UNIT – 14: BUSINESS COMMUNICATION

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14.1 LEARNING OBJECTIVES

After going through this unit you will be able to;

- describe the concept of Business communication
- learn about the need for business journalism
- discuss the important characteristics of business communication
- discuss the effectiveness of successful communication in business

14.2 INTRODUCTION

Communication usually means speaking or writing or sending a message to another person. Human communication is an important aspect of human behaviour. The concept of communication is very wide. It is not restricted to any particular branch or field but it is central to what we do as members of organizations such as family and community group to which we belong.

In this unit we are dealing with business communication which is one type of communication related to business organization. An attempt will be made here to give you a detailed idea of business communication, its history and importance in today's business world.

14.3 CONCEPT OF BUSINESS COMMUNICATION

Before we begin to talk about business journalism, let us first discuss both 'Business' and 'Journalism'. A definition of business communication is given by Dr. Heinz Goldman. He stated that "business communication is an effective communication which needs to be built around a simple foundation and realization. Communication is a dialogue between two people and not a monologue. In fact, communication is more concerned with a dual listening process."

Almost all of us are familiar with the two words. You being a student of communication by now know what journalism means. Regarding the term 'business' also you know what it means. When we put both the terms together, i.e. business and journalism, the general idea remains same. Business journalism is one of the several branches of journalism. It basically deals with the economic changes the society is facing or undergoing. The main purpose of business journalism is to analyse the different changes which is economic in nature in the society. Economic changes that will count here may be anything which is related to business like business at local markets, shopping malls, personal sector, tradings, companies, corporate sectors and so on. Business communication deals with the performance of both established and not so well established business segments and it keeps track of their movements and changes.

This type of communication mainly deals with any kind of news and information about the places, people or any issues which are related to business or are from the business field. Today almost every newspaper, television, radio and magazine has a separate business section. These segments exclusively deal with business related issues. The person who works in this particular section is known as business journalist, whose main task is to gather information about the current and changing trends and their consequences for business world.

14.3.1 Success through proper communication

To succeed in any kind of business in today's world, the ability to communicate with the people from inside and outside the organization is important. The success or failure of any organization depends on the ability of communication on the part of the employees and the management.

Communication is a process of sending and receiving messages through some means. But a successful communication is one when the message disseminated is understood without any kind of change by the receiver.

Communication which is effective is the epicenter of business as it connects the company with its stakeholders, such as, the employees, customers, shareholders, suppliers, etc.

14.4 HISTORY OF BUSINESS COMMUNICATION

The history of communication speaks about the growth of technology and trade marked by the advent of specialized techniques for gathering and disseminating information.

In India the concept of communication emerged with the print media. It began with Augusts Hickey's 'Bengal Gazette'. Hicky's venture was followed by many other publications. Many of the newspapers published in the country came into being after independence.

In the year 1964 the Society of American Business Editors and Writers was formed. This was formed mainly to promote coverage of business and economic issues. The very idea of business news became popular quite recently.

The very concept of business communication or business news is not a very old concept. It is of recent origin. The term came to be known only during the late 50s.

In the early years of the beginning of business communication America's corporate world witnessed its inception. In the corporate segment of America, the business managers operated on a strict basis of top-down communications. There was some kind of bossism prevelent in this state. The situation was such that whatever the boss or the owner of the company said was final and could be termed as the law.

The whole scenario was such that most cases like the strategies for doing anything from selling product to dealing with the employees would be discussed behind closed doors. Once any decisions were made by the managers, it was expected that the lower-level employees would put them into effect. The employees had little say in it and they were bound to do as they were told. The management attitudes, when applied to the safety issues of the workers in coal and steel mines, led to the growth of labor unions. The unions had the power in many cases to slow or shut down production until the management listened to their demands.

The corporations also set up communication systems so that the members could speak out their minds. Gradually in the corporate world it was realised that the employees could also give meaningful input into solving the company's problems as they had wide knowledge and information about the goings on inside the organizations. This sort of feedback by the employees came to be known as the bottom-up communication. This was welcomed by the employees and it saw the beginning of a new world.
Today the business environment is such that, most corporations encourage employees to take an active role in the company.

