

# NEGOTIATION PLOYS

08

## NICKEL & DIME

A guide to the tactics and ploys that may be encountered when negotiating. Find out what they are and how to react- or how to use them yourself!

### What it is

A value proposition has a reasonable 'sticker price', but then there are a series of 'extras' (which are essential) so that the total cost is actually higher than the sticker price



### How to spot it

The quotation is stripped of any frills and represents only the most basic value proposition. The customer has to add in 'extras' to meet their specification and which raise the price above the basic quote



### Why is it used?

The purpose of this tactic is to counter price benchmarking. Customers who are 'price shopping' may ask "How much is a flight from A to B?" or "How much is a night in your hotel?" When value propositions are being commoditised, this tactic is an understandable reaction



### How to respond

In negotiation planning, define your needs and the value to you of the concessions that you seek  
 Make sure that you compare offers against a standard (rather than against each other)



### Tip

A 'total cost of ownership' model can expose the true cost and avoid choosing the cheapest option and then finding that the real cost is much greater

### Should you use it?



If you are interested in getting better outcomes from your negotiations, why not visit <https://procurementandsupply.com/2022-pasa-premium-training-programme/> and book a place on one of our practical and interactive courses.