

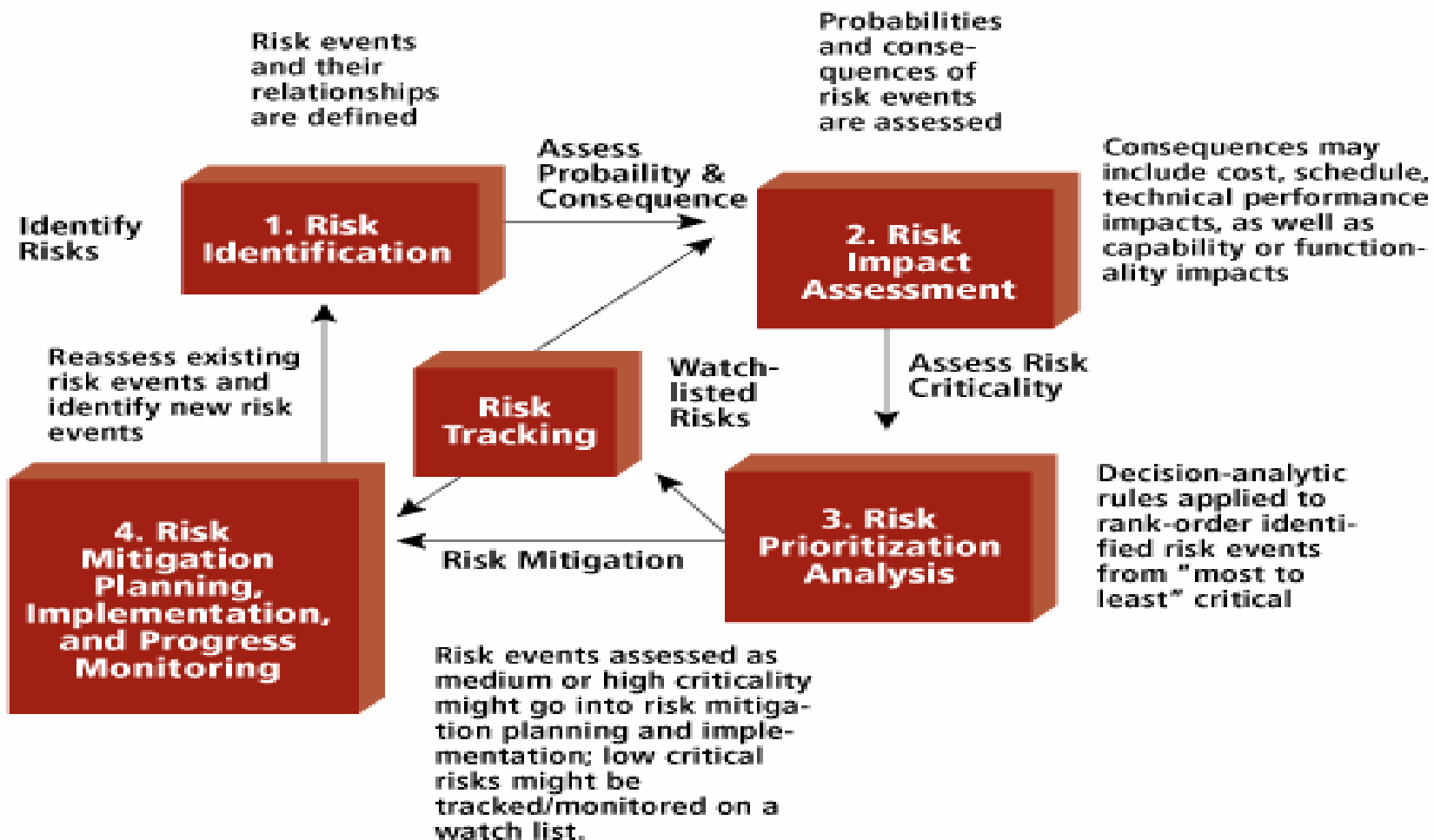


Mitigate Risk. Not Price.

Sales Negotiations: Tactic 3

Size : W 30X H 3

What is a Risk?



What are the Risks for the customer?