14.5 NEED FOR BUSINESS COMMUNICATION

In general, communication is essential for every aspect of life. But as far as the business settings are concerned, it has a critical role to play. Business Communication is something more than just speaking, hearing and writing. It is very important for business to have effective communication. A good and effective communication means that the message is sent and that the people or organizations understand the message and respond in a positive manner. From this it can be ascertained whether the message is communicated

effectively or not. A poorly communicated message will result in an unfavorable and indifferent response from the receiver.

In any kind of management or business organization communication has one of the basic functions to perform. It is a means of transmitting information, ideas, thoughts, opinions and plans between the various parts of an organization. Good and effective communication is required for good and successful business. It is required not only for good human relations but also for any kind of smooth conduct of business.

Therefore the success in any business lies on an effective communication. The more effective the communication is the better are the results to be obtained. Journalism is one means of communication which is used in business to get effective results. The writings are effective when it results in getting the desired reaction from the reader or the audience. Effective communication is very important for the survival and progress of any business establishment.

To get the right message across any business house one has to rely on business journalism. The ability to convey the right message should be there to make the ideas generally acceptable. A successful communicator has the ability to create a lasting effect on the minds of the readers, customers, suppliers, investors and the business associates. They form a good impression of the company and the communicator. The goodwill of a company depends on what is communicated.

Business journalism is another form of journalism. Here the journalists take the responsibility to inform the public and the masses what is going on in the business world. Through successful correspondence, any business can be turned into success.

14.5.1 Essential Characteristics of Business Communication

To prepare any kind of memorandam or letter in any kind of administration, business or management certain aspects are to be considered. Some of the questions which are very essential to know are like, who are they? Why is the communication prepared? What do you hope to achieve?

Several business communications are concerned with ensuring, quality, efficiency and cost- effectiveness, with an aim to make profit for the business organizations. The profit is made mainly for the employees and owners, who devote time and energy for the business. These types of communications include not only letters and memorandums but also guidelines, reports of various kinds, various plans and specifications, instructions, activities, etc.

Now let us discuss the essential characteristics of business communication. Some of the essential characteristics of business communications as put forward by Napley, in 'The Technique of Persuasion', are mentioned below :-

1. **Accuracy:** In business communication accuracy is of great importance. While preparing a message pertaining to business enough care should be taken to maintain accuracy.

2. **Appropriateness:** In the process of communication involving the sender, the message and the receiver appropriateness is a key factor. The thoughts in the mind of the sender should be communicated in such a way that they create an interest for the receiver. The main aim should be to hold the attention of the audience in respect of their needs. Inorder to achieve this certain points should be kept in mind, like;
    - Why is the information required
    - The amount of information with supporting detail

- Choice of simple words which are familiar to the reader
- Using the words in well constructed sentences

3. **Balance:** In a written communication certain balance has to be maintained in presenting the content so that the things of comparable importance get equal attention.

Sir David Napley was a famous and influential solicitor in England. The Technique of Persuasion, is a seminal work on advocacy and case preparation published in the year 1971. This is still popular with barristers and solicitors today.

4. **Brevity:** Brevity means concise and exact use of words. In business communication an ability to exercise brevity is an added advantage and to use no more words than needed makes the meaning clear and unambiguous.

5. **Coherence:** While communicating any message to its receiver logical consistency is to be maintained. A clear train of thoughts on part of the sender would allow the reader to receive an well organized message where one sentence leads to another or one paragraph to another. There should be suitable headings whenever necessary to help the readers to understand the matter.

6. **Clarity:** Clarity is an essential quality for a communication and in business communication it is of utmost importance to the target groups, for instance, simple words should be used instead of phrases.

7. **Completeness:** In both writing and speaking the ability to express clearly and coherently makes its easier for one to transmit a message without any ambiguity. Primary concern should be to fulfill the expectation of the target groups. In business the receiver may be of different abilities and interests but they must

understand what the message is about. For this short words are to be used in place of long expressions, active verb instead of passive verb.

8. **Consistency:** Maintaining consistentency in the written communication is a definate virtue for a communicator. In business communication the writer should be consistent in the use of headings, names, terms, abbreviations and symbols.

