

# Helpful hints to ensure win-win negotiations

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Negotiations are like a dance, with each party trying to determine the direction and ultimately the outcome. AirPlus has summarized important general “dance” steps for negotiating and managing travel spending, helping you not only to conduct meetings but also successfully take “the lead” in discussions.

### Step 1 – Analyze the other party

Thoroughly understanding the other party is crucial for successful negotiations. Try to gather as much information about the company as possible. Look into their products, industry, location and history as well as their major subjects of interest. The key is to figure out how the other party manages its pricing and its decision-making processes.

#### **Focus on the internal structure of the other party:**

- How do the processes in the other party’s company work?
- Who are the people involved in the decision-making process?
- What are your negotiation partner’s personal targets?
- What are the main personal motivators of the negotiation partner?

### Step 2 – Outline your party’s goal

Everything is negotiable. You just have to set precise goals for each subject or criteria you want to negotiate on. Be ambitious and open the discussion with an extreme position that leaves room to maneuver. Define your “must have minimum”, your “acceptable achievement” and your “optimal achievement”. If possible, try to figure out what the other party’s minimum might be. Even though there are no definite rules for negotiations, there is one rule you can always count on: people value things that are hard to obtain. So whatever the other party may want – make sure it cannot be obtained too easily.

#### **Determine how you will defend your opening offer and negotiate in order to reach your goal:**

- Do not offer any concessions without getting anything in return.
- Clearly define your conditions and offers for a trade-off.
- Clearly define the trade-off conditions and offers you expect from the other party.
- Concede only in increasingly smaller steps.
- Consider the balance of power: who is stronger, can you take advantage of the other party?
- Define alternative scenarios as a back-up.

### Step 3 – Define how to achieve your objectives

To be an effective negotiator you just need to practice. Go over the individual aspects of an upcoming negotiation with your team and discuss the success factors of previous meetings. Run all necessary analysis reports.

#### Devise a detailed plan:

- Try to map out how the other party's decision-making processes work.
- Define your negotiation roadmap.
- Define clear roles for your negotiation team: leader, spokesperson, specialist, good cop, bad cop, etc.
- Define key power statements to create persuasion.
- Prepare questions in order to obtain valuable information.
- Prepare all necessary documents and presentations according to your corporate design.
- Rehearse negotiation scenarios.
- Plan to build in breaks to change the pace of negotiation.

### Step 4 – Prepare for the meeting

Send an invitation to all parties and reconfirm three days prior to the meeting.

#### Include:

- Subject of the meeting
- Agenda
- List of all invitees
- All necessary documents such as PowerPoint, Word, etc.

Check your database for the other party's latest performance. Make sure your team is familiar with the decision-making map, the negotiation roadmap and alternative scenarios. Reaffirm that every team member knows his/ her role and sticks to it. Hand out all necessary stationery, documents, calculators, etc.

### Step 5 – Opening the meeting

The atmosphere of the meeting should be friendly and welcoming – make sure you are not running late and that your phone is turned off!

#### Open the meeting by

- Greeting the other party
- Making introductions (explaining responsibilities, roles etc.)
- Outlining the target and duration of the meeting
- Begin with the agenda

## Step 6 – Discussing and negotiating with the other party

Try to be tough on facts but soft in tone. Watch your body language, as well as the body language of the other party – sometimes this is more telling than words. Stick to your defined role and be concise and clear, just make one statement at a time and take time to listen to the other participants. Standstill means wasting time, so make sure both sides are moving. Take notes on all the important information. Close the meeting with a summary of all the points discussed (settlements, timelines, persons in charge etc.) and thank the other party for their time and openness.

### Leading the discussion:

- Asking means leading. Ask the questions you have prepared and all other questions that might come up.
- Use silence as a means to impose control.
- Only summarize your own position, do not repeat the other party's point of view.
- Do not try to convince the other party but try to understand their perspective.

### Dealing with critical questions and objections

In average, you have to handle 6-8 objections to reach a final agreement. Each clarified point brings you one step closer to the final agreement.

- Never argue with the other party, but find out what could improve the situation.
- Take objections as an invitation for further clarification.
- Very often, already a slight variation of the original offer helps to settle a disagreement.
- The objecting party should not need to justify their objection.

## Step 7 – After the meeting

- Send the other party a thank-you note for participating in the meeting.
- Reconfirm that open points and issues will be delivered. Timing: within two days after the meeting.
- Send a meeting report (including to do's and timelines). Timing: within one week after the meeting.
- Follow up on all to do's. Timing: within fourteen days after the meeting.