S.No.	Risks	Cahor (Rs)	Dandekar's (Rs)	Net effect (Rs)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				

Check list for defining customer's risk

<u>S.No.</u>	<u>Risks</u>	<u>Cahor (Rs)</u>	<u>Dandekar's (Rs)</u>	<u>Net effect (Rs)</u>
1	Power throughput loss			
2	Down time production loss			
3	Non acceptance of Electricity board			
4	Power bill starts affecting the cost of product making it uncompetitive in the market.			
5	The cost of preventive maintenance is too high			
6	The cost of breakdown maintenance is too high			
7	Availability of trained engineers and workmen to handle the technology			
8	Technology lag			
9	Delivery delay			
10	Fear of unknown			
11	Become a guinea pig by being the first user of new technology			
12	Technology becoming obsolete			

Size : W 30X H 3

Risk Mitigation

<u>S.No.</u>	<u>Risks</u>	<u>Cahor (Rs)</u>	<u>Dandekar's (Rs)</u>	<u>Mitigation</u>
1	Power throughput loss			
2	Down time production loss			
3	Non acceptance of Electricity board			
4	Power bill starts affecting the cost of product making it uncompetitive in the market.			
5	The cost of preventive maintenance is too high			
6	The cost of breakdown maintenance is too high			
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12	Technology becoming obsolete			

Size : W 30X H 3

Monetising Mitigated Risk



Maximise
results
minimise
risks



Size : W 30X H 3

Strategic Concepts (India) Pvt. Ltd.

स्ट्रेटेजिक कंसेप्ट (इंडिया) प्रा. लि.



What is the value of monetised risks?

Rs. _____

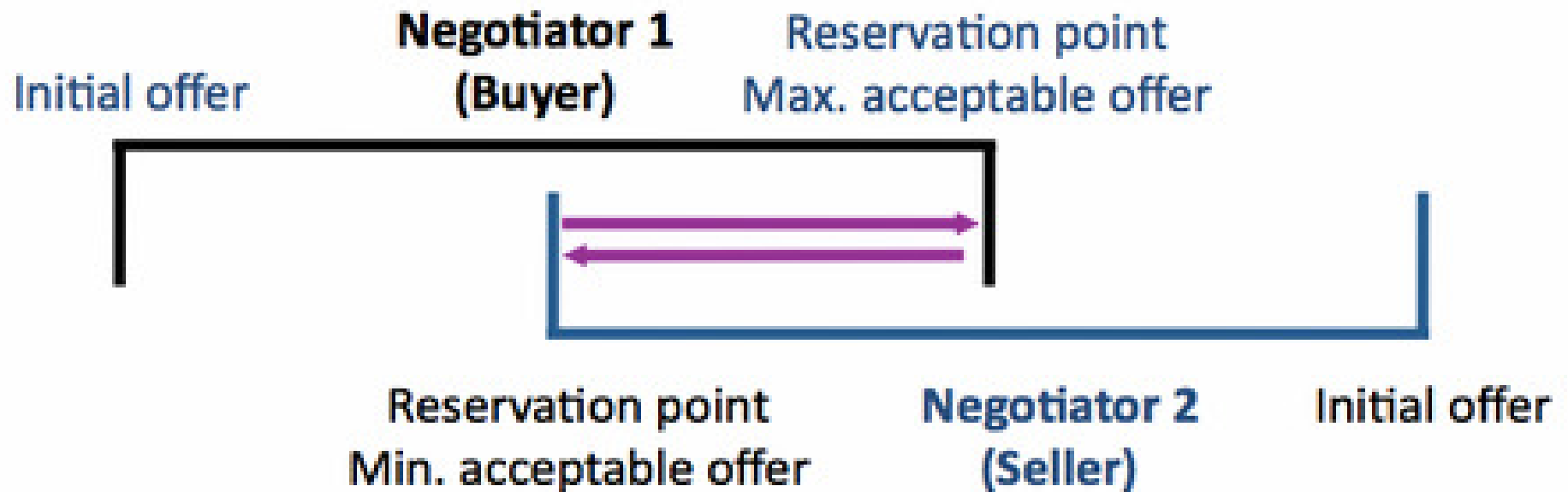
Size : W 30X H 3

DO YOU KNOW YOUR BATNA?