9. **Courtesy:** Any kind of communication should be in polite form. Care has to be taken not only regarding the components used in a sentence but also the tone used in it. The message must be in a positive mode inorder to foster a good message.

10. **Explanation:** Enough explanation should be provided to the consumers regarding the possible questions which can possibly be raised by the target audiences. These can be made easy by citing various examples that may help them to judge the conclusions.

11. **Forcefulness:** To achieve the objectives there is a need to be aware of all points of view. But while communicating a point or a message one should put his case well supported by convincing argument and sufficient evidence.

12. **Impartiality:** In business to remain impartial regarding the products is a tough job. The advantages of a product which can be compared to those of a rival product should be made available to the consumers. The decision to draw a conclusion should solely rest on the consumer, who should understand the relative advantages between the products. Alternatively an impartial advice may be offered

without drawing attention to a particular product. This is what is meant by impartiality.

13. **Interest:** In this form of communication anything interesting should be mentioned. A dull , uninteresting or common message can never grab the attention of the target audience. Considering the needs of the target audiences the illustrations should be prepared.

14. **Objectivity:** Again objectivity should be maintained regarding preparation of this kind of communication. Everything has to be written in a objective manner keeping the needs of the target audiences.

There are several advantages and disadvantages of business journalism. Some are mentioned below;

The advantages of business journalism are;

1 Ready Reference.

2. Legal Defence.

3. Promotes Uniformity.

4. Mass Access.

5. Suitable for Distance Communication.

6. Image Building.

7. Accurate and Unambiguous.

8. Permanent in Nature.

9. Facilitates in order to assign responsibility.

10. Permits Substitutions and Revisions.

The Disadvantages of business journalism are: -

1. Limited to the literate world only.

2. Time Consuming.

3. A lot of paper work is involved.

4. Needs expertise in expression.

5. 'Lack of immediate feedback.

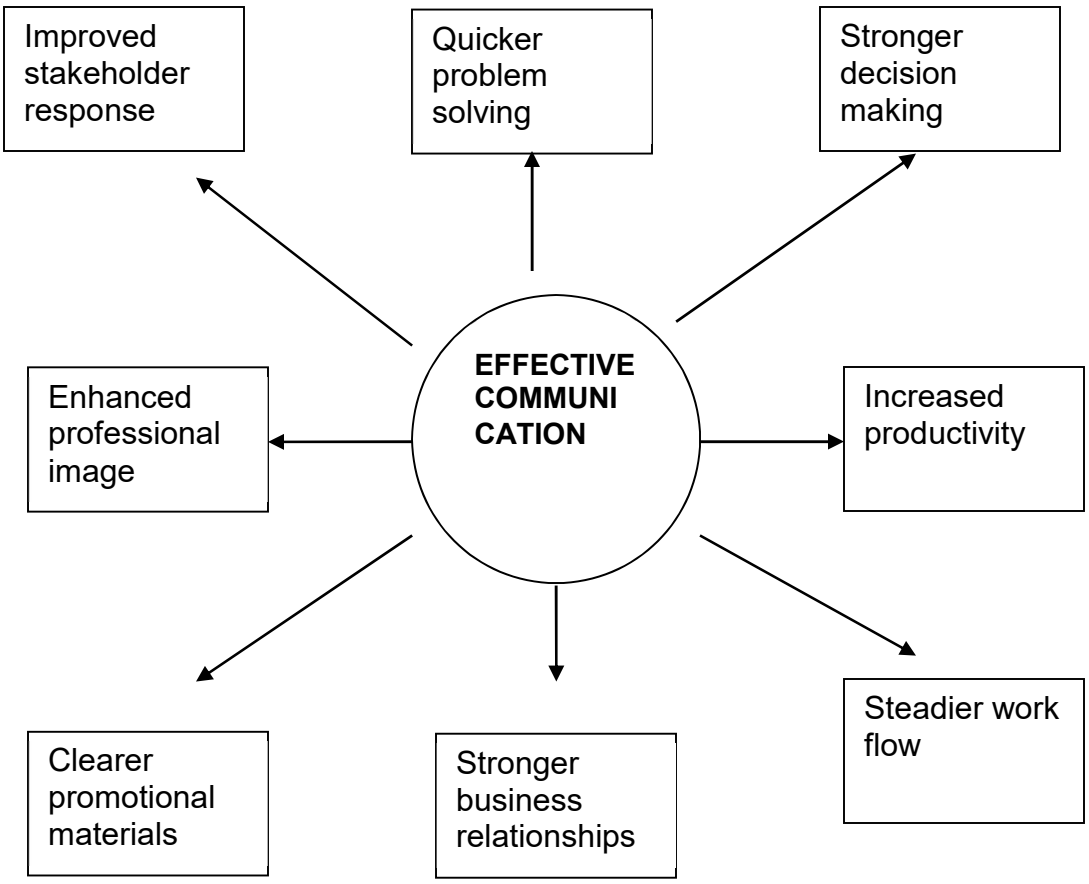
6. It is costlier than oral communication

