NEGOTIATION TACTICS

Source: Paul Steele, It's a Deal!

Negotiation Tactics & How to Counter Them

Introduction

Tactics are always an important part of the negotiating process. But tactics don't often jump up and down shouting "Here I am, look at me." If they did, the other side would see right through them and they would not be effective. More often than not they are subtle, difficult to identify and used for multiple purposes.

People, Context and Timing

Because these tactics and ploys are going to be used on *people,* whose personalities vary enormously, it is essential to study the *person* you are going to negotiate with, their personality and known approaches. It is *people who* negotiate, not companies. A particular tactic will work better on some people than others. The same tactics will work differently on the same person in different circumstances or at different times.

In buyer/seller situations, sellers have traditionally been better equipped; they understand the need to know the *person* they are going to negotiate with. Most sellers keep detailed notes on their customers, listing likes and dislikes, interests, family details, together with a pen-picture of each customer's personality. They are then in a better position to choose the most appropriate tactic for the person and situation.

It is rare to find buyers keeping any such details about the sellers that they meet. Study the other party, list the tactics that they use and work out counter-measures. Above all, ***do not be predictable***.

Tactics work both ways



Tactics work both ways; they can be used ***on*** you and they can be used ***by*** you.

In the former case, it's important to recognize when tactics and ploys are being used against you, and then to counter these effectively. In the latter case, it's important to know how and when to use particular tactics in order to get more of what you want from the negotiation.

What follows is a description of a large number of tactics, which can be used in negotiations, but they need to be used with discretion. Some are more underhand, devious, deceitful and even downright 'dirty'. You will need to ***make your own professional judgment*** about which tactics to use, when to use them and in what way.

Awareness is half of the solution

Remembering that the other party is likely to be using similar tactics on you, the first step in successfully negotiating with a party who is using tactics is to identify the tactic and hence to be aware of what they are doing.

Most tactics depend upon two things:

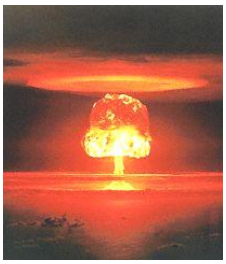
- The chances are you will not recognize that you are being manipulated
- You will react in a predictable way



If you identify the tactic, you are less likely to respond to it in the way the other party hoped, and you therefore gain, or retain a degree of control in the negotiation. There is a vast range of possible negotiating tactics which you might employ in your negotiations, or which you might encounter from the other party. Many of these tactics are quite obvious and you will easily recognize when they are being used against you. Others are more difficult to identify.

The list that follows is comprehensive, though not definitive; you may well have others of your own. If this is the case, write them down and try to be objective about those you use successfully and those you use less well.

Atom Bomb / Armageddon



A suggestion that a failure to concede or drop a line that has been taken will lead to catastrophic consequences.

This means using threats such as: "This may only be a small order, but failure to agree could affect all your business with the whole group".

Counter Tactic

- Become very grim and quietly say "I see"
- Jot down the disadvantages to them of actually carrying out their threat
- Jot down some advantages to you (yes, there usually are some) if they carried out their threat
- Using these notes as moral support, indicate to them that you are not overly concerned if this is the case, though as both parties have invested a lot of time in the negotiation so far, it would be a shame if that were to be the case.
- Indicate that you are prepared to walk away

Back Burner



Putting off an item or issue that you had not planned for, to another meeting or to a later stage in the negotiation, giving yourself time to work out a position on the issue.

This can sometimes result in the other party repeating all or part of their case and a comparison of first and second versions can prove useful.

This tactic can also be used where it appears that a particular issue is 'bogging down' the negotiation. Proposing "let's leave that for the moment" can prevent this from happening. As the negotiation proceeds, the contentious issue often resolves itself and there is no need to revisit it.

Counter Tactic

- Insist that it will not be possible to move on unless we can agree on the issue at hand.

Brinkmanship

Going right to the edge requires great skill to avoid falling over! One way is to try and get the other party to see the edge as being closer than it actually is.

