES DEPOT (Dealers in Garments)

.301 Chamber Road,
Nottingham,

31st August, 20...

The Sales Manager,
Sales Corporation,
Millwall,

London E. 14.

Dear Sir,

Thank you for your quotation of 5th August, 20... and for the supply of samples. The terms and conditions given in your letter are accepted. So please supply the following items through S.V. Transport Company.

- | | |
|---------------------|----------------------------|
| 1. Table cloth "A" | @ Rs. 100/-each One gross |
| 2. Napkins "S" | @ Rs. 15/-each Two grosses |
| 3. Big Towels "X" | @ Rs. 78/-each One gross |
| 4. Small Towels "A" | @ Rs. 38/-each One gross |

The payment will be made only after the receipt of the goods in good condition and as per specifications.

Thanking you.

Yours faithfully,
for Morrison Sales Depot.

K.I. John

Hints for drafting an order

1. Correct particulars of goods and their quantity, size, colour etc.
2. Mention the mode of transport.
3. The address to which goods are to be delivered.
4. The date of delivery.
5. Prices, discounts etc. (quoted by the seller).
6. Manner of payment.
7. Instructions for packing, insurance etc.

CHAPTER

9

CIRCULAR LETTERS

- Introduction • Objectives • Situations that need Circular Letters • General Rules
- Model Letters • Questions.

INTRODUCTION

Circular letters are the cycle of business dealings. A circular is a communication meant to convey information of a business firm to customers, business friends etc. In the course of business, occasions will arise to send out circular letters. The sender aims at giving certain information to the public. There are also other ways to communicate or advertise in newspapers or journals.

Generally printed or cyclostyled circular letters have a few advantages such as (a) less expenses, (b) any number of letters can be posted in a day, (c) to a certain extent the personal meet of the sales agents can be substituted, and (d) the recipient, if interested, may call upon the firm or the sales agent, and so the agent need not wait to have an appointment.

OBJECTIVES

The objectives of circular letters are:

1. To obtain publicity for a merchandise.
2. To impress the readers with the facts about the firm and the products,
3. To make the readers more interested in their contents.
4. To attain the confidence of the readers.
5. To stimulate sales.

Let us discuss a few examples of such circular letters:

1. Establishment of a firm.
2. Admission of a partner.
3. Retirement of a partner.
4. Death of a partner.
5. Shifting of a business to new premises or opening a new branch.
6. Conversion of firm e.g., Partnership firm into Limited Company.
7. Authorisation of powers.
8. Agency etc.

While drafting the circular letters, the following points have to be remembered:

1. The letter must have a personal touch.
2. The letter must be complete in all respects.
3. Avoid promises which you cannot keep.
4. The language must be polite and attractive.
5. It should be free from errors.
6. The opening para should arrest the attention of the reader.
7. Body of the letter should arouse and sustain his interest.
8. The letter must have a beautiful get-up.
9. A warm and friendly tone may be used.
10. The message should be drafted with AIDA principles. (Attention, Interest, Desire and Action)

A circular letter is one that carries a communication to a number of addressees. The basic difference between a circular and a general letter is that, whereas the former is addressed to many persons, the latter is addressed to only one person. Circular letters are to be read by a large number of people, whereas general letters are personal and private in nature. Therefore, circular letters must be specially well written in clear and understandable language, for example, a company having a large number of shareholders has to send frequent circulars to them for making calls on shares, dividend purpose, etc.

Circulars have certain special characteristics. They are usually printed or cyclostyled. The inside address of the recipient of a circular letter is sometimes omitted, when the letter is under cover of an envelope. As regards the salutation, general form is, Dear Sir/Madam. The Signature must appear in circulars, and it may be facsimile.

Situations that need Circular letters.

From the following it may be clear as to the information to be included in different situations, in circular letters.

1. **Establishment of a new firm:** When a circular letter is sent out and when its aim is to state the commencement of a new business, the following points will be generally considered.