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7. More man hours needed.

8. No immediate clarification is possible.

14.5.2 The Benefits of Effective Communication



Now with the above figure it must be clear to you that for effective communication one should pay attention to various factors. But this process of communication can also face certain barriers. The barriers to effective business communication are mentioned below;

The process of transmitting and receiving messages can be distorted by certain 'communication barriers', such as;

- Distractions
- Information overload
- Perceptual differences
- Language differences
- Restrictive environments

- Deceptive tactics

CHECK YOUR PROGRESS

Q.1 : What are the essential characteristics of business communication?

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_____
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Q.2 : What are the barriers in business communication?

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_____
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14.6 PRESENT SCENARIO OF BUSINESS COMMUNICATION

The present world is handicapped without the use of technology. Communicating in today's business environment requires some level of technology in every single step of its progress. Business is not an exception in this regard. Business uses a variety of technologies for communication. The use of the technologies helps to make the messages more effective.

Though the form and content of business communications has remained fairly constant in recent years, technology advancedment has improved the way of communication. Some of the regular methods are: bulletin boards, newsletters, or magazines. Organizations or corporate houses which are technically more advanced and geographically spread out use corporate-produced television shows, interactive Internet sites, or copy-only

messages transmitted by closed circuit television. E-mails and newsletters have become a common term in the company's network. E-mails are the latest and fastest growing method of corporate communications. It is available to anyone with a computer terminal. It has the advantage of sending one particular message to an individual or to a group of people with a common interest, such as the members of a committee or task force.

Again, *Bulletin boards* are one of the oldest forms of corporate communications. In the early days, bulletin boards were the only means of communication within the corporate houses. Today the use of bulletin boards is gradually fading away in businesses.

Newsletters and magazines are the forms of written communication that explain the policies, announcement of new products, etc.

Today, technology provides some decided advantages to the business world.. Various new and advanced technologies are being used such as closed-circuit, satellite, videotape-based television, etc. which are some of the important forms of communicated widely used for business purposes.

The technologies mentioned below are the means of communication that help to bring dramatical changes to enhance and improve business communication;

- Voice technologies: This type of technology is a very interesting form. The human voice was playing and still plays a vital role in business communication. Today this is supplemented by new technologies like voice synthesis. Voice synthesis means generation of speech by any artificial means like computer.
- Virtual agents: Virtual agents are a programme which serves the customers as online customer service representative on behalf of an organization. Virtual agents have a human appearance and can respond appropriately to the questions of the customer. They are increasingly used in customer relationship management to help people perform tasks such as locating information or placing orders and making reservations combining artificial intelligence with a graphical representation.

- Mobile communication: Today mobile communication is used in a large scale. The mobile workers do not work from a specific office. They can work using temporary offices.
- Networking advances: Advances in networking like instant messaging, multiple computers interacting and communicating to share a file, etc are bringing unprecedented advantages to business communication. Thus, being enhanced by high technology business communication has become a more relaxed activity today.

14.6.1 Five rules of good writing or communication;

In the above section you have been given some ideas about the scenario of business communication today. Now, let us pay attention to the five rules of good writing as mentioned below.

