

Chapter 2

Strategy and Tactics of Distributive Bargaining

Overview

The basic elements of a distributive bargaining situation, also referred to as competitive or win-lose bargaining, will be discussed. In a distributive bargaining situation, the goals of one party are usually in fundamental and direct conflict with the goals of the other party. Resources are fixed and limited, and both parties want to maximize their share of the resources. One important strategy is to guard information carefully – one party tries to give information to the other party only when it provides a strategic advantage. Distributive bargaining is basically a competition over who is going to get the most of a limited resource.

There are three reasons that every negotiator should understand distributive bargaining. First, negotiators face some interdependent situations that are distributive, and to do well in those situations negotiators need to understand how they work. Second, because many people use distributive bargaining strategies and tactics almost exclusively, all negotiators will find it important to know how to counter their effects. Third, every negotiation situation has the potential to require distributive bargaining skills when at the “claiming-value” stage.

The discussion of strategies and tactics in this chapter is intended to help negotiators understand the dynamics of distributive bargaining and thereby obtain a better deal. A thorough understanding of these concepts will allow negotiators not comfortable with distributive bargaining to manage distributive situations proactively.

Learning Objectives

1. Understand the basic elements of distributive bargaining including the strategy and tactics of distributive bargaining.
2. Consider the strategic impact of positions taken during a negotiation and the role of concessions.
3. Appreciate the role of concessions in distributive bargaining.
4. Identify hardball tactics and learn how to counter them.

Chapter Outline

I. The Distributive Bargaining Situation

- The *target point* is a negotiator’s optimal goal, or the point at which she/he would like to conclude negotiations.
 - The target is also sometimes referred to as a negotiator’s *aspiration*.
- The *resistance point* is a negotiator’s bottom line – the price beyond which a person will not go.
 - It is also sometimes referred to as a *reservation price*.
- The *asking price* is the initial price set by the seller, or the first number quoted by the seller.

- A buyer may counter an asking price with an *initial offer* – the first number a buyer will quote to the seller.
- The range of possible prices can be thought of as a continuum – see Figure 2.1.

Both parties to a negotiation should establish their starting, target, and resistance points before beginning a negotiation.

- Starting points are often in the opening statements.
- The target point is usually learned or inferred as negotiations get under way.
- Negotiators give up the margin between their starting points and target points as they make concessions.
- The resistance point is not known to the other party and should be kept secret.
- Negotiators' starting and resistance points are usually arranged in reverse order, with the resistance point being a high price for the buyer and a low price for the seller. See Figure 2.2.

The spread between the resistance points, called the *bargaining range*, *settlement range*, or *zone of potential agreement* are very important.

- It is the area where actual bargaining takes place.
- When the buyer's resistance point is above the seller's – he is minimally willing to pay more than she is minimally willing to sell for – there is a *positive bargaining range*.
- When the reverse is true – the seller's resistance point is above the buyer's and the buyer won't pay more than the seller will minimally accept – there is a *negative bargaining range*.

Target points, resistance points, and initial offers all play an important role in distributive bargaining.

- Target points influence both negotiator outcomes and negotiator satisfaction with their outcomes.
- Opening offers play an important role in influencing negotiation outcomes.
- Resistance points play a very important role as a warning for the possible presence of hardball tactics.
- A positive bargaining range increases the likelihood of settlements.

A. The Role of Alternatives to a Negotiated Agreement

Negotiators also need to consider what they will do if they do not reach agreement with the other party. What is their best alternative to a negotiated agreement (BATNA)? What is their worst alternative to a negotiated agreement (WATNA)?

See Figure 2.3 with alternatives added into the price continuum for the condo purchase example.

- Alternatives are important because they give negotiators the power to walk away from any negotiation when the emerging deal is not very good.
 - A negotiator with many attractive alternatives can set their goals higher and make fewer concessions.

