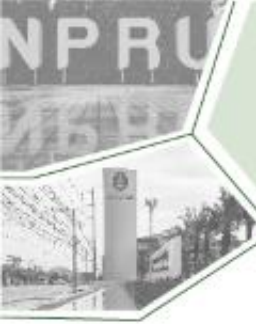


Unit 2 What is the best deal?

1552611

English for business
negotiations



Contents

- 01** Preparing to negotiate
- 02** Relationship-building
- 03** Establishing a procedure





Learning Objectives

After studying this unit, students will be able to...

- describe the concept and type of negotiation into their own words.
- share their ideas in group discussion creatively.
- create their role play scripts appropriately.

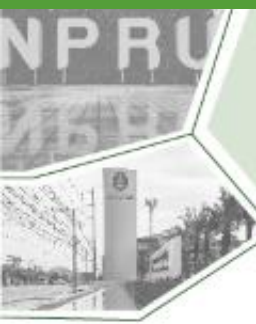
A skillful negotiator will most carefully distinguish between the little and the great objects of his business, and will be as frank and open in the former, as he will be secret and pertinacious in the latter

—*P. Stanhope, 1694–1773*





Think about a current (or potential) negotiation. Ask yourself the following questions to separate wants (position) from needs (interests).

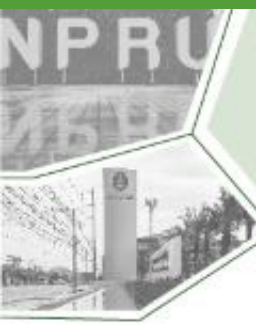


Discussion

- What do you want?
- What would getting this (want) do for you?
- Is this your need? If you're not sure, ask the question again:
- What would getting this do for you?

A key part of preparing and planning for any negotiation is understanding the issues that you have to negotiate about and how you are going to bargain with them...



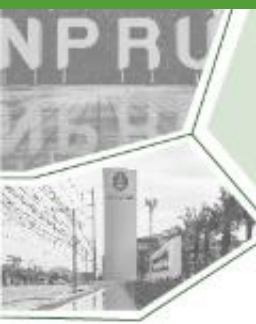


Planning the negotiation

1. Business (or substantive): Increase revenue, gain market share, reduce costs.

2. Personal: Enhance a reputation within the industry or community, maintain a strong relationship with the other party....



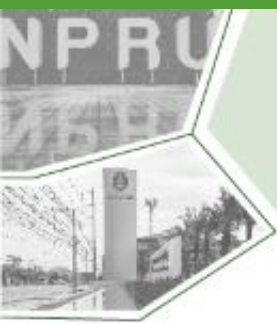


Setting Objectives and Determining Positions

	Your Side	Other Side
Business		
Personal		

FIGURE 3.1 Needs/Objectives Matrix

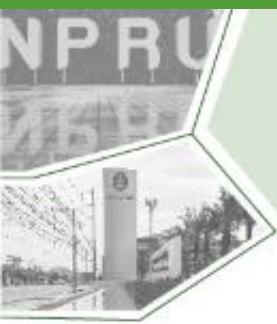




Language notes

Chit-chat is a negative name for informal conversation, i.e. chat that goes on too long. The term **small talk** is a more positive way of describing informal discussions. More generally, the relationship-building phase of a negotiation may be described as the preliminaries.



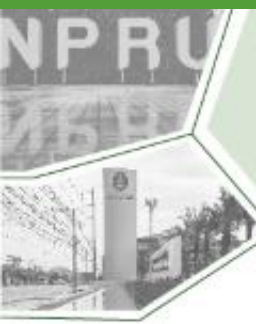


Language notes

Sales and persuasion techniques can be divided into **hard-sell techniques** and **soft-sell techniques**.

A hard sell is designed to get a consumer to purchase a good or service in the short-term, rather than evaluate his or her options and potentially decide to wait on the purchase.



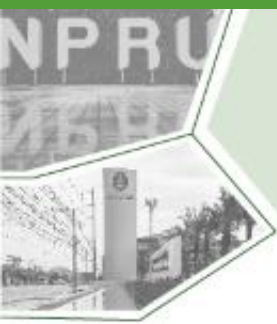


Language notes

Sales and persuasion techniques can be divided into **hard-sell techniques** and **soft-sell techniques**.