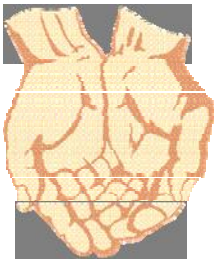
However, beware of bluffing; if you are going to bluff *always* be aware of what you will do if your bluff is called.



Counter Tactic

- Remain cool and calm
- See counter tactics for 'Atom Bomb / Armageddon'
- Indicate that if this is the case then sadly, on this occasion, it would appear that it will not be possible to achieve a negotiated agreement
- Begin to gather your things up, or wait for a response

Broke



This can be used by either party to get the other to reduce their demands, sometimes by significant amounts; simply by saying "There's no more money left in the pot".

This needs to be accompanied by persistence or the 'Broken Record' approach if the other party is to be convinced. Do not over-state your case and lose 'face' by having to back down.

If accepted, the result can be a mutual concentration on alternatives to enable the deal to be made within the limits stated.

Usually this is used when the parties are close to an agreement, and then one says that try as they might they just can't meet the other's price (or whatever).

They may also reinforce this by showing some form of 'evidence' e.g. a memo about cost cutting from the top. Psychologically the printed word seems to carry more authority than the spoken word.

Counter Tactic

- Take care not to believe everything you are told and shown
- Decide if you can meet the demand
- Decide whether you still want to reach an agreement
- Determine that if you do have to meet that price, you will gain some concession(s) in return
- Reconfigure the negotiation in order to explore alternatives that retain your desired position and maintain your negotiation objective.

Broken Record



Repeating over and over again the point or demand you are making will sometimes win because the other party gets 'fed up' with its constant repetition, and feels that further progress appears unlikely until this obstacle is removed.

It emphasizes the need for persistence in negotiation and a refusal to accept "No" at its face value without testing.

Counter Tactic

- Use your own 'Broken Record' and point out that clearly both parties are going to have to make some move or concession if an agreement is to be possible
- Focus the discussion on finding a 'middle ground' or of examining other variables

Building Block Technique

This can be used in several ways. You may request a price for only part of your actual requirements and in the face-to-face negotiation request prices for various quantities up to your actual needs. The other party will give ground more readily when you are raising their expectations.



If you are prepared to enter into a three-year contract, negotiate hard for a one-year contract and then ask what they would offer in addition if you went to two years. Having obtained further concessions, ask what they would offer for three years; you should get even more.

If you go straight from one year to three years the concession you might have got for two years will be transferred to the three-year contract and the concession you might have got for three years disappears!

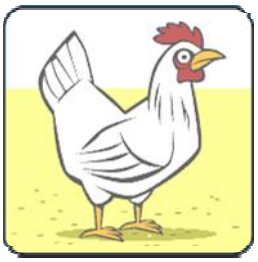
Some people ask for prices for quantities higher than those they require and then try to get the same price for the actual lower quantity. If this approach if used, then in a buy/sell situation the seller will feel cheated and resentful. He will feel 'cold' towards the buyer. The buyer's tactic might succeed once, but he will have lost the respect of the seller and the seller will look for ways to redress the balance in future.

Alternatively, moving to higher quantities than originally asked for encourages the seller, who sees the prospect of *more* business than expected and can probably offer lower prices because of these higher quantities. The seller feels 'warm' towards the buyer.

Counter Tactic

- Avoid giving your best prices first – always leave room for maneuver
- Try to find out about minimum and maximum order quantities in advance of quoting any firm figures
- Have clear, and published 'price break points' to which you can refer
- If you suspect that even longer-term contracts or higher volumes might be possible on first enquiry to extend these, ask about extreme cases before quoting for the 'next' level of volume or contract length

Chicken Nibbling



You agree to do a deal with a supplier, and just as their pen is poised above the contract or checkbook they say something like…"and that does include X, doesn't it?"

This can be used at the end of the negotiation, particularly if it has taken some time to get this far. A further concession may be obtained, working on the basis that the other party will not want to waste what has been agreed.

