

Chapter 1 : How to negotiate margins with your HP reseller partner

Margin negotiation - arguably, it's one of the most important ways in which firms can protect their profitability, long-term growth and marketplace survival. Without healthy margins, profitability drops.

How to negotiate margins with your HP reseller partner With just a little knowledge about negotiating margins with your reseller, you can achieve better HP purchase prices and a stronger relationship. Share this item with your network: With Hewlett-Packard HP now recognised by some as leading the pack of vendors shipping servers worldwide and with it having further focused its position as the single source for all things network infrastructure, IT directors may now be considering HP as vendor of choice in more areas than ever before. Learning more about the dynamics within the HP supply chain can extract even more value and spread pressurised budgets further. Often times, purchasing from HP is just associated with hardware and storage, but its product offerings also extend into the virtual data centre. IT resellers finding increasing pressure on margin will naturally seek to reduce purchase costs. Sourcing product from non-official HP distribution partners who, in turn, are sourcing from outside the country they operate in, can achieve this. For example, one HP partner states clearly on their website that, "The grey market is simply a problem of manufacturers not being able to control sales regions within the global economy. There is nothing wrong with this; it is a matter of market forces creating a price opportunity. But it overlooks investments made by HP, its distribution partners and authorised resellers, along with the product knowledge required to professionally install and support HP products. Encouraging this practise may bring short term cost benefits, but will also bring with it detrimental pressures. The range extends from the HP to Proliant servers, as well as storage. Product is made available for resale due to excessive factory stocks, customer returns, demonstrations, etc. All products revisit the HP production line, and quality control testing is provided with standard or CarePaq warranties just like newly manufactured hardware. It is also subject to the price support schemes HP provide. Therefore, remanufactured product is essentially new product. An IT director with green credentials may explore the HP Renew Programme before increasing manufacturing demand by buying brand new product. Regardless of whether hardware product is sourced as new or renew, HP provides price support through its Top Value and SmartQuote programmes. Top Value offers a monthly selection of hardware, software and warranties, which are typically in stock and ready to ship. SmartQuote provides a supported price across a broader range of HP product and over a longer period of time. To agree on a supported price through SmartQuote, the reseller must show HP a business case to justify a price reduction. With Dell and IBM aggressively attacking HP users with attractive price offerings, it is relatively easy to convince HP to provide price parity because the company wants to ensure its offering is viewed as commercially attractive. The process takes between one and five days, depending on the products under review. To get the best possible price, HP prefers to sign off bundles of products, not individual product lines. The intelligent reseller will do this without second thought. The IT director needs to ensure this saving is passed on to them. However, what is not generally understood is that the SmartQuote programme covers more than HP hardware. The better definition for the programme is that all products offered with a HP part code are included. Furthermore, the support and subscription programmes offered by those vendors can also be included in price support process. Clearly the advantages of better price support will need to be balanced. Purchases of non-HP products through HP rewards different teams within the respective vendors. HP tries to balance this by making its own resources available. But these resources are in high demand and not as readily available as they are from the vendor themselves. The importance of performance Beyond the purchase price programmes can offer, HP resellers are also directly incentivised on performance. This allows for rebates being paid directly to resellers by HP without any end user involvement. For example, a current incentive under the banner of Partners for Growth allows resellers to earn different percentage rebates depending on the product supplied. However, if the opportunity is registered by one reseller it cannot be switched to another. For the end user, this means that selecting a reseller without this registration can further hamper the price negotiation. Many resellers now share the cost price achieved from HP, agreeing on a small margin to cover administration costs, and are still satisfied with the achieved margin because they

know rebates remain in place to provide a healthy profit. Knowledge of the commercial factors in this process can keep you one step ahead. But there is a warning here. A financially healthy channel partner who can guide the end user through the labyrinth of products, pricing and schemes offered by vendors will provide short, medium and long-term benefits to end users. By negotiating the entire reseller margin from a purchase, you simply kill the goose that laid the golden egg. However, with a little knowledge better purchase prices can be achieved whilst keeping peace of mind that your chosen reseller partner will be around for many years to come. Others can donate at www. Read more on [Managing servers and operating systems](#).

Chapter 2 : 3 Margin Negotiation Mistakes You'll Never Make Again

The case ends partway through the final, detailed negotiation between Santa Clara and the U.S. Forest Service, when a tense standoff arose. At this juncture, Santa Clara faced a difficult choice whether to accept a partial win, to walk away, or to fight for more and perhaps risk losing all.