Soft sell refers to an advertising and sales approach that features subtle language. A soft sell is a low-pressure, persuasive and subtle sales technique, it may not result in a sale the first time a product is presented but helps to encourage repeat sales.



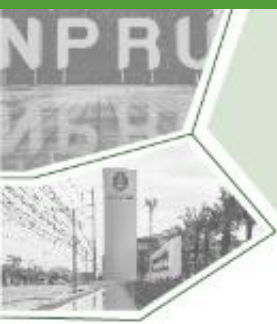


Language notes

A key principle in negotiating is to give a little and get a little at the same time.

- If you give us 5%
- we'll pay in 60 days...
- and if transport is free... .. we can pay half the insurance.

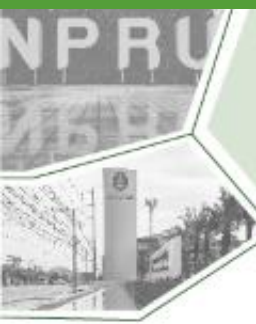




Language notes

- You can put a face to a voice (or to a name) when you meet someone face-to-face after earlier getting to know them only by telephone (or by email).
- Exclusivity involves agreeing to buy or sell a certain product or service from/to only one organization.
- In a negotiation, your bottom line is your absolute maximum or minimum, beyond which you cannot or will not negotiate.
- By all means-- means 'yes, of course'.

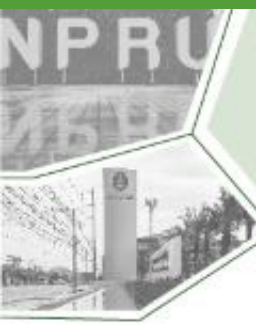




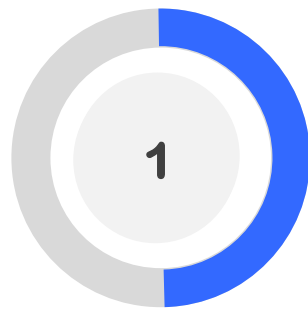
Language notes

- ❑ The term of a license is its duration in time.
- ❑ Remuneration simply means payment.
- ❑ A milestone is an important stage in a process, determined either by actions (e.g. the official launch of the product) or results

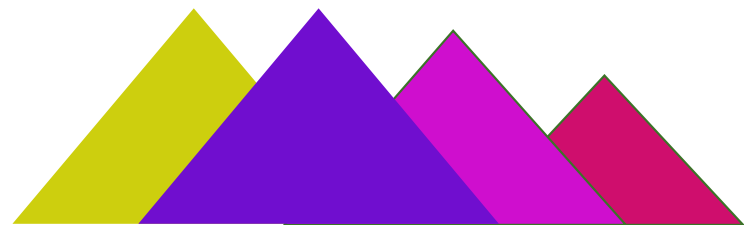


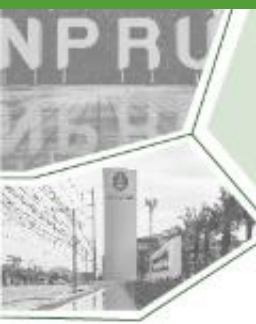


Business negotiation

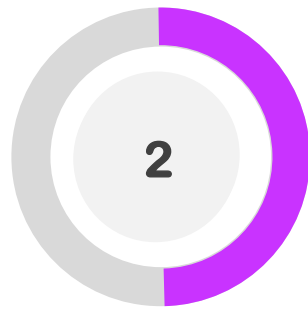


A business negotiation is similar to a discussion between friends arranging a social engagement. Two parties have a shared objective: to work together in a way which is mutually beneficial. Proposals and counter proposals are discussed until agreement is reached. Both sides hope for repeat business. This is an agreement-based negotiation, sometimes referred to as a **win-win negotiation**