Use this carefully. It must not be so crucial that it leads to a reopening of the whole negotiation. However, it can get you just that little bit more.

Counter Tactic

- Use a trade off i.e. you concede, but only in return for a concession from them
- Use humor as in.. "Oh come on, you're not going to squeeze me on that one at this late stage are you?"
- Prevent it in the first place by insisting that all variables are put on the table before any agreement is reached – if the tactic is still tried you can at least refer back to this point in the negotiation and rightfully request that the request be dropped or a trade-off sought

Deadlines



These can be imposed or agreed and can encourage parties to concentrate on creative solutions, whilst simultaneously realizing that concessions are necessary.

Beware that this does not lead to precipitate solutions.

Counter Tactic

- Always expect this to happen at some stage, and even play a game with yourself to guess when they will launch it on you!
- Make a note of the deadline on your pad
- Avoid further discussion, but become a little brisker in your demeanor
- It is their deadline not yours; when it gets near remind them that THEIR deadline approaches… and they will have to yield in order to meet it!

Defense in Depth

Using several levels of staff or management before the issue reaches the final decision-maker.

At each level it is hoped that additional information will be obtained. This must be done carefully so that you do not undermine your own authority. Statements such as "Our normal procedure is..." can indicate that the other party will have to conform to this.

Do not confuse this with the 'Third Party' tactic.

Counter Tactic

- You should have prevented this from happening early on by asking whether the other party is in a position to commit the company, or who else might be involved in the decision

Deliberate Misunderstanding

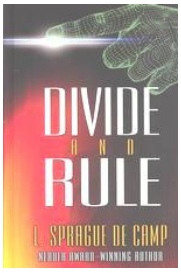
This is a particularly useful ploy to 'buy' time to think after a complicated proposal, case or explanation. 'Could you just run through that again?' either gets you time or discourages the other party from using such complication.

Alternatively, you throw in at the last minute "we naturally assumed that your price included delivery" or "We thought that you would be aware that individual packaging would cost extra".

Counter Tactic

- Always get details that have been agreed down in writing
- If you didn't, and they are trying it on, refuse the extras firmly
- Re-open the negotiation on the basis that the whole deal will need to be reviewed if these extras are to be included
- No matter how urgently you need to agree a deal, never appear flustered or harried

Divide and Rule



Use this tactic when in a negotiation where you are facing a team of negotiators on the other side.

By listening and observing you may pick up more positive or agreeable signals from a particular member. You can then concentrate on them as being more reasonable and supportive. Sometimes the team actually begins to argue amongst themselves; listen carefully for useful signals.

Counter Tactic

- Work out your strategy as a team beforehand
- If leading a team negotiation, make certain during the preparation that steps are taken to ensure you do not fall into this trap yourself
- Of course you may have deliberately chosen to do this as a 'Good Guy / Bad Guy' tactic!

Dunce

Undermine the other party's faith in his case by claiming that he has not done his homework, he has got his facts wrong or he has not been accurately briefed.

If this can be demonstrated it is possible to sow seeds of doubt about matters, which have been prepared and are correct, thus sapping confidence and producing a feeling of inferiority.

Be careful that you can substantiate any such challenge you make or your own credibility will suffer.

Counter Tactic

- Be prepared!
- Challenge back

Flinch



You should always flinch. It doesn't seem very 'professional' but flinching at a proposal or request is a good way of signaling to the other party that what they have just suggested is extraordinary or unacceptable.

Useful tip: Don't flinch at everything or the men in the big yellow van will come and take you away.

If flinching is not your thing, then at least look astonished or even dumbstruck and *say nothing.* This puts the onus on the other party to explain or even excuse what has been said; weakening their case and also giving you time to think. There is more emotion here than in just remaining silent.

So how do you deal with someone who flinches at you…?

