



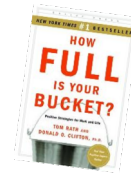
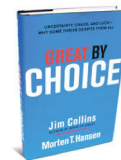
# Negotiating Effectively In A Changing Market

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**How to survive and thrive in a changing market:**

- Follow the pattern of the “10-Xers”
- Be consistent: Durable Operating Practices
- Fire Bullets; Then Cannonballs



## Overcoming Mistakes Negotiators Tend to Make



### Negotiating Mistake #1

**Not taking preemptive steps to address challenging situations.**

- Preemptive: designed or having the power to defer or prevent an anticipated situation
- Gaining advantage by dealing with a situation on our terms and on our timeline
- In real estate we can typically predict the challenges and concerns we will encounter.



### Negotiating Mistake #2

**Failing to employ all available and applicable influence strategies.**

- Influence Strategies: tactics and techniques that produce win-win, good deal results
- A menu of influence strategies are available for immediate and constant use.
- These strategies can be use independently, or better yet, in combination.



### Negotiating Mistake #3

**Improperly reading/evaluating a person, a situation or an opponent.**

- One should filter every action or proposal through the perspectives of others.
- Negotiating is getting people to do things that, left to themselves, they would not do.
- Misconceptions cause more negotiations to fail than virtually any other reason.



### Negotiating Mistake #4

**Not knowing what to say, how to say it and even when to say it.**

- Most people don't have the gift of saying the right thing at the right time.
- Good negotiators anticipate situations and prepare their response well in advance.
- Great negotiators not only anticipate and prepare, the sell the value of what they say.



### Negotiating Mistake #5

**Allowing themselves to be confined to one-issue negotiations.**

- One issue negotiations automatically become win-lose situations.
- Creative negotiators identify and introduce additional issues into the bargaining.
- These additional issues allow for trade-offs, strategic concessions and win-win results.



### 1. Homebuyer Negotiating Strategy

- Getting the buyers on board
  - Use "Third Party" endorsements
  - Use The Power of Legitimacy
  - Power Language
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### 2. Combatting Irrational Tendencies

- Over Confidence or Under Confidence
  - Unrealistic Expectations
  - Escalation of Commitment
  - Power Language
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### 3. Our Fees and Commissions

- Selling Value First
  - Pressure from the competition
  - Combatting "Overpaid" and "Underworked"
  - Power Language & The Power of Legitimacy
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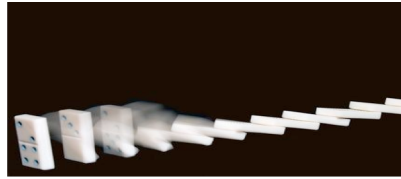
### 4. Building Trust and Confidence

- Packaging and presenting services
  - Concern on a personal level
  - Earning and even demanding respect
  - Power Language & The Power of Legitimacy
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### 5. Under Appreciated, Under Valued

- If you give it away, it has no value!
  - Providing the unexpected
  - Establishing professional dominance
  - Power Language & The Power of Legitimacy
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## Sequencing Influence Strategies



### *When someone makes an offer...*

#### 1. Flinch

Adverse reaction, prevent opponent's anchor or bracket from setting

- "Whoa, are you serious?"

#### 2. Crunch

Asking opponent to modify position before counter

- "Is that the best you can do?"

#### 3. Bracket

Communicate your anchor and limitations

- "I've only budgeted \$\_\_ for this."

#### 4. Limited Authority

I can't make this decision on my own

- "I'd have to check with \_\_\_\_ before I could agree to that amount."

#### 5. Trade Off

I'll make a concession if you'll make one for me

- "I think we could agree to your price if you'll (do/give) \_\_\_\_ in return."

#### 6. Competition

Communicate that there are other acceptable alternatives

- "Does yours have \_\_\_\_? I found another one that did."

#### 7. Legitimacy

Gain credibility and influence by 'getting it in print'

- "Here are the 8 things we'd have to have if we purchased your \_\_\_\_."

#### 8. Bold Stroke

Inviting your opponent to meet at a reasonable amount

- "Could we close this deal at the \_\_\_\_ figure?"

#### 9. Nibble

Asking for a little more after agreement is set

- "One question, you are going to include the \_\_\_\_, aren't you?"

## Negotiating Power Sources



1. **Competition:** *alternatives, real or imagined*
2. **Risk Taking:** *ignoring the fear of loss, brinksmanship*
3. **Commitment:** *providing a guarantee or assurance*
4. **Expertise:** *applying enhanced skills or background*
5. **Investment:** *consuming an opponent's time/effort*
6. **Reward/Punishment:** *sharing what they can expect*
7. **Identification:** *expectations from name recognition*
8. **Morality:** *appealing to one's sense of fairness*
9. **Precedent:** *what's done before should be done again*
10. **Persistence:** *repetitively renewing a request*
11. **Effort:** *expecting a reward for doing something extra*
12. **Resources:** *bringing in additional people, tools, etc.*
13. **Time:** *taking advantage of deadlines or constraints*
14. **Information:** *knowledge that provides an advantage*
15. **Legitimacy:** *simply putting something in print*

## That "Special" Power of **Legitimacy**



1. The impact of the **printed word**
2. Provide a '**hard copy**'.
3. Simply **write it down**,  
develop an easy system
4. It enhances **credibility, influence and retention.**
5. Applications:  
A prospective client says,  
  
"**Just so you know, we're considering (interviewing) a number of other \_\_\_\_\_.**"



Where There Is An  
**Expectation of  
Excellence**

# Git-R-Done!

1.

A seller asks for a commission reduction because the house sold in just 2 days.

2.

A seller, whose house you have listed complains that you never show their property.

3.

A seller asks, "In this hot market, wouldn't I be wise to try to sell it myself?"

4.

"The other agent said that they already had a buyer who was looking for a house like mine."

5.

"Aren't all real estate agents and companies pretty much alike?"

6.

"I have to tell you, the last time we sold a home the agent we used was a horrible."



## The Top 20 Questions Good Negotiators Ask

1. "Is that the best you can do?"
2. "Why should I accept your proposal/offer/price?"
3. "What criteria are you going to use to select your \_\_\_\_?"
4. "What am I missing here?"
5. "Is this price right? When is it going on sale?"
6. "What else is included at that price?"
7. "How can this be a good deal for me?"
8. "What do I have to do to get a better price/deal on this?"
9. "Can I tell you why you will like my proposal?"
10. "Do you mind if I run your offer past my \_\_\_\_?"
11. "How did you get to be such a good negotiator?"
12. "Before I answer, may I ask you a question?"
13. "How would you feel if I offered \_\_\_\_?"  
"Could that work?"
14. "Do you know how much you intimidate me?"
15. "Can I find this on-line at a better price?"
16. "May I show you what I mean?"
17. "Which of these proposals is acceptable to you?"
18. "What did you have in mind?"
19. "You really aren't serious, are you?"
20. "May I tell you what happened to someone in this situation?" or "You might be interested to know what \_\_\_\_ experienced in a similar situation."



Seminar Resources:  
**84Advantage.com**

Weekly Negotiating Tips:  
**GoodNegotiator.com**

John's Resources  
**KeepNegotiating.com**