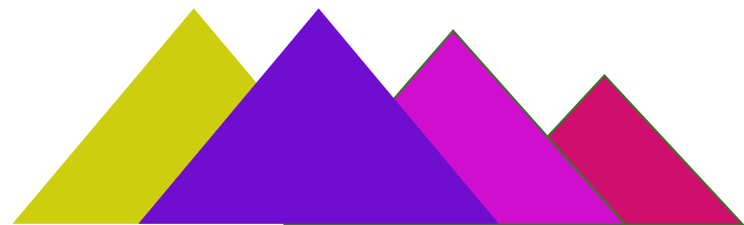


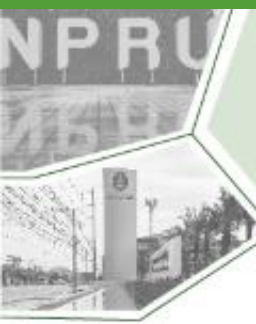


Business negotiation

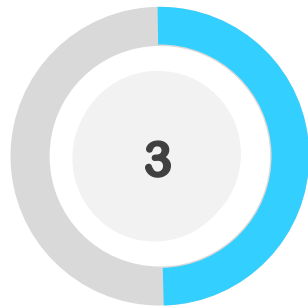


Two other types of negotiation are less founded on mutual benefit but on gaining the best deal possible for your side. In the first type, both teams negotiate to independent advantage. This means that each team thinks only about its own interests. In this type, a seller typically seeks to sell a product but is less concerned about repeat business.

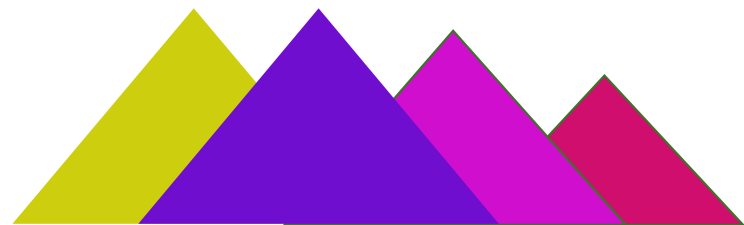


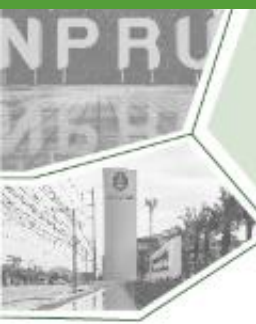


Business negotiation



A third type is the negotiation to resolve conflict, for example in a contractual dispute. Here, it is possible that each party regards the other as an opponent and seeks to win the argument. **This is a win-lose negotiation.**



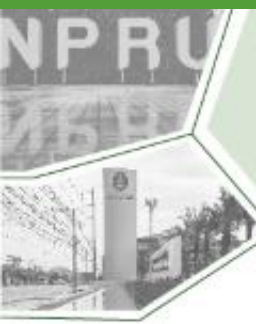


Expressions

Building relationships

- ... welcome to Chicago!
- Did you have a good flight over from Monterrey?
- I trust everything's OK with your accommodations?
- ... please, call me Stu.
- Is that so? Well, I hope you enjoy your stay.
- I'm sorry, did everyone get a coffee?
- Please, help yourselves.

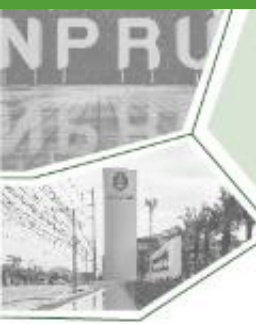




Expressions

- Let me introduce you to ... ;
- I'd like you to meet ... ;
- Have you tried ...?
- Let me refill your glass. ;
- We must make sure you see ... ;
- In that case, I'll see what we can arrange.
- Delighted to meet you at last. ;
- I've heard a lot about you.
- I'm very impressed with your ...



