

Press information

Berlin, July 20, 2020

How do you get exactly what you want in a negotiation? Use this simple sentence

Including an extra sentence which compares your offer to the seller's minimum price in a negotiation increases the likelihood of you getting what you want, finds research from ESMT Berlin.

Most people assume that you can either be friendly in a negotiation and satisfy your counterpart *or* get exactly what you want, but these two outcomes do not have to be mutually exclusive. [Martin Schweinsberg](#), Assistant Professor of Organizational Behavior, alongside Michael Schaerer of Singapore Management University and Roderick Swaab from INSEAD, studied how negotiators can achieve both economic benefits and maintain a friendly relationship with those you're negotiating with.

The academics ran three experiments with over 1500 participants who engaged in a negotiation involving the price of a condominium. Each participant took the role of the seller but different groups received offers framed in different ways: simply receiving an offer price, being asked to compare this offer to their minimum price, or asked to compare the offer to their target price. They found that negotiators who prompted the seller to compare their offer to the minimum guide price achieved much more success in their negotiations.

Professor Martin Schweinsberg says, "Imagine trying to buy a condo where the seller's target price is \$580,000 and their minimum price is \$320,000. Instead of just saying 'my offer for the house is \$450,000', adding the sentence of 'how does this compare with the minimum price you are willing to accept?' increased the chances of the buyer's offer being accepted and made the counterpart happier.

"This demonstrates that how an offer is perceived is subjective depending on how the offer is framed and that it is possible for a negotiation to be nudged to have a 'win-win' outcome."

The researchers say that adding this little question is beneficial for two reasons. Firstly, the other party now compares your offer to the minimum they would be willing to accept - this makes your offer more appealing to them. Secondly, it makes them happy to receive your relatively higher offer which improves your relationship with your counterpart.

The researchers also ran a fourth experiment where participants assumed the role of a restaurant owner trying to sell their business. This scenario was similar to first three; however, the other side was now in a high-power position because they had an attractive offer from a competitor. When the counterpart is in a high-power position, shifting their attention to the minimum offer they would accept backfired: they now asked for more money and were less happy.

These findings demonstrate a simple nudge to achieve what you want in a negotiation and keep a friendly relationship with the other party: just prompt them to compare your offer with their minimum price. If you do not prompt them, they compare your offer to the maximum price they want which makes your offer look less enticing.



Read more on this research in [Harvard Business Review](#). These findings were published in the *Journal of Experimental Social Psychology*.

Press contact

Martha Ihlbrock, +49 (0)30 21231-1043, martha.ihlbrock@esmt.org

About ESMT Berlin

ESMT Berlin is the highest ranked business school in Germany and Top 10 in Europe. Founded by 25 leading global companies, ESMT offers master's, MBA, and PhD programs, as well as executive education on its campus in Berlin, in locations around the world, and in online blended format. Focusing on leadership, innovation, and analytics, its diverse faculty publishes outstanding research in top academic journals. Additionally, the international business school provides an interdisciplinary platform for discourse between politics, business, and academia. ESMT is a non-profit private institution of higher education, accredited by AACSB, AMBA, EQUIS, and FIBAA. esmt.berlin



About ESMT Berlin

ESMT Berlin is the highest ranked business school in Germany and Top 10 in Europe. Founded by 25 leading global companies, ESMT offers master's, MBA, and PhD programs, as well as executive education on its campus in Berlin, in locations around the world, and in online blended format. Focusing on leadership, innovation, and analytics, its diverse faculty publishes outstanding research in top academic journals. Additionally, the international business school provides an interdisciplinary platform for discourse between politics, business, and academia. ESMT is a non-profit private institution of higher education, accredited by AACSB, AMBA, EQUIS, and FIBAA. [esmt.berlin](https://www.esmt.berlin)