As consumers, we have been trained to pay the price marked on goods or services without question. If we feel the price is too high, we abandon the sale and look for cheaper options. But it could work better. Rules of Successful Negotiation

1. Do Your Homework You need to know some important things about the service or product you want to buy before you begin negotiations: How Much Do Competitors Charge? If you can tell the seller you know the item is available for a lower price, it puts a lot of pressure on them to lower their offer. You can walk away from negotiations and still get what you want. What Is the Cost to Your Seller? Research the invoice price that new car dealers pay the manufacturer – then you know the absolute lowest that they can go and still turn a profit. Is the Seller Facing a Deadline? If a seller has to get rid of a product before a deadline, they are more motivated to sell at a lower price. Making money on the deal may not be the most important goal when a deadline is involved, as the consequences of waiting too long could be costly. Home sellers often have a deadline, as they may need to sell their property by a deadline so they can purchase another for which they are under contract. Why Is Your Seller Selling? For example, someone who is moving may be willing to accept a very low offer for a large piece of furniture, just to be rid of it. Knowing why an item is for sale can give you an idea of how much money you need to pay. Of course, the initial price named by the seller may anchor you at a higher price, and this is where doing your homework can help. By knowing the competing prices, you may be able to significantly lower your anchor before negotiations start. After that, every counteroffer will be higher. Lee rejects that because the middle is too high of a price. If you are going to make the first offer or name a price in a counteroffer, make it ridiculously low. Not only does it set the price anchor very low, but it puts the seller on the defensive. They instead focus on getting a price higher than what you offer, and not what they want. The end result is a much lower price than what is considered reasonable. This can be difficult advice to follow, as you may be afraid of being considered a jerk. Many sellers know that ridiculous offers are part of the negotiating process and are very unlikely to refuse to make the sale. Furthermore, studies show that when faced with a ridiculous offer or counteroffer, a negotiator gains satisfaction from getting concessions from the other party. Do you want to be liked, or do you want to save a lot of money? Know the Limit You need to gauge what is important to the seller. Be Quiet Silence between two people can be uncomfortable, and you can use that to your advantage after someone names a price. Instead of responding, look thoughtful without saying anything. This makes the seller fill the silence, and often, he or she will try to justify the offer. Let them keep talking and feel insecure. If you need to fill the silence, express hesitation about paying their price. Maybe you can get accessories included with the purchase, or perhaps the seller will be willing to include some other low-cost items to make a sale on a large-margin item. For instance, cell phone providers make their money on long-term contracts. To motivate you, they may be willing to supply extras, such as phone cases or car chargers. Walk Away This is perhaps the most powerful tactic you have. In this economy, very few businesses can afford to lose a sale, and are afraid to let someone walk away without making a purchase. Above all, this gives you the upper hand in the negotiations. Sometimes, just heading for the door or verbally ending negotiations is enough to motivate a lower offer. Even if you walk out the door, the seller may bring you back in or call you if you leave contact information. However, the problem is that once you walk away, it is very difficult to go back. If you return after walking away, the power shifts to the seller. Therefore, only utilize this tactic if you are willing to simply not make the purchase. A tight deadline can eliminate your opportunity to negotiate the lowest price, so give yourself plenty of time to shop around and play hardball with the seller. Are you comfortable making aggressive offers when negotiating?

Chapter 3 : Recherche uO Research: Negotiating the Margins: Aging, Women and Homelessness in Ottawa

NEGOTIATING THE MARGINS 79 Case 1: Terry and Ms. Thorn There is a world-weary, even cosmic shrug I have seen students give, many times, when I have prompted them to explore the relationship of their teach-

Without healthy margins, profitability drops. Without profitability, no business has a future. Yet, in spite of its importance, most of my clients feel this is one of the key areas where performance falls short. Yet, when faced with the prospect of a competitor undercutting their prices, most sellers appear to run for the hills a little too soon. In my experience, across industries, it appears sellers are making three classic “yet easily avoided” mistakes when faced with demands for price reductions from buyers. Is there any way you can come down on price? They must be cheaper. Always undercutting our prices, trying to lock us out of our own accounts. Let me talk to my manager, and see what I can do. How many other bids? Were any of them cheaper? What kind of a discount would he be looking for? They do all of the talking, and none of the listening. When faced with price objections, many sellers find themselves compelled to justify why their prices are fair. Instead of giving in to temptation, and going on the offensive, take a moment, step back and ask your buyer to offer up more information. Never underestimate the importance of asking a few great questions. Instead, ask a question for clarification, or simply remain silent for a few seconds. They have no compelling alternative. Walking into the negotiation without a strong BATNA is one of the main reasons margin negotiation goes off the rails. Due to pressure from quota, weak pipelines, insufficient qualified leads and aggressive market penetration tactics adopted by competitors, most sellers throw in the towel too soon. Having a strong BATNA can broaden your options for action, increase your confidence and send a clear signal to your buyer you will stand by your prices. Try to think of at least alternatives to cutting your prices, and identify which counter-concessions you can request from your buyer. Find a compelling and objective competitive differentiator, that justifies your higher price. Build more value into your service offering. Offer an alternative, cheaper package with similar impact. Yet, taking a few simple steps can mean the difference between consistently giving in on price or obtaining a healthy and profitable margin for your business.

Chapter 4 : How to Successfully Negotiate Lower Prices in Any Situation

International Negotiation, 21(2), - , [Web of Science Â®] [Google Scholar]). In the lead up to the Bali Ministerial, the G made protecting public stockholding their negotiating priority (Bridges Weekly, Bridges Weekly. (). Developing countries table food security proposal at WTO. Geneva: ICTSD.