Counter Tactic

- Use silence
- Remain calm and composed, and re-state your case
- Recognize that they are probably doing it deliberately and 'smile quietly to yourself' as you know it's not going to work on you!
- Wait for a verbal response

Full Disclosure

This depends very much on the atmosphere that has been created; parties need to feel that they will not be exploited by the other and it can lead swiftly to an agreement which both consider good.

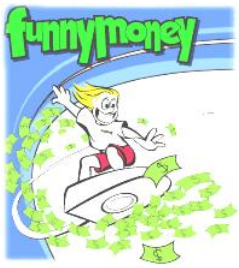
This is often used when negotiators are wel used to dealing with each other a high degree of trust has been built up.

Remember—trust takes time to build but can be destroyed very easily

Counter Tactic

- Be careful, it may be genuine and often is when parties have been dealing with each other over a long period and trust has been proven and hence established
- However, openness is demonstrated rather than stated so beware of the person who uses phrases such as 'I'm now going to be totally open with you' - they seldom are!

Funny money



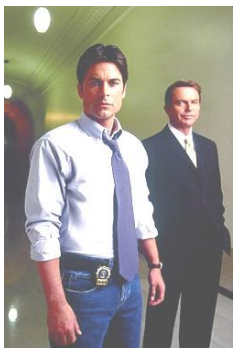
When quoting prices or asking you for concessions suppliers may try to make what they're asking for seem small or trivial, e.g. "We're only talking about 2% more than you were expecting to pay" or "It only amounts to 50 Euros per day".

Remember, every concession costs you something and not gaining your target 5% discount on a major contract could actually amount to wiping out 50% of your profit.

Counter Tactic

- Aggregate any figures into bigger timescales such as monthly, quarterly or annual costs
- Use the tactic yourself e.g. "So, for just a few extra pounds a day you're getting the valuable added reassurance of the service contract"
- Remember that their 'small' €50 per day is just short of a whopping €20,000 extra per year!

Good Guy / Bad Guy



Famously demonstrated on most US cop shows. In a meeting with 2 or more representatives from the other party, one may be behaving in a difficult manner, asking challenging and confrontational questions, making very high demands and appearing less interested in negotiating a mutually agreeable solution.

Before he loses 'face' by having to back down, another team member takes over who is very pleasant and agreeable. and who indicates a willingness to take a more reasonable attitude.

This obviously requires close cooperation and pre-planning between members.

Counter Tactic

- Expose them for what they're doing; they know that they're trying to pressurize you into conceding something and so the best thing is to let them know that it's not going to work on you! – This removes the power of the technique
- Remember that they both have the same interests in mind – a good deal for them!
- Negotiate with the 'good' guy as though he was the 'bad' guy, because they're both bad guys really.

Guilty Party

Make the other party feel guilty by suggesting that they are breaking some code or agreement, or that they are refusing something already conceded by other, more reasonable people. They may make a concession to convince you that this is not the case.

Counter Tactic

- Remember the difficult to accept, but nevertheless true, rule that… 'nobody can make you feel guilty' – we make ourselves feel guilty
- If you are in the wrong, then rectify it, otherwise
- Bring the conversation back to a level of what is reasonable under the circumstances

Headache

"Oh! no! Not today, I've got a headache!"



Essentially this is an emotional appeal not to press a point, and designed to make the other party feel it would be unreasonable to do so.

Who likes to be thought unreasonable?

Counter Tactic

- Empathize with the other party, and use humor as appropriate.
- Remind them of the need to resolve these issues at some point, either now, or at a later stage – indicating that you are not going to let it drop

Higher Authority

State, at the end of a negotiation or at a crucial stage, that you do not have the authority to make a final decision.

This can 'buy you time' to consider the other party's case and enable you to consider counter-arguments at your leisure. On the other hand you automatically undermine your own position for future negotiations, and may well be by-passed in future.