- (a) The name of the business firm, its full address and the nature of business.
- (b) Date of its opening.
- (c) The personal experiences of the important personnel of the firm.
- (d) The amount of the capital of the firm.
- (e) Name of the bankers.
- (f) The kind of goods manufactured, prices, guarantee period, etc.
- (g) Speciality of the products.

Mainly the above are the points to be included in a letter. One can add any other points of which one wants the reader to know. The matter may be drafted with reference to the nature of the firm.

2. **Admission of a Partner:** This is a situation that arises when a new partner is admitted. A partner may be admitted, when the firm needs capital to expand the business or when the incoming partner's personal and valuable experiences and services are required or for other reasons. Whenever a change appears in the partners or the partnership firm, it must be intimated to the customers and usually a circular letter, to notify this, must contain the following information:

- (a) Reasons for admitting a new partner.
 - (b) An account of his capital.
 - (c) His personal knowledge and experience.
 - (d) The new partner's signature may be given at the end of the letter.
 - (e) The change in the constitution.
 - (f) His position in the firm.
 - (g) An expression of thanks to all customers praising their past co-operation and a request for its continuation.
3. **Retirement of a Partner:** While drafting a letter, announcing the retirement of a partner, the following points may be kept in mind:
- (a) Reasons for retirement—old age or any other reason.
 - (b) Regret the loss of services of the person who retires.
 - (c) Appreciation of his personal interest in the firm.
 - (d) Change in the business, if any.
 - (e) An account of the capital, withdrawal or additions by existing partners.
 - (f) Constitutional changes.
 - (g) Soliciting the confidence of the customers as before.
4. **Death of a Partner:** In retirement, as well as in death, the partnership firm loses the services. The following are some of the main points to be remembered :
- (a) Regret the death of the partner.
 - (b) Appreciate his personal ability and interest in the firm.
 - (c) Continuation and re-arrangement of the firm may be intimated with full confidence.
 - (d) Details pertaining to the name of the firm, decision of the new name, if any, may be intimated.
 - (e) If a new partner is to be admitted his personal qualities, amount of capital, experience etc. may be mentioned.
5. **Shifting of business to the new premises or opening of branches:** It may happen that in the course of the business and due to the lack of space, additional space will be required by the traders. According to the circumstance, they may expand the business or shift the business to new premises. It may also happen that they will open new branches at new places and thus enlarge the business. In all these circumstances, one should inform the customers of his business activity. The following are the main points to be remembered, when writing a circular letter to the customers:
- (a) Because of the lack of space, the business is shifted or removed to new premises, which is more commodious.
 - (b) If a branch is newly opened, the letters must contain more details, such as address of the firm, names of important persons, the facilities offered to the customers etc. When shifting to a new premises, clear address with phone number must be mentioned alongwith the distance from railway station or bus stand.
 - (c) As the shifting of business, or opening of the new branch causes a delay in regular business, it will also be intimated to the customers so that there may not be complaints from them.

Introduction of a new partner

Dear Sir,

We are pleased to inform you that we have this day admitted to our firm Mr. Banerjee who has great experience in this line.

We are fully confident that Mr. Banerjee will have keen interest in the welfare of our firm and contribute to its further development.

We thank you for the cooperation you have been extending to our firm in the past and earnestly hope the same will be continued.

Yours faithfully,
for S. Chand & Co.

Model 11: Announcing price reduction

GARMENT PALACE

M.G. Road,
Mumbai-400109

7th July, 20.....

Dear Customer,

You will be pleased to know that during this month, we offer you at extra-ordinary **REDUCED PRICES** of all readymade garments. The range of colour, designs and sizes takes you to a land of dreams.

WHEN: This Reduction Sale begins from 8th July and ends on 31st July.

PLACE: High Ground, Mumbai-20

Time: From 8.00 A.M. to 10.00 P.M. except Sundays.