- Negotiators with no attractive alternative have much less bargaining power.
- Good bargainers identify their alternatives before starting discussion and try to improve their alternatives while negotiation is under way.
- Strong BATNAs can also influence how a negotiation unfolds.
 - Negotiators with stronger BATNAs are more likely to make the first offer and appear to negotiate better outcomes.

B. Settlement Point

The fundamental process of distributive bargaining is to reach a settlement within a positive bargaining range.

- The objective of both parties is to obtain as much of the bargaining range as possible.
 - In other words, to reach an agreement as close to the other party's resistance point as possible.

Both parties in distributive bargaining know that they might have to settle for less than what they would prefer (their target point), but they hope that the agreement will be better than their own resistance point.

- For agreement to occur, both parties must believe that the settlement is the best that they can get (within a positive bargaining range).

C. Discovering the Other Party's Resistance Point

Information is the life force of negotiation.

- The more you can learn about the other party's target, resistance point, motives, feelings of confidence, and so on, the more able you will be to strike a favorable settlement. See Box 2.1
- At the same time, you do not want the other party to know your resistance point, some of your targets, and confidential information about a weak strategic position or an emotional vulnerability.
- Each side wants to obtain and conceal information, as a result, communication can become complex – evolving into a coded language.

D. Influencing the Other Party's Resistance Point

Central to planning the strategy and tactics for distributive bargaining is locating the other party's resistance point and the relationship of that resistance point to your own.

- The resistance point is established by:
 - The value the other attaches to a particular outcome;
 - The costs the other attaches to delay or difficulty in negotiations;
 - The cost the other attaches to having the negotiations aborted.

When influencing the other's viewpoint, you must also deal with the other party's understanding of *your* value for a particular outcome, the costs *you* attach to delay or difficulty in negotiation, and *your* cost of having the negotiation aborted.

There are four major ways to weaken the other party's resistance point.

- Reduce the other party's estimate of *your* cost of delay or impasse.
- Increase the other party's estimate of his or her *own* cost of delay or impasse.
- Reduce the other party's perception of the value of an issue.
- Increase the other party's perception that you value an issue.

II. Tactical Tasks

There are four important tactical tasks for a negotiator to consider in a distributive bargaining situation:

- Assess the other party's target, resistance point, and cost of terminating negotiations.
- Manage the other party's impression of the negotiator's target, resistance point, and cost of terminating negotiations.
- Modify the other party's perception of their own target, resistance point, and cost of terminating negotiations.
- Manipulate the actual costs of delaying or terminating negotiations.

A. Assess the Other Party's Target, Resistance Point, and Costs of Terminating Negotiations

The purpose is to identify what the other party *really* wants to achieve, as well as how much they are willing to pay.

- The negotiator can pursue two general routes to achieve this task:
 - Obtain information indirectly about the background factors behind an issue or
 - Obtain information directly from the other party about their target and resistance points.
 - See Box 2.2 for advice on gathering information for negotiation.

Indirect Assessment

Indirect assessment means determining what information an individual likely used to set target and resistance points and how he or she interpreted this information.

- For example, in labor negotiations, management may infer whether or not a union is willing to strike by how hard the union bargains or by the size of its strike fund.
- The union decides whether or not the company can afford a strike based on the size of inventories, market conditions for the company's product, and the percentage of workers who are members of the union.

Direct Assessment

In bargaining, the other party does not usually reveal accurate and precise information about their targets, resistance points, and expectations.

- Sometimes, when pushed to the limit, the other party will provide accurate information.
 - ◊ If company executives believe a wage settlement above a certain point will drive the company out of business, they may choose to state that limit very clearly.
- Most of the time, the other party is not so forthcoming and methods of obtaining direct information are complex.

- ◇ In labor negotiations, companies have been known to recruit informers or bug union meeting rooms.
- ◇ Unions have had their members collect papers from executives' wastebaskets.