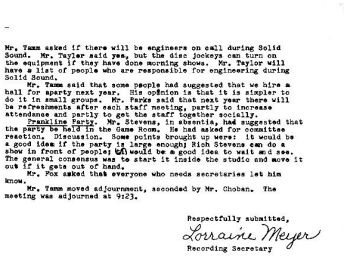
Counter Tactic

- To prevent this tactic being used against you in the first place, always establish the authority level of the person you are negotiating with. Ask the question "If we reach an agreement do you have the authority to commit your organization?" or a similar question
- Politely and respectfully indicate that perhaps you should negotiate directly with whoever is in a position to make a decision

Incorrect Summary

Summarize in a way, which tips the balance just in your favor.

If the other party does not object at the time they will appear unreasonable if they raise it later in the negotiation.



Mr. Tamm asked if there will be engineers on call during Solid Sound. Mr. Taylor said yes, but the disc jockeys can turn on the equipment if they have done morning shows. Mr. Taylor will have a list of people who are responsible for engineering during Solid Sound.

Mr. Tamm said that some people had suggested that we hire a hall for sparty next year. His opinion is that it is simpler to do it in small groups. Mr. Parks said that next year there will be refreshments after each staff meeting, partly to increase attendance and partly to get the staff together socially.

Franklins Party. Mrs. Stevens, in absentia, had suggested that the party be held in the dame Room. He had asked for committee reaction. Discussion. Some points brought up were: it would be a good idea if the party is large enough; Rich Stevens can do a show in front of people; it would be a good idea to wait and see. The general consensus was to start it inside the studio and move it out if it gets out of hand.

Mr. Fox asked that everyone who needs secretaries let him know.

Mr. Tamm moved adjournment, seconded by Mr. Choban. The meeting was adjourned at 9:23.

Respectfully submitted,

Lorraine Meyer

Recording Secretary

Counter Tactic

- Try to be the party that takes control of both the oral and written 'summary' of events
- Immediately challenge, orally and in writing, any summary that does not conform with your understanding
- Indicate that it will not be possible to progress to the next stage until clear agreement has been reached on what has actually been agreed to date

Joker



Suggest that the proposals made by the other party are ridiculous and cannot be taken seriously. This can be done by using phrases such as "You've got to be joking" or "Pull the other one."

The implication is that if they *are* serious then there is no prospect of any deal whatsoever.

Remember to do this with a smile and you are unlikely to cause offence.

Counter Tactic

- Use the same tactic
- Indicate that clearly as you are so far apart then there is little point in negotiating further

Linking Issues



This is a very useful tactic but it needs careful planning. It is essentially a way of creating movement by establishing a link between issues, which had previously been separate.

To introduce a 'contingent relationship' between two issues on which each side wants a settlement is a prime means of getting movement where there is apparent deadlock.

For example, in buying a car the seller may be persuaded to make a further concession if you stress that if you do buy that particular model you would get it serviced at that garage.

Counter Tactic

- Recognize that asking for a linked deal indicates that they are feeling in a weaker position i.e. they are trying to move things forwards
- If linkage is not in your interests too then refuse to link the two things
- Toughen your stance on all issues from this point on

Low-balling

This is the opposite of the 'Trial Balloon' - You're offered what seems to be a great proposition, a big discount for example, and only when you've agreed do you realise that there are conditions or extra supplier conditions that you did not anticipate. However, by this stage you're semi-committed.

Counter Tactic

- You should not find yourself falling into this trap if you've been careful to get all variables on the table before negotiating an agreement
- Take things slowly and do not rush enthusiastically into a deal that initially seems 'too good to be true'

"Let's Do Lunch"



An informal meeting or contact can be used to test for views, positions, sensitivities, and to meet the other person 'off guard'.

In an informal setting, the other party is likely to reveal more than they otherwise might

Counter Tactic

- Know that there is no such thing as an 'informal' meeting – or a 'free lunch'!
- Treat every encounter as though the negotiation depended upon it – because it does!
- Be careful to define the purpose of such a meeting; do not reach a formal settlement informally!
- Keep accurate notes – even in informal meetings
- No matter how pleasant they are, do not allow their pleasantness or generosity (if they buy the lunch) to make you feel obliged to make concessions

Mystery Man



The implication is that some absent third party is responsible for the unpleasant point you are about to deliver, for example: "I'm only telling you what the engineers are saying" or "I'm under pressure to achieve a 5% reduction in current prices."