Brushing up HBR fundamentals will provide a strong base for investigative reading. Often readers scan through the business case study without having a clear map in mind. This leads to unstructured learning process resulting in missed details and at worse wrong conclusions. Reading up the HBR fundamentals helps in sketching out business case study analysis and solution roadmap even before you start reading the case study. It also provides starting ideas as fundamentals often provide insight into some of the aspects that may not be covered in the business case study itself. Step 2 - Reading the Negotiating from the Margins: Begin slowly - underline the details and sketch out the business case study description map. In some cases you will be able to find the central problem in the beginning itself while in others it may be in the end in form of questions. Business case study paragraph by paragraph mapping will help you in organizing the information correctly and provide a clear guide to go back to the case study if you need further information. My case study strategy involves - Marking out the protagonist and key players in the case study from the very start. Drawing a motivation chart of the key players and their priorities from the case study description. Refine the central problem the protagonist is facing in the case and how it relates to the HBR fundamentals on the topic. Evaluate each detail in the case study in light of the HBR case study analysis core ideas. Step 3 - Negotiating from the Margins: The Santa Clara Pueblo Seeks Key Ancestral Lands Sequel Case Study Analysis Once you are comfortable with the details and objective of the business case study proceed forward to put some details into the analysis template. You can do business case study analysis by following Fern Fort University step by step instructions - Company history is provided in the first half of the case. You can use this history to draw a growth path and illustrate vision, mission and strategic objectives of the organization. Often history is provided in the case not only to provide a background to the problem but also provide the scope of the solution that you can write for the case study. HBR case studies provide anecdotal instances from managers and employees in the organization to give a feel of real situation on the ground. Make a time line of the events and issues in the case study. Time line also provides an insight into the progressive challenges the company is facing in the case study. Focus on the following - Zero down on the central problem and two to five related problems in the case study. SWOT analysis is a strategic tool to map out the strengths, weakness, opportunities and threats that a firm is facing. The Santa Clara Pueblo Seeks Key Ancestral Lands Sequel In our live classes we often come across business managers who pinpoint one problem in the case and build a case study analysis and solution around that singular point. Business environments are often complex and require holistic solutions. You should try to understand not only the organization but also the industry which the business operates in. Porter Five Forces is a strategic analysis tool that will help you in understanding the relative powers of the key players in the business case study and what sort of pragmatic and actionable case study solution is viable in the light of given facts. You should make a list of factors that have significant impact on the organization and factors that drive growth in the industry. The next step is organizing the solution based on the requirement of the case. You can use the following strategy to organize the findings and suggestions. Build a corporate level strategy - organizing your findings and recommendations in a way to answer the larger strategic objective of the firm. Business Unit Level Solution - The case study may put you in a position of a marketing manager of a small brand. So instead of providing recommendations for overall company you need to specify the marketing objectives of that particular brand. You have to recommend business unit level recommendations. For example you can recommend a low cost strategy but the company core competency is design differentiation. Case study solutions can also provide recommendation for the business manager or leader described in the business case study. Step 8 -Implementation Framework The goal of the business case study is not only to identify problems and recommend solutions but also to provide a framework to implement those case study solutions. Implementation framework differentiates good case study

solutions from great case study solutions. If you are able to provide a detailed implementation framework then you have successfully achieved the following objectives - Detailed understanding of the case, Clarity of HBR case study fundamentals, Analyzed case details based on those fundamentals and Developed an ability to prioritize recommendations based on probability of their successful implementation. Implementation framework helps in weeding out non actionable recommendations, resulting in awesome Negotiating from the Margins: Step 9 - Take a Break Once you finished the case study implementation framework. Take a small break, grab a cup of coffee or whatever you like, go for a walk or just shoot some hoops. Step 10 - Critically Examine Negotiating from the Margins: When we are writing case study solution we often have details on our screen as well as in our head. This leads to either missing details or poor sentence structures. Once refreshed go through the case solution again - improve sentence structures and grammar, double check the numbers provided in your analysis and question your recommendations. Be very slow with this process as rushing through it leads to missing key details. Once done it is time to hit the attach button.

Chapter 5 : Why car dealer's profit is much lower than you think - The Globe and Mail

With sharper negotiation skills, sellers can preserve or even increase margins of the sales that they earn in order to make each closing count. Effective negotiating occurs throughout the selling process.

Chapter 6 : Project MUSE - Peripheral Nationhood: Negotiating Israeliness from the Margins of the State

Access to case studies expires six months after purchase date. Publication Date: May 22, This negotiations case describes the approach, over time, of Santa Clara, a small Pueblo Indian tribe.

Chapter 7 : Negotiating the Margins of the American South: The Double Dealer (19) - Oxford Scholarship

negotiating from the margins the santa clara pueblo seeks key ancestral lands case solution whether to accept the opportunity that they have long laid claim upon or to extend their claim to other lands of the place that historically belonged to the tribe.