1. **Come straight to the point:** When writing for business purpose, the writing should be direct and to the point. It should be simple and in short and simple sentences.
2. **Keep it simple and short:** The writing in business communication should always be short and the language should be simple. Short words should be used and phrases are to avoided.
3. **Use active not passive voice:** The sentences used in business writing should be in active voice. For example, the sentence- 'The study was completed by the director' should be written as 'The director completed the study'.
4. **Use the right tone:** While conveying the messages sound, polite and friendly words should be used. Sarcastic and bossy attitude must be avoided. For example, we should write "please send me a copy of the draft" instead of "Send me the draft".
5. **Use modern language:** Today the main rule for writing is to write the same language which we usually use for spoken purposes.

CHECK YOUR PROGRESS

Q.3 : What are virtual agents?

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14.7 FIVE PS OF MARKETING MIX

There are different elements in marketing. The entire concept of marketing is a very wide and broad one. To make the entire process a success several essential elements are required. Marketing mix means the combination of different elements of marketing. It also describes the specific roles which each of the various elements plays in promoting the products and services.

The five Ps of marketing mix are the various elements of the marketing mix. Marketers referred to only four Ps for several years. The fifth P has been added to these four Ps very recently.

The 4 Ps or the four elements of marketing mix are as follows;

- Product: The Product here means not only the goods but also the packing, the appearance of the product,

- Price: Price for a product should be fixed in such a way that it remains competitive in the market and also allows earning profit to the company or the organization. There are many ways to price a product, like;

- Penetration Pricing
- Economy Pricing
- Price skimming
- Psychological Pricing
- Product Line Pricing
- Optional Product Pricing
- Captive Product Pricing
- Product Bundle Pricing
- Promotional Pricing
- Geographical Pricing
- Value Pricing

- Place: Place in this respect means where the business actually functions from. The place is therefore from where the selling of the product is done and the various services are provided to the customers.

- Promotion: The fourth 'P' of the marketing mix is promotion. Promotion is the methods that are used to communicate or reach out the main features of the product. The advantages and the benefits that the product will provide and the services that will be made available to the customers are the parts of promotion.

The fifth P of marketing mix which is added recently is, **People**. It refers to the people working in any organization and how these people work and use their skills to make their own company's or organization's service different from that of other competitors.



As for example, when we prepare the bather for a cake mix we give all the essential ingredients like eggs, sugar, milk and flour to prepare the mix. But the proportions of every ingredient will depend on the taste of the maker. If the maker has got a sweet tooth then he will definitely add more sugar to the mix.

Today the five Ps of marketing mix is extended to 7 Ps. The sixth and the seven P are **Process** and **Physical evidence**.

- Process: Process here is the procedures, services, activities and mechanisms that are used to fulfill the services in any management or any organizational set up.
- Physical Evidence: The physical evidence means the environment in which the services take place in the process of communication. Physical evidence comprises of both tangible goods that help in the process of the services and the intangible experiences of the customers and the ability to understand the satisfaction of the customers.

14.8 TARGET AUDIENCE

In communication the expression ‘target audience’ is an important term. All the processes and methods in business are used keeping in mind the target audiences, their demands and needs.

In general the term ‘target audience’ means a group of people who are being aimed at or appealed to as respondents. A target audience or a target group can be people of any gender or any age group. To find the appropriate target audience is very important. Various important steps are involved in identifying the target groups. In case of any company or organization, the advertising and selling efforts are directed at the target audience.

There are certain common characteristics of target audiences. These characteristics help choose the targets for products. The characteristics are:

- Age
- Gender
- Location
- Occupation
- Income
- Education
- Interests

14.8.1 Specific Characteristics of a Target Audience

Apart from the general characteristics of the target audience there are certain special or specific points which should be kept in mind. For example, in case of any common home appliance, like mixer-grinder, the target audience can be easily identified from the manufacturer's target market. Now, if the product is launched or is going to be sold at a large department and appliance store in a metro city like Mumbai, it is safe to identify the potential of the buyers. It can be assumed that the buyers will have some knowledge about the commodity. They will know what a mixer-grinder actually is. But if the same product is launched in any rural areas, where these appliances are still unknown to the people, the method of communication should be entirely different. Every detail of the product should be explained in a simple way, keeping in mind the knowledge of the targets and to know these it is very important to find out the characteristics of the target audiences. This can be done by asking a few simple questions, like,

- Who will use the product?
- Under what conditions will the product be used?
- What are the user's level of experience and training?