You cannot be held personally responsible for the statement. It can also help in putting down a 'Marker' without being personally responsible for it. You can then more easily retreat from this position without losing credibility.

This third party must be placed at a level where it would be difficult for the person with whom you are negotiating to make contact.

Counter Tactic

- Get them to identify with, and take personal responsibility for the issue by asking if they hold the same view i.e. agree with it
- If they do not agree with the point that the 'unseen' person is making, suggest that this is an issue between them that they need to resolve internally
- Stay calm, smile and request a break to discuss the matter with your people

New Faces

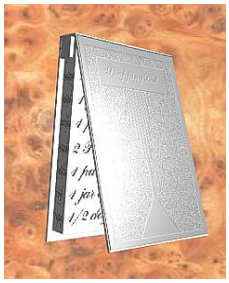
Change to another team or refer to other individuals/groups. New faces need not be tied by what has been developed in the negotiation to date. This is a tactic sometimes used in Eastern Bloc dealings.

Counter Tactic

- Question the reason for the change
- Bring in new faces or your own
- Bring in your own experts and specialist
- Bring in your superior

Onus Transfer

Put the onus on the other party to come up with ideas, e.g. "What must we do to enable you to reduce your price?"



Sellers try to get the buyer's 'shopping list'. They then negotiate each item on the list in turn, finally asking for the order because they have agreed everything on the list.

Onus transfer enables the buyer to get the seller's shopping list; what the seller needs in order to be able to lower his prices. The buyer can then negotiate in the same way to arrive at the price he requires.

Counter Tactic

- Use the technique on the other party – who is to say that they are right in asking you to meet their demands, and not vice versa?

Outrageous Behavior



This is where the other person feigns shock, disgust or annoyance at what you've suggested with the aim of forcing your hand, rattling you or shocking you into giving in.

They may throw down their notes, stand up and walk to the door, and generally behave as though you had just insulted a close member of their family.

Sometimes this can take on more subtle forms, often non-verbal, such as:

- Smirking at their colleagues
- Knowing glances between members of the other team
- Closed body language
- A derisory snort… etc.

Counter Tactic

- Don't respond emotionally; wait until their anger dies down; silence is a good tactic to diffuse emotion or a temper
- Keep calm, express concern at the misunderstanding, seek clarification and let things return to normal before proceeding.

Physically Disturb Them



Using a variety of physical (non-violent) means to throw the other party off balance, for example:

- Leaning across the table – this invades their 'territory'
- Change the normal seating pattern
- Sit close to them
- Ask them not to smoke, if you know they usually do.

All of these non-hostile actions can still unsettle the other party.

Counter Tactic

- If possible, control the environment yourself so that some of the intimidating options are not available to the other party
- For those that are more behavioral, simply 'laugh quietly to yourself', knowing that they are so weak and insecure in their own position that they have to resort to such pathetic tactics
- Take personal pleasure in the fact that their tactics will have no effect on you other than to strengthen your own position

Personal Favor

Essentially this is an emotive stance. Emphasize the trouble you personally went to for the other party, e.g. "I had to work hard to get the engineers to even look at your product" or "I had to make special arrangements to get your invoices paid in the time you wanted."

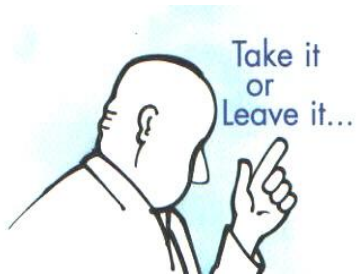
Some door-to-door sellers use this, e.g. "I only need to sell one more to win our area competition." The point is made that to ask for more or to refuse to buy would be unreasonable.

Counter Tactic

- Remember that whilst you are negotiating with a person, it is a business deal that you have negotiated
- Be polite and understanding, but on this occasion ….
- Alternatively, agree to the concession on the condition that they similarly grant you a 'personal' favor



Pre-Emptive Strike



This forestalls any prospect of negotiation, for example:

"I have an order here for twenty tons… give me a price of X and I will put your name on it!"