B. Manage the Other Party's Impressions of Your Target, Resistance Point, and Cost of Terminating Negotiations

An important task for negotiators is to:

- Control the information sent to the other party about your target and resistance points
- While guiding him or her to form a preferred impression of them.

Negotiators need to screen information about their own positions and to represent them as they would like the other to believe.

- Screening activities are more important at the beginning of negotiation
- And direct action is more useful later on.

Screening Activities

The simplest way to screen a position is to say and do as little as possible.

- Silence is golden when answering questions
- Instead, use words to ask the other negotiator questions.
- Concealment is the most general screening activity.

When negotiations are conducted through a representative, *calculated incompetence* may be a useful approach.

- Constituents do not give the negotiating agent all the necessary information, making it impossible for the negotiator to leak information.

During team negotiation, channeling all communication through a team spokesperson reduces the chance of inadvertently revealing information.

- Still another screening activity is to present a great many items for negotiation, only a few of which are truly important to the negotiator.

Direct Action to Alter Impressions

Negotiators can take many actions to present facts that will directly enhance their position or make it appear stronger to the other party.

- One of the most obvious methods is *selective presentation* – negotiators reveal only the facts necessary to support their case.
- Another approach is to explain or interpret known facts to present a logical argument that shows the costs or risks to oneself if the other party's proposals are implemented.

Negotiators should justify their positions and desired outcomes in order to influence the other party's impressions.

- As long as the other party understands how you see things, then his or her thinking is likely to be influenced.

Displaying *emotional reaction* to facts, proposals, and possible outcomes is another form of direct action negotiators can take to provide information about what is important to them.

Taking direct action to alter another's impressions raises several potential hazards.

- It is one thing to select and present facts emphasizing or de-emphasizing their importance accurately, but another thing to fabricate and lie.
 - ◇ The former is expected and understood in distributive bargaining, the latter, is resented and attacked if discovered.
 - ◇ So ethical considerations are a concern.
- Problems arise when trivial items are introduced as distractions or minor issues are magnified in importance.
 - ◇ The other person may become aware of this maneuver and concede on the minor points, gaining a right to demand equally generous concessions on the central points.

C. Modify the Other Party's Perceptions of His or Her Target, Resistance Point, and Cost of Terminating Negotiations

A negotiator can alter the other party's impressions of his or her own objectives by making outcomes appear less attractive or by making the cost of obtaining them appear higher.

- The negotiator may also try to make demands and positions appear more attractive or less unattractive to the other party.

There are several approaches to modifying the other party's perceptions.

- One approach is to interpret for the other party what the outcomes of his or her proposal will really be.

D. Manipulate the Actual Costs of Delaying or Terminating Negotiations

Extending negotiations beyond a deadline can be costly.

- A large majority of agreements in distributive bargaining are reached when the deadline is near.
- Time pressure in negotiation appears to reduce negotiator demands.
- And when a negotiator represents a constituency, time pressure appears to reduce the likelihood of reaching an agreement.

Manipulating a deadline or failing to agree by a particular deadline can be a powerful tool in the hands of the person who does not face deadline pressure.

- The ultimate weapon in negotiation is to threaten to terminate negotiations, denying both parties the possibility of a settlement.

There are three ways to manipulate the costs of delay in negotiation:

- Plan disruptive action
- Form an alliance with outsiders
- Manipulate the scheduling of negotiations

Disruptive Action

- One way to encourage settlement is to increase the costs of not reaching a negotiated agreement through disruptive action.
- Public picketing of a business, boycotting a product or company, and locking negotiators in a room until they reach agreement are all forms of disruptive action that increase the costs to negotiators for not settling and thereby bring them back to the bargaining table.
 - ◇ Such tactics can work, but they may also produce anger and escalate the conflict.

Alliance with Outsiders

- Another way to increase the costs of delay or termination of negotiations is to involve other parties who can somehow influence the outcome in the process.
 - ◇ For example, individuals dissatisfied with a business or government agency can form task forces, political action groups, and protest organizations to bring greater collective pressure on the target.