CHECK YOUR PROGRESS

Q.4 : What do you mean by target audience?

_____

_____

14.9 CONSUMERIST CULTURE

Consumerism in the general sense means a social and economic order which is based on the creation of a desire to purchase goods in larger quantity or more than what is actually

required. In economics, the term ‘consumerism’ refers to the economic policies that lay stress on consumption.

At the beginning of the 1990s, there was the rise of consumerism with the development in various technological aspects like the compact disc players, digital media, personal computers, cellular telephones, etc. With this there was a change in the lifestyle and value system among the people. Competition and materialism became an indispensable part of the culture. It was this time that the business world had realised that the most attractive targets were the wealthy section or the upper class. Their lifestyles and preferences caught the attention of the business class. By the beginning of the 21st century consumerism saw a new face as the general people started imitating the wealthy section. This became more so as people follow their favourite celebrities, who are hired to endorse different products.

Critically, consumerism is used to describe the tendency of people to identify strongly with products or services they consume, especially those with commercial brand names. They perceive it as the status-symbol. Such as, luxury cars , designer clothing, or jewelries, etc. A culture that is permeated by consumerism can be referred to as a consumer culture.

There are some who are against the concept of consumerism. They argue that many luxuries and unnecessary consumer products may act as social mechanism. This will make the people identify with the like-minded individuals. This will be done through the display of similar products making it the status-symbol. It helps to judge the socioeconomic status and social stratification. Again, it is argued that the relationships with a luxury product or brand name can substitute for healthy human relationships. It creates a cultural hegemony. Critics of consumerism also point out that consumerist societies contribute to damaging the environment. Dr. Jorge Majfud put forward his views saying that "Trying to reduce environmental pollution without reducing consumerism is like combatting drug trafficking without reducing the drug addiction."

14.10 LET US SUM UP

In this unit you have been introduced to the concept of business communication. Let us quickly recapitulate these concepts once.

- The communication process used for achieving business goals is business communication.
- Business communication plays a significant role in the corporate world.
- Even business communication can face certain barriers in the ongoing process.
- The beginning of business communication is quite new compared to the other forms of communication.
- Target audience is a significant concept.
- Target audience has certain specific characteristics.

14.11 FURTHER READING

1. Business Communication by P.D Chaturvedi and Mukesh Chaturvedi, publisher: Dorling Kindersley (India) Pvt. Ltd., New Delhi.

2. Business Communication by Meenakshi Raman and Prakash Singh, publisher Oxford University Press, New Delhi.

14.12 ANSWERS TO CHECK YOUR PROGRESS

Ans to Q No 1 : The essential characteristics of business communication are -

i. Accuracy
ii. Appropriateness
iii. Balance
iv. Brevity
v. Coherence

vi. Clarity
vii. Completeness
viii. Consistency
ix. Courtesy
x. Explanation
xi. Forcefulness
xii. Impartiality
xiii. Interest
xiv. Objectivity

Ans to Q No 2 : The barriers to effective business communication are –

- Distractions
- Information overload
- Perceptual differences
- Language differences
- Restrictive environments

Ans to Q No 3 : Virtual agents are a programme which serves the customers as online customer service representative on behalf of an organization. Virtual agents have a human appearance and can respond appropriately to the questions of the customer. They are increasingly used in customer relationship management to help people perform tasks such as locating information or placing orders and making reservations combining artificial intelligence with a graphical representation.

Ans to Q No 4 : In general the term 'target audience' means a group of people who are being aimed at or appealed to as respondents. A target audience or a target group can be people of any gender or any age group.

14.13 POSSIBLE QUESTIONS

A. Short Questions (Answer each question in about 150 words)

Q.1 : What is business communication? Explain the characteristics of business communication.

Q.2 : Explain the concept of target audience and its characteristics.

Q.3 : Write a note on consumerist culture.

B. Long Questions (Answer each question in about 300-500 words)

Q.1 : What is the present scenario of business communication?

Q.2 : Is business journalism essential in the corporate world? Justify your answer mentioning the merits and demerits of it.