This can sometimes panic the other party into an agreement.

Counter Tactic

- Do not react, stay calm and rational
- Indicate that you may be interested in talking about the situation and then, through questioning, steer the conversation into a negotiation, bringing in a range of variables other than just price
- If pressured for a decision on a set price you must make your decision based upon how much the deal is worth to you, but beware, you are setting a precedent and demonstrating that you can be manipulated and bought by crude 'bully-boy' techniques

Re-Escalation of Demand

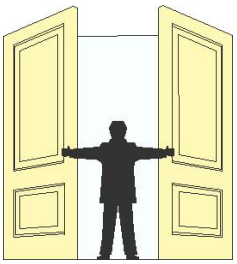
After conceding and moving towards the other party you then find they are unwilling to move and persist in pushing for more.

Counter Tactic

- Appeal to their professionalism
- If they are not prepared to honor their word, indicate that you have moved too far already and must return to your original position or beyond
- The other party will often agree the deal at that stage, fearing that what they have so far obtained may slip away.

Recessing

Seek an adjournment to consolidate, review and re-calculate, or possibly reshape a deal. New ideas often emerge if a break is taken preferably away from the stress of the actual negotiation. It often forces parties to re-consider their respective stances and question the reasonableness of the positions they have taken.



Recesses should always be taken when:

- Some complicated calculations have to be done
- The emotional temperature is rising
- You are negotiating as a member of a group and your act is 'beginning to fall apart'.

It is not unknown for a deadlock to be broken while both parties are sharing a 'natural break'. A recess often results in a renewal of energy and concentration. However, used too often it can generate distrust, suspicion or frustration, which will hinder movement.

Counter Tactic

- None required
- Use the recess to do the same yourself

Red Herring

Have you ever tried to get your own way by pretending you want something else? In negotiation it's called a 'Red Herring'.



The supplier may focus attention on a minor issue in order to get his way on a major issue.

For example, a supplier might suggest that his reason for not being able to provide 'X' is because of 'Y'. He gives in later, on the condition that you provide 'Z'. The point is that 'Y' was never an issue to her in the first place.

Counter Tactic

- To deal with a suspected 'red herring' question the reasons behind the other party's stance. Asking "why?" may well expose a weakness in their demands, or help you to flush out whether it is really important.
- Use the 'red herring' yourself; for example, make out that it's difficult for you to do something the other party is requesting, but promise to seek approval if she agrees to something that you want. Note that you were able to honor her request all along, but made out that you were doing her a big favor. This also helps to flush out how important this issue really is for the other party
- Remember, whenever you are asked for something, a red herring or not, and it's easy for you to meet this need, never jump enthusiastically at the request and give in immediately. Use the opportunity to highlight the value of this concession, and what it will 'cost' you.

Russian Front

You present the other party with just two options. One is so awful (being sent to the Russian Front) that they agree to the other option.



Counter Tactic

- Don't agree to their option.
- Nod slightly and say, "Yes, those are two possibilities. Let's look at some more"
- Suggest some options of your own. Even if not perfect, they demonstrate that you have just called their 'Russian Front' bluff

Salami

Feed a difficulty or 'nasty' piece of news in thin slices, piece by piece. This often produces concessions because the other party wishes to get away from an increasingly uncomfortable situation.



Counter Tactic

- If you suspect that this is occurring, stop the 'slippery slope' at this point
- Tell the other party that it will not be possible to reach an agreement until all of the information and issues are 'on the table' – only then can a full and fair agreement be reached
- Alternatively, withdraw previous concessions on the basis that this 'new' information puts the whole negotiation in a new light and hence, the whole situation has to be re-considered in light of this new, and more complete, information

Silence



Generally, people are uncomfortable with silence. They feel they have to fill it, and usually what they fill it with weakens their position. Unfortunately some people in negotiations can't stand silence and are the first to fill it, with a concession (ugh!) At a recent meeting a manager had just made a superb presentation of his negotiating case to an opposing group. It was clear that the audience was impressed, but an uneasy silence developed as people looked at each other to see who was going to be the first to speak.

