

The Art of the Deal

win-win

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Your best deal

About you

Ground rules

1. Treat your library's money like your own.
2. Decline vendor gifts, meals, trips, etc.
3. Leave emotion – good or bad – out of negotiation.
4. Do not avoid conflict. You will pay for it.
5. Treat sales professionals with respect.

Negotiation basics

1. Set an initial target goal.
2. Never reveal your budget.
3. Consider what you are revealing in each answer.
4. The negotiation comes first, then the relationship.
5. Accept the consequences of risk.
6. Measure your success and self-reflect.

You have power

1. You (the customer) have the power.
2. You have what vendors need – revenue – and you have the power to keep it.
3. You get to dictate the sales process—
 - Demand the style that works best for you.
 - You can set the tone of a negotiation.
4. If the Sales rep is dishonest or incompetent, get another.

About vendors

Business basics

1. The #1 goal of business is to maximize profit.
2. Businesses must increase annual revenue to be successful.
3. Businesses are anxious organisms.
4. Recurring revenue is the ultimate salve to anxiety.
5. Lost revenue is anathema.
6. Most businesses are on a July-June FY.
7. Sales goals are ambitious by design.

Sales basics

1. How sales professionals are compensated.
2. How sales goals are set.
3. Turnover rate of sales professionals.
4. The hidden costs of sales.
5. The magic of margin.

Vendor priorities = opportunities

Common Priorities	Opportunities
Launch new product	<ul style="list-style-type: none">➤ Introductory pricing.➤ Discount in exchange for marketing / promo.
Increase market share	<ul style="list-style-type: none">➤ Market share > Margin = better price.
Fend off new competition	<ul style="list-style-type: none">➤ Lower price for longer contract term.
Cross-selling	<ul style="list-style-type: none">➤ Add-ons to core product heavily discounted.
Making revenue goals	<ul style="list-style-type: none">➤ End of year deals.

The win-win

What does a win-win mean?

Doesn't mean both sides get equal value.

e.g.

Vendor: 30% margin

Library: 10% price reduction

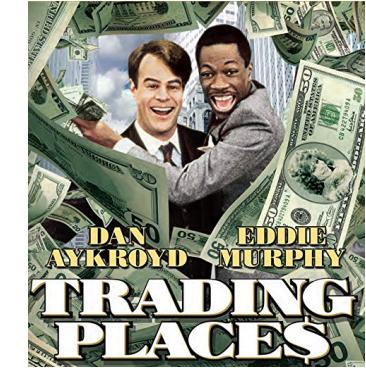
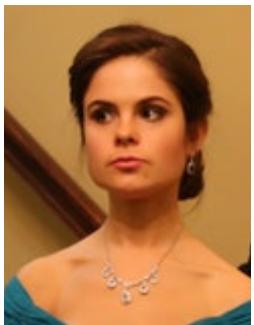
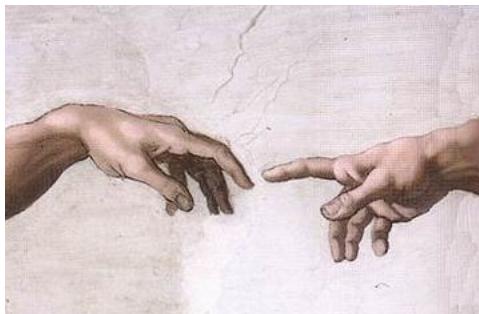
Does mean that both sides benefit.

Tactics & strategies

Negotiation tactics

- These are parlor tricks.
- Either slight-of-hand or psychological games.
- They require a level of gamesmanship.

Wheel. Of. *Tactics!*



POOPSIE SLIME SURPRISE BUNDLE PACK -
MAKE UNICORN POOP



Negotiation strategies

Narratives intended to alter the dynamics of the negotiation to make what would have been impossible possible.

e.g.

"Usage of this resource is way down. Look at the stats.
We can't justify renewing this resource with stats this low.
How could we increase usage?"

"A Discovery service increases usage."

"If you can include that for free, I'll see what I can do."

**How do you
know?**

QUESTIONS?



For more...

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