

# Comprehensive Sales Training .

Negotiation is a crucial skill in sales which impacts everything from sales to relationships



## **Negotiation**

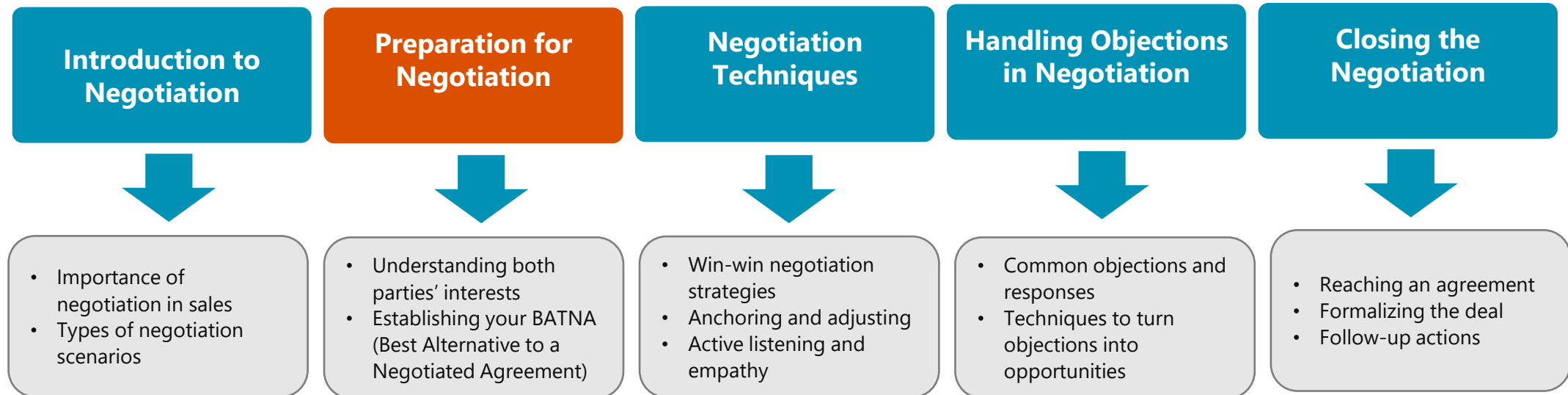
### **Preparation for Negotiation**

# Comprehensive Sales Training Plan

## Module 2 – Negotiation.

### Objective:

Develop negotiation skills to achieve mutually beneficial outcomes and close deals effectively.



# **Understanding both Parties Interests**

# Preparation for Negotiation

Understanding both parties' interests .

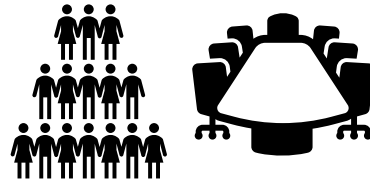
Effective preparation is the cornerstone of successful negotiation. It involves understanding both parties' interests and establishing your BATNA (Best Alternative to a Negotiated Agreement). Thorough preparation helps negotiators approach discussions with confidence, clarity, and strategy. Here's an expanded look at these stages:

**Objective:** To identify and comprehend the needs, desires, and priorities of both parties involved in the negotiation.

## 6 Key types

### Researching the Prospect:

- **Background Information:** Gather comprehensive information about the prospect, including their business model, market position, and recent developments. Use resources like company websites, industry reports, and news articles.
- **Stakeholders:** Identify key stakeholders and decision-makers. Understanding who will be involved in the negotiation helps tailor your approach to address their specific interests and concerns.



### Identifying Interests:

- **Needs and Wants:** Distinguish between the needs (essential requirements) and wants (desired but not essential) of both parties. This helps in prioritizing issues and finding common ground.
- **Pain Points:** Understand the pain points and challenges faced by the prospect. Knowing their problems allows you to position your solution as a remedy.
- **Goals and Objectives:** Identify the short-term and long-term goals of the prospect. Aligning your proposal with their strategic objectives can create a more compelling case.

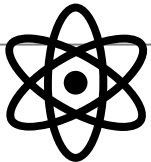


# Preparation for Negotiation

Understanding both parties' interests .