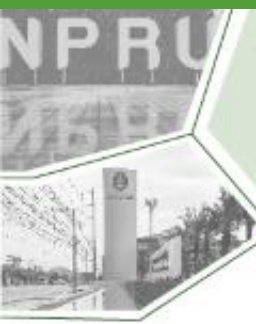


Expressions

Getting down to business

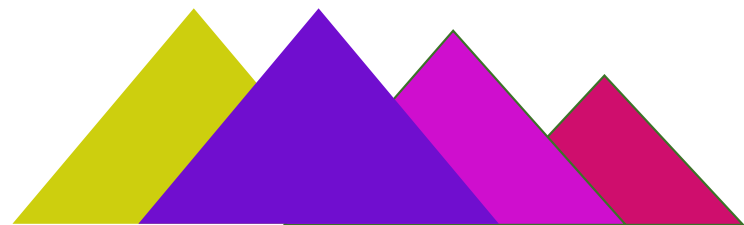
- Now, as you know, we're on a pretty tight schedule, so I suggest we get straight down to business.
- We're obviously very interested in your company and your products ...
- Now, as I was saying, we've read ... and we're really excited about ...
- We think there's a lot of scope for collaboration here - provided we can ...
- So ... over to you! Let's see what you've got!
- These guys have really got some great ideas ...

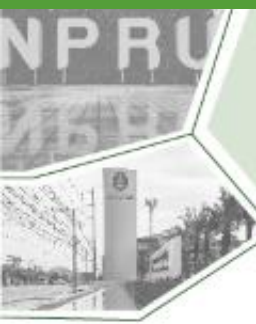




Review: Useful expressions

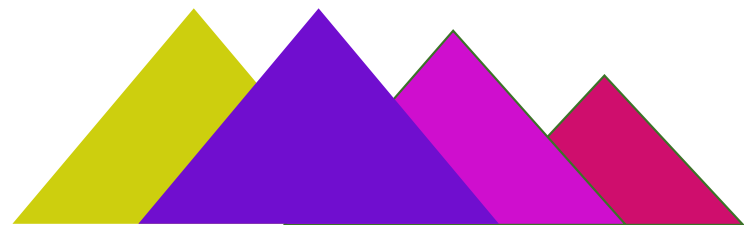
- Well, thank you for coming here today.
- May I begin by outlining some basic thoughts ...
- First of all, we see it very much as a first meeting, a preliminary negotiation to identify ways in which we can perhaps...
- There are two, possibly three, ways in which we might go forward.
- I'd like to summarize these under three headings.

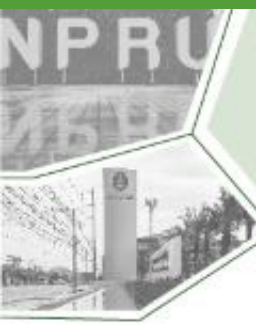




Reviews

- Identify your minimum requirements.
- Prepare your opening statement.
- Decide what concessions you could make.
- Know your own strengths and weaknesses
- Know your role as part of a team.
- Prepare your negotiating position - know your aims and objectives.
- Prepare any figures, any calculations and any support materials you may need.

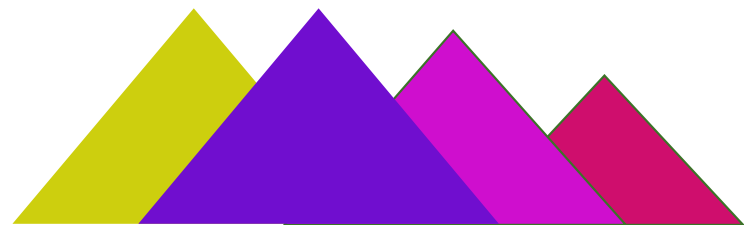


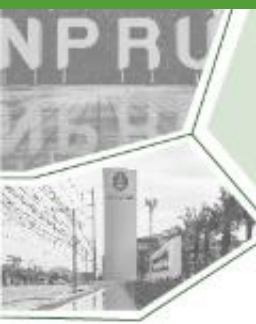


Exercise

Suggest phrases for each of the following at the beginning of negotiation.

- a) Welcome the other side.
- b) Develop small talk (trip, weather).
- c) Mention plans for lunch - make your visitors feel welcome see city center, local restaurant)
- d) Suggest you start talking about the main subject of your meeting.
- e) Introduce a colleague (Luke Fox, Marketing Department.
- f) Explain general aim or purpose of the meeting (preliminary / exploratory).
- g) Say what your side wants from the meeting. (Establish beginnings of a partnership learn about supply systems / price variations and supply costs.





Thank you