Just as one was about to ask a question the manager began going over the key points again. This happened several times. *If he had stopped talking and started listening he might have learned something!*

So, never be the first person to fill the void. The person who speaks first is demonstrating weakness. Clearly though, if nobody has spoken for 45 minutes then something's gone wrong! Silence is also useful in that it allows you some thinking time, enables you to gain or retain composure, and puts pressure onto the other party.

Counter Tactic

- Use even more silence in return
- Use the 'Broken Record Technique'
- Tell the other party that you would appreciate a response to your last statement
- Shut up, put a pleasant expression on your face, and wait…. and wait… and wait….

- Interpret their silence to your advantage and tell them so; "I am taking your lack of response to this as acceptance of the point / a lack of interest / open to further discussion" – whichever suits you best. It is then up to them to refute this!

Trial Balloon / Hypothetical Question



A technique used to test the water, to see how serious the other person is, e.g.

"If I were to give you X how would you feel about doing Y?"

You're not making a firm offer; you're using questions to find out their level of flexibility and what it might be possible to agree upon.

This can be particularly useful for tabling a new idea or to help break deadlock and matters can be discussed without the fear of commitment.

The hypothetical question can, however, be a two-edged sword, depending where it is used in a negotiation.

- If used during the exploratory/testing stage it can open up useful alternatives and help shape a deal
- If used late in the process when the basic framework of a deal has been constructed, it can cause frustration since one party may see it as a backward rather than a forward step, breaking the framework and implying that the process has to start again
- There's also a danger that you are revealing concessions that you ARE prepared to make

Counter Tactic

- Take their offer as read… "So what you're saying is you're prepared to…?" without repeating what they are requiring of you
- None required – it is generally a good tactic, to be used by either party to arrive at the very best mutually agreed solution

Trojan Horse



Beware the Greeks bearing gifts!

Be wary of the offer 'too good to refuse' and instead look for any hidden problems or disadvantages.

For example, avoid following the buyer who gratefully accepted the offer of fixed prices for twelve months only to find the market price subsequently fell!

Counter Tactic

- Never say "yes" to the first offer
- It's tempting to take offers that at first appear attractive but it would be unusual if you were not able to negotiate an even better deal
- Remember, the supplier will probably be asking for much more than they actually believe they will achieve, entering the negotiation at or around their ideal position.

Vice

Sounds painful and it is. The vice sounds a bit like this…

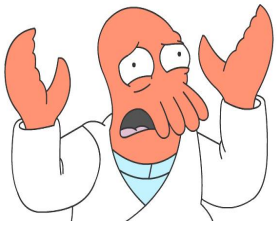
"Oh, you'll have to do better than that!"

Just like its name, the vice is intended to pile on the pressure for the supplier to offer a lower price or a better deal.

Counter Tactic

- Do not answer the question, and hence do not reveal your 'hand' first and therefore be forced into making an early concession
- Ask "How much better do I have to do?" This potentially forces the purchaser to reveal what they want or to commit to some ballpark figure at least
- Use the 'Trade-Off' technique

"Why?"



Never be afraid to challenge the other party, especially at the earlier stage when positions are being defined. Where you are involved in an ongoing relationship you will acquire the reputation of someone who demands a well-presented case. The more detail put forward, the greater the opportunity to find a flaw, which can be exploited to your advantage.

Use the "Why?" tactic judiciously; if used too often to challenge every new idea or proposal it can cause frustration and inhibit the other party from putting forward alternatives. If you do ask "Why?" you may get some very good reasons, which are difficult to refute, so you should plan for this eventuality.

Counter Tactic

- Be prepared so that you can confidently answer any challenge
- Challenge back in equal measure – after all, they are doing it so it's good professional due diligence isn't it!