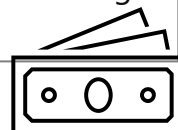
## Assessing Motivations:

- **Underlying Motivations:** Go beyond surface-level demands to uncover the underlying motivations. For example, a demand for a price reduction might stem from budget constraints or pressure to cut costs.
- **Cultural Considerations:** Be aware of cultural factors that might influence the prospect's negotiation style and decision-making process. Understanding these nuances can improve communication and rapport.
- scenarios, make informed decisions, and ultimately achieve successful outcomes.



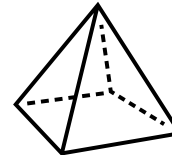
## Understanding Constraints:

- **Budget Limitations:** Know the financial constraints of the prospect. This helps in proposing solutions that fit within their budget and increases the likelihood of acceptance.
- **Timeline:** Understand the timeline and urgency of the prospect's needs. Proposing solutions that align with their deadlines can be a significant advantage.
- **Regulatory Factors:** Be aware of any regulatory or compliance issues that might affect the negotiation. Proposing compliant solutions can demonstrate your reliability and understanding of their industry.



## Anticipating Objections:

- **Potential Objections:** Predict potential objections the prospect might raise during the negotiation. Prepare counterarguments and solutions to address these concerns.
- **Competitive Landscape:** Understand the competitive landscape and what alternatives the prospect might consider. Highlighting your unique value proposition can differentiate your offer.



## Mapping Interests:

- **Interest Mapping:** Create an interest map that outlines the primary and secondary interests of both parties. This visual tool can help in identifying areas of overlap and potential trade-offs.
- **Prioritizing Interests:** Prioritize the interests based on their importance to each party. This helps in focusing the negotiation on the most critical issues.



**Establishing your BATNA**  
**Best Alternative to a Negotiated Agreement**  
**( it gives you leverage) .**

# Preparation for Negotiation

Establishing your BATNA.

**Objective:** To develop a clear understanding of your best alternative if the negotiation does not result in an agreement, providing leverage and clarity during discussions.

## 6 Key types

### Identifying Alternatives:

- **Internal Options:** List all the possible alternatives you have if the negotiation fails. This includes internal solutions, such as reallocating resources or pursuing different strategies.
- **External Options:** Identify external alternatives, such as other potential partners, suppliers, or clients. This broadens your options and reduces dependency on a single outcome.

### Evaluating Alternatives:

- **Feasibility:** Assess the feasibility of each alternative. Consider factors like cost, time, resources, and potential outcomes.
- **Benefits and Risks:** Weigh the benefits and risks associated with each alternative. This helps in determining the most viable and attractive options.

### Selecting the Best Alternative:

- **Comparative Analysis:** Compare the alternatives to identify the one that offers the best balance of benefits and risks. This becomes your BATNA.
- **Criteria for Selection:** Use clear criteria for selecting the BATNA, such as alignment with strategic goals, cost-effectiveness, and ease of implementation.

### Understanding the Implications:

- **Negotiation Leverage:** Recognize how your BATNA provides leverage in the negotiation. Knowing you have a strong alternative gives you confidence and reduces the pressure to accept unfavourable terms.
- **Walk-Away Point:** Establish a clear walk-away point based on your BATNA. This is the point at which you will choose your alternative rather than continue with the negotiation.

### Communicating Your BATNA:

- **Internal Communication:** Ensure that all members of your negotiation team understand the BATNA and its implications. This alignment is crucial for cohesive decision-making.
- **Strategic Disclosure:** Decide whether and when to disclose your BATNA to the other party. In some cases, revealing a strong BATNA can strengthen your position, while in others, it may be better kept as a strategic reserve.

### Continuous Review:

- **Dynamic Nature:** Recognize that your BATNA can change as new information and opportunities arise. Continuously review and update your BATNA throughout the negotiation process.
- **Scenario Planning:** Consider different scenarios and how your BATNA might be affected. This helps in staying flexible and prepared for unexpected developments.

# Preparation for Negotiation

## Summation

Preparation for negotiation involves a deep understanding of both parties' interests and a clear establishment of your **BATNA**.

By thoroughly researching the prospect, identifying and prioritizing interests, and evaluating alternatives, sales professionals can approach negotiations with confidence and strategic insight.

This preparation ensures that they are well-equipped to handle various scenarios, make informed decisions, and ultimately achieve successful outcomes.



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