



Negotiating with Retailers E-learning

Background

Negotiation is a core competence for retailers. They do it all the time, buying millions of dollars' worth of merchandise for their businesses and the expertise they build rubs off on their colleagues in other functions such as IT and Finance. Many technology companies send their account managers to negotiate with retailers and then find out the hard way, just how good retailers are at this core skill. The net result is that vendors often leave margin on the table that could have been theirs to keep.

Martec designed this program to help technology companies address this issue head on. This e-learning program has been developed based on years of delivering instructor-led and web seminar based classes to help vendors do a better job of negotiating and creating a win-win for both parties.

Why do this as an e-learning class? For several reasons:

- An individual can be trained when they join the company rather than when there are enough new hires to support an instructor-led class.
- It's cost effective to train one person at a time.
- Account managers do not need to take time away from selling to study the program. They can work it around their customer commitments.
- There are companion classes to teach a comprehensive understanding of retailing and how to use that retail knowledge to practice solution selling more effectively. These collectively help account managers be more successful.
- There are no associated travel and lodging expenses.
- Account managers can re-visit the content to help them in specific situations as need arises.

Target Audience

- Sales Directors and Vice Presidents new to retail
- Account managers and sales executives, irrespective of their past retail experience
- Pre-sales and post-sales support consultants who may be involved in a sales opportunity and therefore drawn into the negotiations
- Business development executives
- Marketing specialists who need to generate sales collateral and sales tools to support account managers in the field.



Objectives of the Program

By the end of this program participants will be able to:

- Describe the retail culture and mind-set with respect to negotiation
- Identify the pre-negotiation planning that will help them succeed and maintain control throughout the negotiation process
- Recognize the tactics retailers will use on them and help them interpret the tactics correctly
- Plan and deploy appropriate counter tactics
- And, as a result, conclude negotiations to create more of a win-win for both parties.



Course Overview

Negotiating with Retailers is a self-paced web-based training program. All the student needs to run the program is access to a PC and a web browser. The program is hosted on the Retail Development Academy's Learning Management System and offered at a one-time fee of \$240 (£192 and €221) per student. Upon payment, an account number and password are issued, which is valid for 1 year. Within the purchased period, students can re-visit the material as often as they wish.

Companies may also purchase a corporate licence which provides unlimited access within the company's own organization. Prices are available on request.

Study time is 3 to 4 hours

Program Contents

1. Background to the retail culture including

- Retailers' experience of negotiations
- Dual vendor preferences
- Dangerous questions to answer which weaken your negotiating position
- How retailers purchase
- What constitutes a win-win scenario
- Test your knowledge

2. Preparation for negotiation

- Positioning for negotiation and what to look out for from the retailers
- What you should learn about them
- Yours and their strengths and weaknesses
- Your walk away position
- Your strategy and negotiating team
- Assumptions and the danger of making them
- Test your knowledge

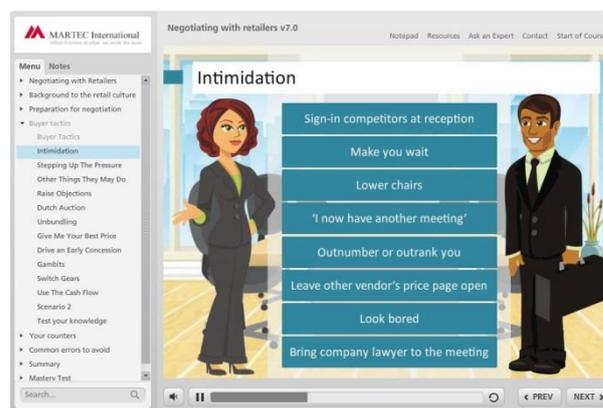


3. Buyer tactics

- Intimidation
- Stepping up the pressure
- Raise objections
- Dutch auctions
- Unbundling
- Give me your best price
- Drive an early concession
- Gambits
- Switch gears
- Use the cash flow
- Test your knowledge

4. Your counters

- Their real goals or objectives
- Your USPs
- Negotiating with the right persons
- Your pricing
- Lower price? Take content away
- Lifecycle cost
- Dealing with objections
- Common objections and good responses
- Don't get stressed – it's what they want
- Concessions
- What can you ask for
- The power of silence
- How to signal you've been pushed too far
- Test your knowledge



5. Common errors to avoid

- Things you might say and how they get misinterpreted
- Share the risk
- Statements NOT to make
- Cost of technology over time

6. Summary and mastery test

Stretching and Testing

At the end of each module there is a test of the participant's knowledge and at the end of the program there is an overall mastery test. Test scores are recorded in the Learning Management System and are available to management to review achievement. Certificates are awarded based on satisfactory pass marks.



Within the main program modules there are some scenario exercises. These present a stage in the negotiating process, give 4 or 5 possible next steps and ask the student to select which one or two to use. Depending on what they select, they will get a follow up stage where they have to do something similar. These exercises have no right or wrong answers, but some answers are better than others, either because they are generally better or because they position the participant better for the next stage. These exercises encourage participants to think more deeply than conventional tests of knowledge. They are as near as you can get to role plays in e-learning and whichever responses are selected, the participant gets a review of the strengths and weaknesses of each option.



Martec International

Martec International is a leading consulting and training firm specializing in the retail industry. Its client base includes retailers from around the globe, technology suppliers to retail and manufacturers of consumer packaged goods and consumer durables. Martec's professional staff are all former retailers with at least 10 years retail experience and have held at least one management position in a significant retailer. Martec's training portfolio includes instructor-led classes, e-learning programs and blended learning solutions.

More Information

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