As a special offer, we shall make reductions from the regular prices that will show you a savings, in almost all the items, of 35-40%.

So hurry up. Visit us soon.

Delay may disappoint you.

We have only limited stocks.

Visit and select items without delay.

Thanks

Yours sincerely,

Model 12 : Sale of a business

RAM AND SONS

East Car Street,
Madurai-625002

8th August, 20.....

SALES LETTERS

- Introduction • Salesman Vs. Sales Letter • Purpose of Sales Letters • Function • Sales Promotion Letters • Objectives of Sales Promotion • Goodwill Letters • Model Letters
- Questions.

Publicity has a very important role to play in a competitive society. No business can be done successfully without publicity in one or the other form. Publicity and advertising are impersonal form of salesmanship. A sales letter is just a part of publicity and advertisement. In the course of business, occasions arise when a seller wants to approach his customers in order to introduce a new item to promote sales, to push out one's stock etc. Letters sent out with this aim are known as **sales letters**. A sales letter is nothing but an advertisement, aimed at a carefully selected group. A sales letter is a very useful instrument to call on a particular group of customers.

Sales letters are persuasive in nature. Many firms think every letter that goes out from the office is a sales letter, because every business letter aims at an opportunity to sell the firm's product or earn goodwill for the firm. To a certain extent the salesman is substituted by the sales letter, because the purpose of the salesman and sales letter, is the same to push up sales. Therefore, the function of a sales letter can be compared with that of the salesman. However, sales letter has certain advantages and disadvantages.

Salesman	Sales Letter
1. It is expensive to appoint a salesman.	1. It is very less expensive to operate.
2. Sometimes the salesman has to make repeated visits to the buyers for interviews.	2. It is sure that the letter will reach the customers. But if a letter is drafted badly, it goes to the waste paper box.
3. It is possible only in profitable business.	3. It is possible in all cases because of less cost.
4. It is evident that the salesman may fail if the customer is interruptive.	4. It is not so. Even if it fails, that costs nothing except the postage.

In the modern trend all the business letters are sales-oriented. In a sales letter "you" attitude is always effective. The letter must be viewed from the point of view of the reader. The tone and style of the letter must be keyed to the reader's interests and wishes. The aim of the letter must be to create an interest in the mind of the reader and to convince him of the benefits.

Drafting a sales letter will be in the form of advertising, to create an interest in the mind of the readers. If a letter is effective, that ends in sales. The beginning and end of the letter will be attractive and are important.

The first paragraph must catch the attention of the prospective buyers.

e.g., Would you like to have an extra income of Rs. 2000 every month, in addition to your regular Pay. You can have a luxurious life, through the easiest jobs. You can have the answer against your question, in cash.

The next paragraph will be produced with supports of facts and figures, guarantee and testimonials of the benefits.

e.g., We are exporting the new products to Japan every year. The new technique of the products is highly appreciated. That is why the firm's name is in its record performance.

A sales letter may sometimes carry post cards or self-addressed covers which will persuade the reader to act upon.

e.g., Tomorrow will never come. So why can't you act now?
Time is precious. Simply sign the form and mail it to us at once.

You may write a line in the enclosed post card as the day and time convenient to you to meet our salesman along with free samples at your office.

The writer also knew that, for the letter to be successful, it would have to:

1. Attract the reader's attention;
2. Stimulate the reader's interest;
3. Stress the benefits of the offer to the reader;
4. Convince the reader to act immediately.

The purpose of a good sales letter has the following effects:

1. To confer a faith in the product;
2. To get an enquiry letter from the reader;
3. To create an interest in the mind by exposing actual facts, tests, surveys, opinions, etc;
4. To create a goodwill and promote sales;
5. It widens the market;
6. It helps the customer to remember the product;
7. It educates the customers;
8. It functions as a salesman.
9. It facilitates a constant touch between the customers and the firm.
10. It secures orders for a Mail Order Business House.