Schedule Manipulation

- Negotiation schedules can be used to increase time pressure on negotiators.
- Business people going overseas to negotiate may find that negotiations begin soon after their plane lands,
 - ◇ Or the host may squeeze negotiations in at the last minute to elicit concessions.
- The opportunities to increase or alter the timing of negotiation vary widely.
 - ◇ The tactic is an option that can both enhance your own position and protect you from the other party's actions.

III. Positions Taken During Negotiation

A. Opening Offers

While knowledge about the other party helps negotiators set their opening offers, it does not tell them exactly what to do.

- Making the first offer is advantageous as it can anchor a negotiation.
 - Higher initial offers have a strong effect on negotiation outcomes.
 - Negotiators can dampen the “first-offer effect” by concentrating on their own target and focusing on the other negotiator's resistance point.

The fundamental question is whether the opening offer should be exaggerated or modest.

- Exaggerating an opening offer is advantageous because:
 - It gives the negotiator room for movement thereby giving him or her time to learn about the other party's priorities;
 - May create an impression in the other party's mind that:
 - ◇ There is a long way to go before a reasonable settlement will be achieved;
 - ◇ A greater number of concessions will have to be made to find a common zone of potential agreement (ZOPA);

- ◊ The other may have incorrectly estimated his or her own resistance point.
- Two disadvantages to exaggerating an offer include:
 - Potential rejection by the other party, halting negotiations prematurely;
 - The perception of a “tough” attitude can harm a long-term relationship.

B. Opening Stance

A second decision negotiators should make at the outset of distributive bargaining concerns the stance, or attitude, to adopt during the negotiation.

- Competitive or moderate?
 - Belligerence may be met with belligerence from the other party.
- Negotiators tend to match distributive tactics from the other party with their own distributive tactics, especially appropriate tactics.

To communicate effectively, a negotiator should try to send a consistent message through both the opening offer and opening stance.

- When the messages are in conflict, the other party will find them confusing to interpret and answer.
- Timing also plays a part, as shown in Box 2.3.

C. Initial Concessions

An opening offer is usually met with a counteroffer, and these two offers define the initial bargaining range.

- After the first round of offers, what movement or concessions are to be made?
 - It is not an option to escalate one’s opening offer – that is, to set an offer further away from the other party’s target point than one’s first offer.
 - If concessions are to be made, how large should they be?
 - ◊ The first concession conveys a message, frequently a symbolic one, to the other party about how you will proceed.

Opening offers, opening stances, and initial concessions are elements at the beginning of a negotiation that parties can use to communicate how they intend to negotiate.

- Negotiators who take a hard line during negotiations achieve better economic outcomes, but at a cost of being perceived negatively by the other party.

There are several good reasons for adopting a flexible position.

- First, when taking different stances throughout the negotiation, you can learn about the other party’s targets and perceived possibilities by observing how they respond to different proposals.
- Second, flexibility keeps the negotiations proceeding – the more flexible you seem, the more the other party will believe a settlement is possible.

D. Role of Concessions

Concessions are central to negotiation – without them, negotiation would not exist.

- People enter negotiations expecting concessions.

- Immediate concessions are perceived less valuable than gradual, delayed concessions.
- See Box 2.4 for guidelines on how to make concessions.
- Research suggests that more straightforward negotiators and those with greater concern for the other party make more concessions during negotiation.
- Negotiators generally resent a take-it-or-leave-it approach.

There is ample data to show that parties feel better about a settlement when the negotiation involved a progression of concessions than when it didn't.

- Concessions imply recognition of the other's position and its legitimacy.
- Intangible factors of status and recognition may be as important as the tangible issues.
- Not reciprocating a concession may send a powerful message about firmness and leaves the concession maker open to feeling their esteem has been damaged.