Size : W 30X H 3

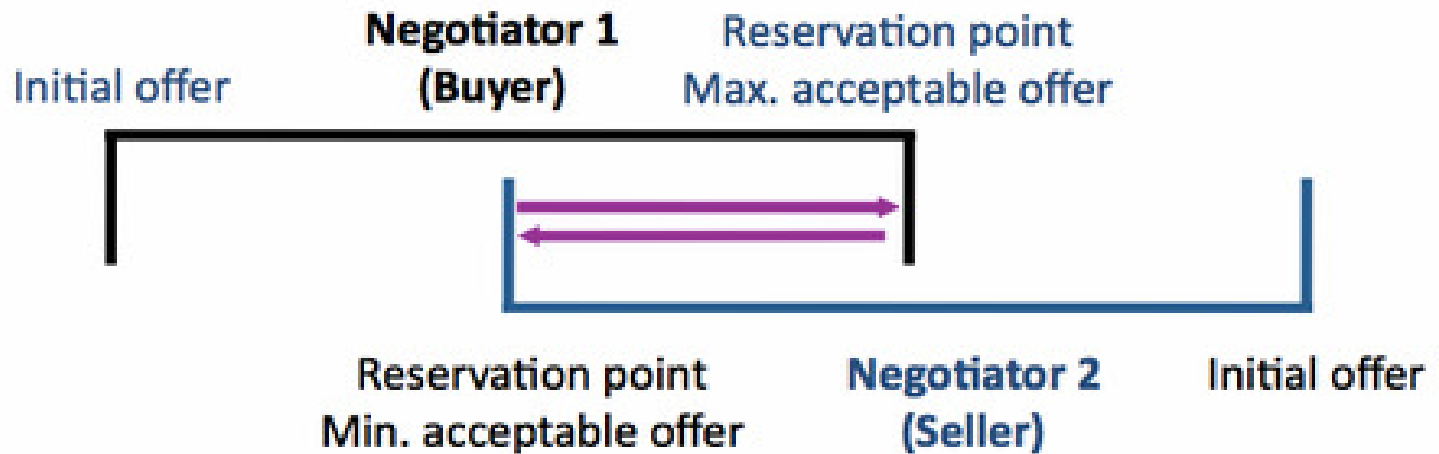
How has this affected Buyers BATNA?



Better Alternative to a Negotiated Agreement

Size : W 30X H 3

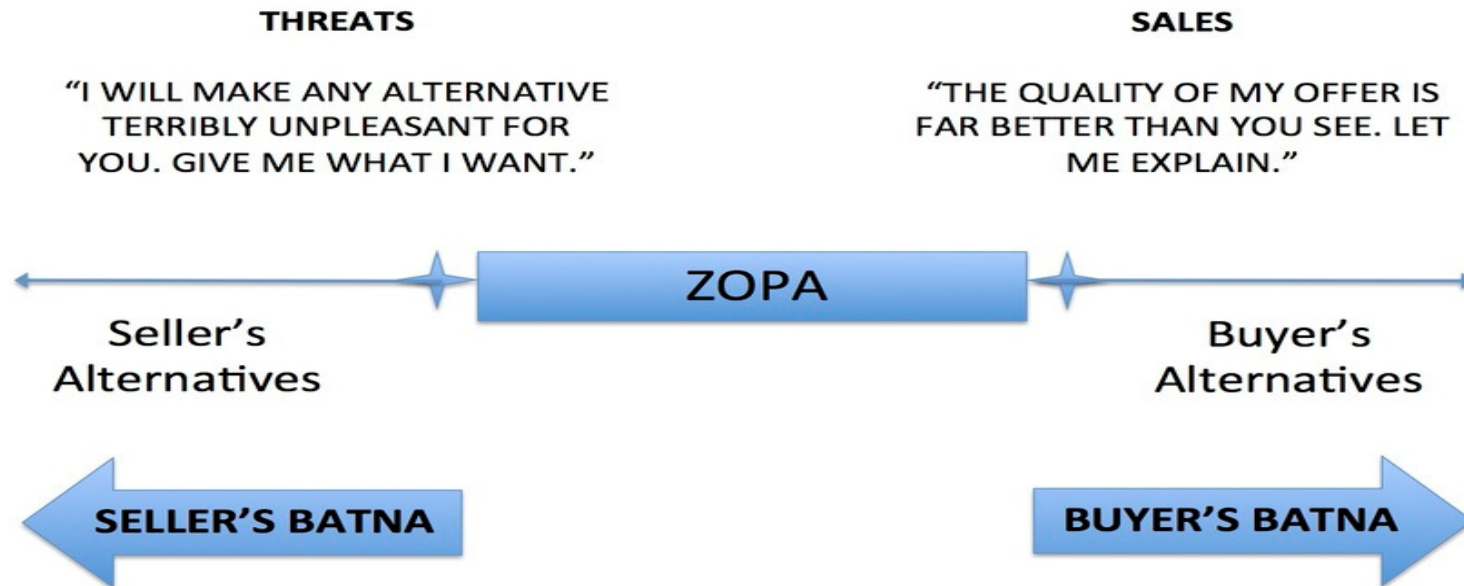
Better Agreement to Negotiated Alternative. (BATNA)



Size : W 30X H 3

What is the new ZOPA?

SALES & THREATS



In a nutshell

**When you mitigate risk
of the customer you save
money for them.**

Size : W 30X H 3

