

Negotiations

Coaching Questions

When is your next negotiation? How will you prepare for this?

- If you know when your next negotiation is, we can start planning for that. It is important to plan for every single negotiation.
- Preparation could be in the form of a brainstorming session or you could have someone within the team who helps to prepare you. They could tell you some information about the team or they might even answer some questions you had for your presentation or your competition.

How do they buy?

- You need to know if they buy as a group or individually. Is there one major decision maker? How does the team work together? How often do they work together?
- How long does the decision take?
- What is the average size of a contract? If your contract or price point is higher than their normal contract, they will have a bigger team of people to do the buying and it will take longer. If it is a smaller purchase, it may be an on the spot purchase, and they may not bother to spend much time in thinking about it.

Who are they?

The most important part of a negotiation preparation is to understand who you are negotiating with.

- Are they experts?
- What are their personalities like?
- What do different members of the team care about?

What do they care about?

Understand what your customer cares about for a better outcome. For instance, you could negotiate for a higher price if the customer wants reporting included.

Businesses

- Businesses care about making money. Most of their decisions are based on either making incremental revenue or saving on their costs. Both result in higher profits.
- It is still important to remember that you are still working directly with people. This means that purchasing will still have an emotional side to it.
- The individual that you negotiate with will also want to have proof that they did a good job negotiating. While you work with the company, you need to help make them look good.

Consumers

- Consumers are more emotional in purchasing than businesses.
- The larger the price tag, the more research that an individual will need. The lower the price tag, the more impulse driven.
- Even though consumers are often individuals, remember that they are driven by their friends, family, colleagues, and media.

Are you prepared to walk away?

- When? Based on what? Know what your lowest price is and be comfortable that you need to walk away at that point.
- Sometimes it is not just the price, sometimes they may want you to do something that you can't or won't do. This is also a time to walk away.