A reciprocal concession cannot be haphazard.

- It must be on the same item or one of similar weight and comparable magnitude.
- Making additional concessions when none are received implies weakness.
- Negotiators may not accept inadequate reciprocal concessions.

To encourage further concessions, negotiators may link their concessions to a prior concession made by the other.

- Packaging concessions can lead to better outcomes than making concessions singly on individual issues.

E. Pattern of Concession Making

The pattern of concessions a negotiator makes contains valuable information, but it is not always easy to interpret.

- When successive concessions get smaller, the message is that the concession maker's position is getting firmer and the resistance point is being approached.
- Note that a concession late in negotiations may also indicate that there is little room left to move.

The pattern of concession making is also important.

- Figure 2.4 shows the pattern of concessions made by two negotiators.
 - Mario makes three concessions, each worth \$4 per unit, for a total of \$12.
 - George makes four concessions, worth \$4, \$3, \$2, and \$1 per unit, for a total of \$10.
 - Both say they have conceded all they can but George is more likely to be believed as his pattern of concessions signal there is nothing left to concede.
 - Mario is less likely to be believed as his three equal concessions signal there is plenty more to concede, even though he has already conceded more than George.
- It is important to signal to the other party with both actions and words that the concessions are almost over.

F. Final Offers

Eventually, a negotiator wants to convey the message that there is no further room for movement – that the present offer is the final one. But sometimes a simple statement of “This all I can do” does not suffice and a negotiator may use concessions to convey the point.

- A simple absence of further concessions conveys the message, but the other party may feel the pattern of concessions is being violated.
- One way to accomplish this is to make the last concession more substantial.
 - Large enough to be dramatic yet not so large it creates suspicion that the negotiator has been holding back.
- A concession may also be personalized to the other party signaling this is the last concession the negotiator will make – “I went to my boss and got a special deal just for you.”

IV. Closing the Deal

The next challenge for a negotiator is to close the agreement. Negotiators can call on several tactics when closing a deal. Choosing the best tactic is a matter of art as much as science.

A. Provide Alternatives

Rather than making a single final offer, provide two or three alternative packages for the other party that are roughly equal in value.

- This technique can be used when a task force has two distinct, defensible possible solutions – they can provide a description of the costs and benefits of each.

B. Assume the Close

Salespeople use an assume-the-close technique frequently.

- After a general discussion about the needs and positions of the buyer, then act as if the decision to purchase something has already been made.

C. Split the Difference

Splitting the difference is perhaps the most popular closing tactic.

- The negotiator will summarize the negotiation and suggest that, because things are so close, “why don’t we just split the difference?”
- This tactic assumes the parties started with fair opening offers.
 - A negotiator using an exaggerated opening offer and then suggesting a split-the-difference close is using a hardball tactic.

D. Exploding Offers

An exploding offer contains an extremely tight deadline in order to pressure the other party to agree quickly – an extreme version of manipulating negotiating schedules.

- The purpose of an exploding offer is to convince the other party to accept the settlement and to stop considering outcomes.

- People may feel uncomfortable about receiving exploding offers as they feel as if they're under unfair pressure.
- Exploding offers appear to work best for organizations with resources to make attractive offers early in order to prevent the other party from continuing to search for a potentially better offer.

E. Sweeteners

Another closing tactic is to save a special concession for the close.

- “I’ll give you X if you agree to the deal.”
- To use the tactic effectively, negotiators need to include the sweetener in their negotiation plans or they may concede too much during the close.

V. Hardball Tactics

We now turn to a discussion of hardball tactics in negotiation.

- Hardball tactics work best against poorly prepared negotiators.
- They can also backfire.
- Many find the tactics offensive and out-of-bounds.
- They are difficult to enact and each involves risk for the person using it.
- It is important to understand hardball tactics and how they work so you can recognize if hardball tactics are used against you.