Functions of a Sales letter

A sales letter has the following functions:

1. Attracting attention;
2. Arousing interest;
3. Educating and convincing;
4. Stimulating desires; and
5. Securing action.

1. **Attracting attention:** A sales letter is a letter directed towards a prospective customer with the object of effecting a sale. A sales letter is just a part of publicity and advertisement. Sales letters play quite a significant role in conducting business in general but is particularly useful in direct selling by mail. In a sales letter the opening

paragraph is vital; it will determine whether the letter continues to be read or throw it in the waste-paper basket. A sales letter has to attract the reader's attention through its physical appearance – a good letterhead, fine stationery, attractive printing etc. The opening sentence in a sales letter must arouse attraction and encourage the reader to read further.

Various methods are followed by business people to capture the attention of the readers. A few of them are shown below:

(a) **Proverbs and quotations:** Proverbs, quotations etc., from well-known persons, can catch the attention of readers.

Egs: It is health which is real wealth and not pieces of gold or silver

Gandhiji

Physical well being is an essential part of human well-being.

Dr. S.Radhakrishnan

God helps those who help themselves.

Homer

(b) **Striking Statements:** Striking statements can be effectively used in sales letters.

Egs: Save 25% on your home expense.

Don't you want to earn extra income of Rs. 10,000.

(c) **Giving a gift:** Giving a gift, which is a bribe for listening.

Egs: A free colour printed diary will be sent to you when you order ...

When you buy one shirt, take two shirts to home at the cost of one shirts.

2. **Arousing Interest:** A sales letter has to arouse the reader's interest in the service or product, of which the reader does not know or which he never thought of buying. There are two things really to stimulate people – **the hope of gain and the fear of loss.** Of the two, the fear of loss is stronger.

Egs: Take advantage of our easy terms.

Reduced prices, if the purchase is made by a given date.

Free gift/service, when you visit our shop.

3. **Educating and Convincing:** Once the reader's interest is aroused, the clever sales letter writer should go on educating and convincing him. For this, "selling points" of the product/service is referred. The letter must tell the reader how it is beneficial to him. The reader should be convinced by facts and figures, testimonials and evidence. The readers can be convinced through free samples, guarantee, free trial, references of reputed users etc.

4. **Stimulating Desire:** If the sales letter makes an appeal to some basic human desire, it will immediately catch the reader's imagination and prompt him to accept the offer. Arousing desire is one of the very important functions of a sales letter. Most small businesses give a very strong guarantee, they tell their customers that they will take back the product if the customer is not satisfied. It is very rare for a customer to return a product.

5. **Securing Action:** The most important function of the sales letter is to get action from the reader. The entire structure of the letter is built up so as to make the reader to

take a step towards the product. The sales letter should contain facts about the products. The larger the number of facts the better are your chances of sale. Note that the facts about the products should be true, interesting, must relate to the subject and must be beneficial to readers. If facts are not properly written, there is the danger of losing the customer. Do not make promises which you will not be able to fulfil. In short, a sales letter must possess the AIDA formula.

The last para of the sales letter must successfully turn the reader into a customer. e.g., "We would not like you to miss this golden opportunity".

"The attractive bonus is open only for a couple of weeks. So act now".

Model 19: Special offer to old customers

Dear Sir/Madam,

You will be interested to hear, that we have decided to clear the present stocks of books at bargain prices. Only the old customers like you can enjoy the advantage, as the letters are being sent to the old customers only. A price list of the books that shows the original price and the special discounts allowed to them, is enclosed for your ready reference. The stocks of these books are already on sale and are limited for two more weeks. You need to pay only a lesser amount than the cost. You can avail of this rare opportunity.

If you can spare a few minutes, please fill in the enclosed order form and post it today; the postage expenses will be free if your order is for more than Rs. 1,000/-

You can take full advantage of this special offer. Remember, this offer is specially meant for our old customers only.

Delay will disappoint us.

Yours sincerely,

Encl: One bargained price list.

