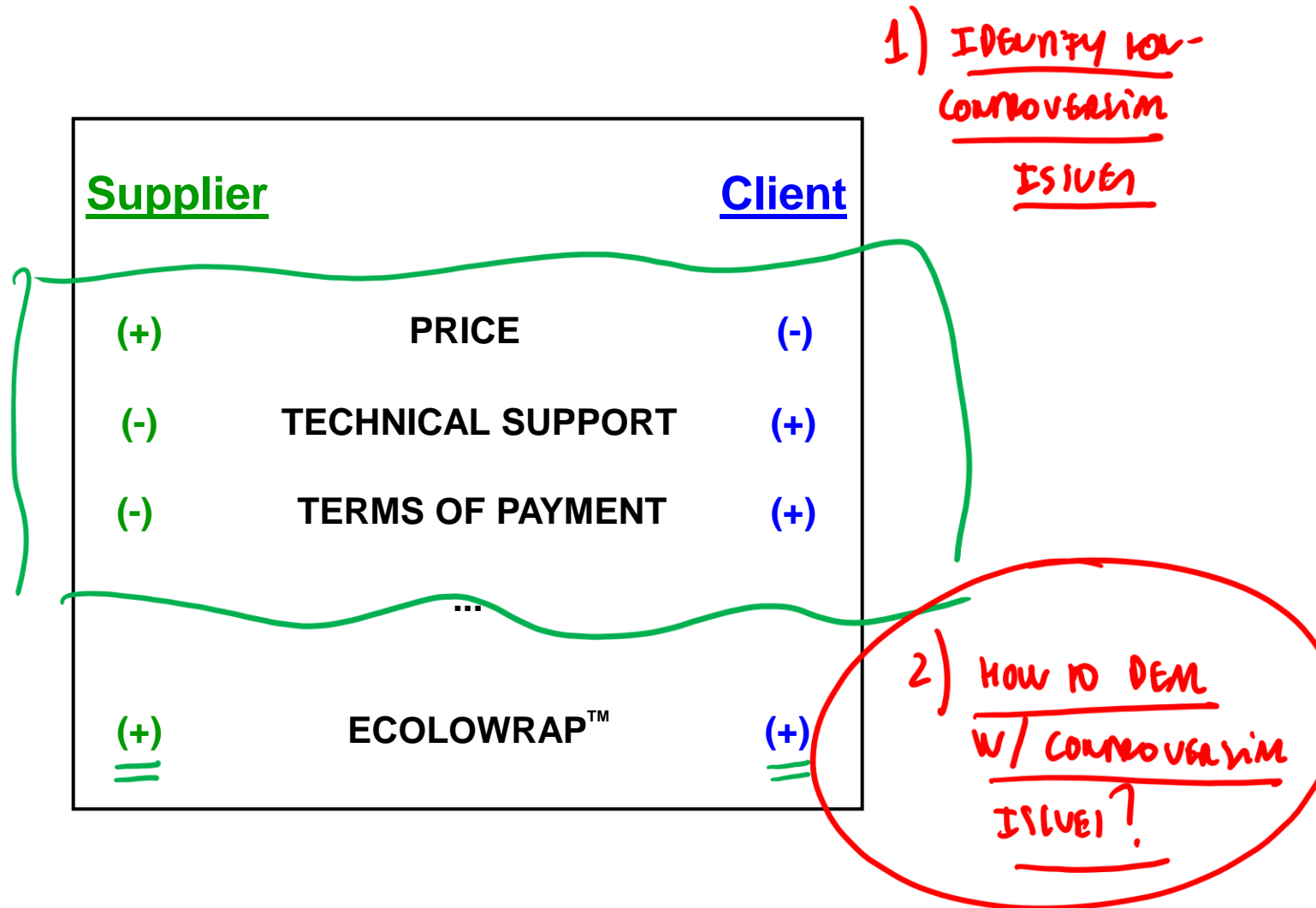


PACKAGE DEALS

NEGOTIATION STRATEGY
CEMS MIM Programme
1st Semester, 2024/2025

Prof. Luís Almeida Costa
Nova School of Business and Economics

INTEGRATIVE DIMENSION: *CREATING VALUE*



INTEGRATIVE DIMENSION: *CREATING VALUE*

Deal Maker™

TECHNICAL SUPPORT

TERMS OF PAYMENT

Supplier

Client

Supplier

Client

- 5 weeks

AS IS

+ 5 weeks

+ 10 weeks

+ 100

- 500

0

0

- 100

+ 400

- 200

+ 800

+ 600

- 400

+ 200

0

0

+ 400

- 200

+ 800

- 400

+ 400

+ 20 days

AS IS

- 20 days

- 40 days

⇒ CREATE AGREEMENTS W/ MULTIPLE ISSUES

⊗ CONSIDER THEM SIMULTANEOUSLY

HOW TO IDENTIFY “WIN/WIN” OPPORTUNITIES?

QUANTIFY BENEFITS AND COSTS

- | | |
|---------------------------|--|
| 1. VOLUME | MONTHLY SALES SCHEDULE: UNITS |
| 2. PRICE | QUOTED PRICE: € DISCOUNT: % INCO TERMS: EX WORKS / CIP |
| 3. TERMS OF PAYMENT | DAYS |
| 4. DEAD ON ARRIVAL CLAUSE | DOA CLAUSE INCLUDED? YES <input type="checkbox"/> NO <input type="checkbox"/> TIMING OF REPLACEMENT: MONTH |
| 5. TECHNICAL SUPPORT | ENGINEER/WEEKS |
| 6. CUSTOMIZATION | CUSTOMIZED COMPONENTS? YES <input type="checkbox"/> NO <input type="checkbox"/> |
| 7. PACKAGING | ECOWRAP™ YES <input type="checkbox"/> NO <input type="checkbox"/> |



HOW TO IDENTIFY “WIN/WIN” OPPORTUNITIES?

EXAMPLES

⇒ TECHNICAL SUPPORT vs. TERMS OF PAYMENT

AS IS / AS IS → + 10 weeks / - 40 days

☑ EXPLOIT PROFITABLE TRADEOFFS

☑ PROPOSE MULTIPLE *MINI-PACKAGES*

⇒ TERMS OF PAYMENT

Increase or decrease?

☑ EXERCISE YOUR PRESSURE SELECTIVELY: TAKE
ADVANTAGE OF FAVORABLE *EFFICIENCY RATIOS*

$$\text{EFFICIENCY RATIO} = \frac{\Delta \text{VALUE TO OTHER}}{\Delta \text{COST TO US}}$$