A. Dealing with Typical Hardball Tactics

A negotiator dealing with hardball tactics has several choices about how to respond.

- A good strategic response requires the negotiator identify the tactic quickly and understand what it is and how it works.
- How best to respond to a tactic depends on your goals and the broader context of the negotiation.

There are four main options negotiators have for responding to typical hardball tactics.

Discuss Them

- Label the tactic and indicate that you know what the other party is doing and offer to negotiate the negotiation process itself before continuing.
- Propose a shift to less aggressive methods.
- Separate the people from the problem – then be hard on the problem, soft on the people.

Ignore Them

- Ignoring a hardball tactic can be very powerful – the tactics take a lot of energy to enact properly.
- Not responding to a threat is often the best way of dealing with one.

Respond in Kind

- Although this response can result in chaos, produce hard feelings, and be counterproductive, it is not an option you should dismiss.
- May be the most useful when dealing with another party who is testing your resolve or as a response to exaggerated positions.

Co-opt the Other Party

- If a negotiator is known to use aggressive hardball tactics, try to befriend them before they use the tactics on you.
- It is more difficult to attack a friend than an enemy.

B. Typical Hardball Tactics

We now discuss some of the more frequently described hardball tactics and their weaknesses – See Table 2.1.

Good Cop/Bad Cop

- Although the good cop/bad cop tactic can be transparent, it often leads to concessions and negotiated agreements.
- The tactic has many weaknesses.
 - ◇ Relatively transparent, especially with repeated use.
 - ◇ Easily countered by the other party who may call you out on the tactic.
 - ◇ Difficult to enact – requires a lot of energy toward making the tactic work.
 - ◇ It may alienate the other party.
 - ◇ Negotiators may get involved in the game and fail to concentrate on their goals.

Lowball/Highball

- Negotiators start with a ridiculously low (or high) opening offer they know they will never achieve.
 - ◇ The theory is that the extreme offer will cause the other party to reevaluate their own opening offer and move close to or beyond their resistance point.
- Risk in using this tactic:
 - ◇ The other party will think it is a waste of time to negotiate and stop the process.
- The best way to deal with a lowball/highball tactic is not to make a counteroffer.
 - ◇ Insist the other party start with a reasonable opening offer and refuse to negotiate further until they do
 - ◇ State your understanding of the general market value of the item being discussed, support it with facts and figures, and show the other party that you won't be tricked.
 - ◇ Threaten to leave the negotiation, showing dissatisfaction in the other party in using this tactic
 - ◇ Respond with an extreme counteroffer to send a clear message you won't be anchored by an extreme offer from the other party.

Bogey

- Negotiators use this tactic to pretend that an issue is of little or no importance to them, when it actually is quite important.
- Later this issue can be traded for major concessions on issues that are actually important to them.
 - ◇ Most effective when a negotiator identifies an issue that is quite important to the other side but of little value to themselves.
- This tactic is fundamentally deceptive, and can be difficult to enact.
 - ◇ The bogey may be something you do not really want, and perhaps the other party does not want it either.
- Although difficult to defend against, being well prepared for the negotiation will make you less susceptible to it.
 - ◇ If the other party takes a position opposite of your expectations, suspect a bogey tactic and ask probing questions.
 - ◇ Be cautious about sudden reversals in positions, especially late in the negotiation – again, question the other party carefully.

The Nibble

- Negotiators use the nibble tactic for a proportionally small concession on an item that hasn't been discussed previously in order to close the deal.
- Weaknesses in using the nibble:
 - ◇ Many feel the party using the nibble did not bargain in good faith.
 - ◇ The person being nibbled will not feel good about the process.
- Combating the nibble tactic:
 - ◇ Respond with each nibble with the question “What else do you want?”
 - ◇ Have your own nibbles prepared for exchange.