Sales Promotion Letters

The aim of production is sales. Sales and promotion are two different words. Sales promotion is the combination of these two words. Sales promotion increases the sales. Sales promotion methods aim to capture the market and increase the sales volume. It is an important instrument in marketing to lubricate the marketing efforts. Now-a-days sales promotion is necessary tool to boost sales. It aims in creating demand. It is right to say that sales promotion moves the product. A manufacturer must make the customers to know the product and he must influence them to buy that product. Unlike sales letters, these letters effect indirect sale.

The major objectives of sales promotion are:

1. To attract new customers.
2. To simplify the job of middleman.
3. To create brand image.
4. To remove customer's dissatisfaction, if any
5. To capture the major share of the market
6. To meet the competition of other firms

7. To create favourable attitude towards the product
8. To effect off-season sales to boost sales
9. To build confidence about the product
10. To create buying impulse.

Model 20: Sales letter to customers

GHOSH BROTHERS LIMITED

M.G. Road, Madurai
Tamil Nadu

Dated

M/s. Vijay Kumar & Sons

Ram Nagar,

Nagercoil 629 002

Sirs,

We are introducing a new line of watches. These are specially designed for young men and women who are just starting out in life. We enclose a catalogue of the watches. I am sure that you will find them very attractive.

Our representative will call on you shortly to show you some samples and to give you promotional posters, stickers etc. Kindly display them in your premises. We request you to place a trial order with us. Our prices and terms are stated in the attached list.

We are certain that a trial order will give you full satisfaction and we shall be glad to hear from you.

Thanking you.

Encl. as above

Yours sincerely,

Model 21: Sales letter introducing a new product

ROY BROTHERS BROOKE BOND LAYOUT, AGRA

Dated.....

Sir,

We are pleased to inform you that after a lot of research, we have started to manufacture "SUPER WHITE" washing powder, which we are introducing in the market. The SUPER WHITE washing powder washes all types of clothes. The dirt is removed without rubbing or scrubbing. At the same time the original colour is retained by washing the clothes with the SUPER WHITE washing powder. It does not harm the hands while washing as it is free from injurious chemicals. It simply requires soaking of clothes for an hour and rinse thoroughly, will show the result.

We are launching an advertising campaign in the mass media. We are sending samples of SUPER WHITE washing powder in 50 gm packets for free distribution to the customers to enable them to find the truth of our claim about the quality of this powder. Our aim is to serve our customers to the best of our ability and with goods of proven quality.

We look forward for a trial order for SUPER WHITE washing powder which, we are sure, will give you satisfaction.

Thanking you.

Yours sincerely,

Model 22: Sales letter by a Retail Merchant

BABY STORES

East Car Street,

Calicut.

10th January, 20....

Mr. Sharma,

48, North Car Street,

Calicut.

Dear Sir,

Wish you a Happy New year.

You may be glad that you have settled down in Calicut. I am sure that you will find the climate is good, people are friendly and surroundings are healthy. People, who settle down here, do not generally wish to move out of this pleasant place.

You may be glad to note that M/S Baby Stores, situated in the heart of this city, is 50 years old and has earned a good name by supplying all types of standard goods—provisions, stationery items, toys etc. at reasonable prices. The products we deal in are of reputed firms backed by guarantee.

The motto of the store is to serve people like you. You need not waste your valuable time in collecting things from us. You please inform your needs over the phone or through a messenger. You get the needed items on the same day as per order *i.e.*, free door delivery is arranged by our firm.

You can test our dealings. If you happen to visit this area, kindly pay us a visit. You can well avail yourself of the best service and we are sure that you will always cherish your dealings with us.

Thanking you.

Yours sincerely,

(Manager)

Model 23: A sales letter about steel tables

K. K. STEEL FURNITURE

K.P. Road,

Nagercoil.

629 002.

1st August, 20....

The Principal,

College of Commerce,

Nagercoil. 629 002.