

THE MASTER NEGOTIATOR

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Tactic of the Week #72

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Peter and his team of expert negotiators train leaders, sales professionals and procurement specialists in the art of negotiation.

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Tactic #72 - Low- or Highballing

Summary: Making a ridiculously low or high offer.

In Low- or Highballing, someone makes a ridiculously low or high offer.

Example

You are trying to sell your house for \$189,000. Your agent brings you an offer of \$160,000 from a couple who saw the house over the weekend. If your house is competitively priced, this would be considered a lowball offer.

Low-balling is effective because it tends to lower a counterpart's aspirations. If you counter the couple's offer with \$180,000, their next offer of \$175,000 will not seem so bad. If they had originally offered you \$175,000, you would probably have countered higher than \$180,000.

Counter

If someone low-balls you, you have three options: (1) Do not counter! Utilize [These Boots Are Made for Walking](#) and move on. (2) Counter by repeating your asking price. (3) Using the tactic of the [Withdrawn Offer](#), counter with a figure higher than your asking price. Explain that the couple must have misunderstood the actual price, and then counter their ridiculous offer with an even more ridiculous price.

If someone highballs you, you also have three options: (1) Do your homework to find out whether the price is competitive. (2) Use the [Power of Competition](#). Demonstrate with a competitive analysis that the price is unreasonably high. (3) Ask for a price breakdown.

Do you have any negotiation questions? If so, then send them to us by hitting the "reply" button in your email window. We'll do our best to address them in upcoming issues.

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This tactic is one of 101 strategies and tactics featured in [The Only Negotiating Guide You'll Ever Need](#), by Peter Stark and Jane Flaherty.

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