Chicken

- Combining a large bluff with a threatened action to force the other party to “chicken out” and give them what they want.
- Weakness of chicken tactic:
 - ◇ Turns the negotiation into a serious game in which one or both parties find it difficult to distinguish reality from postured negotiation positions.
- Difficult to defend against.
 - ◇ Preparation and understanding of the situation is essential for identifying where reality ends and the chicken tactics begin.

Intimidation

- An attempt to force the other party to agree by means of an emotional ploy, usually anger or fear.
- Another form of intimidation includes increasing the appearance of *legitimacy*.
 - ◇ The greater the appearance of legitimacy, the less likely the other party will be to question the process being followed or the contract terms being proposed.
- Finally, *guilt* can also be used to intimidate.
 - ◇ This places the other party on the defensive rather than discussing the substance of the negotiation.

- Negotiators have several options to deal with intimidation tactics.
 - ◇ Do not allow yourself to feel threatened.
 - ◇ Discuss the negotiation process with them.
 - ◇ Ignore the other party's attempts to intimidate you.
 - ◇ Use a team to negotiate who have two advantages over individual negotiators – there will be a team member who is not intimidated, and you can discuss and support each other.

Aggressive Behavior

- Aggressive tactics include:
 - ◇ Relentless push for further concessions;
 - ◇ Asking for the best offer early in negotiations;
 - ◇ Asking the other party to explain and justify his/her proposals.
- An excellent response is to halt the negotiations in order to discuss the negotiation process itself.
 - ◇ Having a team to counter aggressive tactics can be helpful.
 - ◇ Good preparation makes responding easier as negotiators can highlight the merits to both parties of reaching an agreement.

Snow Job

- Snow jobs occur when negotiators overwhelm the other party with so much information that he/she has trouble determining which facts are real or important, and which are distractions.
 - ◇ Another example is the use of highly technical language to hide a simple answer to a question asked by a non-expert.
 - ◇ The snow job can backfire as it interferes with the ability of negotiators to concentrate on what is important in order to reach agreements.
- Negotiators trying to counter a snow job tactic can choose one of several alternative responses.
 - ◇ First, they should not be afraid to ask questions until they receive an answer they understand.
 - ◇ Second, if the matter is highly technical, suggest that technical experts get together to discuss the issues.
 - ◇ Negotiators should listen carefully to the other party and identify consistent and inconsistent information.
 - ◇ Strong preparation is important for defending against the snow job tactic.

Summary

This chapter examined the basic structure of competitive or distributive bargaining situations and some of the strategies and tactics used in distributive bargaining. Distributive bargaining begins with setting your own opening, target, and resistance points. All points are important, but the resistance points are the most critical. The spread between the parties' resistance points defines the bargaining range.

It is rare that a negotiation includes only one item; more typically, there is a set of items, referred to as a bargaining mix. Each item in a bargaining mix can have opening, target, and resistance

points. The bargaining mix may provide opportunities for bundling issues together, trading off across issues, or displaying mutually concessionary behavior.

Examining the structure of distributive bargaining reveals many options for a negotiator to achieve a successful resolution; most of which fall within two broad efforts: to influence the other party's belief about what is possible and to learn as much as possible about the other party's position, particularly about the resistance points. The negotiator's basic goal is to reach a final settlement as close to the other party's resistance point as possible. Negotiators work to gather information about the opposition and its positions; to convince members of the other party to change their minds about their ability to achieve their own goals; and to promote their own objectives as desirable, necessary, or even inevitable.

Distributive bargaining is basically a conflict situation, wherein parties seek their own advantage, in part through concealing information, attempting to mislead, or using manipulative actions. All these tactics can easily escalate interaction from calm discussion to bitter hostility. Yet negotiation is the attempt to resolve a conflict without force, without fighting. Further, to be successful, both parties to the negotiation must feel at the end that the outcome was the best that they could achieve and that it is worth accepting and supporting. Effective distributive bargaining is a process that requires careful planning, strong execution, and constant monitoring of the other party's reactions.