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## NEGOTIATION TECHNIQUES IN SELLING HOTEL ROOMS

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**Abstract:** Traditional sales management duties are being dramatically changed by buyer behavior dynamism, sales automatization, salesperson empowerment, and shifts to new marketing channels. Sales executives in the hospitality market face many challenges as they combat operating with less administrative help and dealing with tighter-fisted clients. With appearance of paradigm the relationship marketing, negotiation can be noticed as consumer effort (1) which take part in developing the desired configuration of products, (2) provide valuable marketing information, and (3) become long term coproducent of marketing mix in company. The negotiation and negotiation techniques are constituent part in manner of performance sale activities, specially in hotel business. The negotiation in essence could be based on conflict or non-conflict situation. The example of conflict negotiation is overbooking situation. The example of non-conflict negotiation is selling hotel rooms, specially selling by allotment contract.

*Key words:* sales management, hotel, hospitality market, negotiation.

**Sažetak:** TEHNIKE PREGOVARANJA U PRODAJI HOTELSKIH KAPACITETA. Tradicionalne dužnosti menadžmenta prodaje dramatično se mijenjaju, dinamikom ponašanja kupaca, automatizacijom prodaje, osposobljavanjem prodavaoca i promjenama ka novim marketinškim kanalima. Prodajni rukovodioci na ugostiteljskom tržištu su suočeni sa mnogim izazovima kao što je neposredna operativna aktivnost na terenu sa malom administrativnom pomoći uprave i rad sa »zategnutim« klijentima. Sa pojavom paradigme socijalnih odnosa u marketing, pregovaranje može biti uočeno kao potrošački napori (1) da učestvuju u razvijanju željene konfiguracije proizvoda, (2) da osiguraju dragocjenu marketinšku informaciju, i (3) da postanu dugoročni koproducenti marketing miksa poduzeća. Pregovaranje i njegove tehnike su sastavni dio načina na koji se obavljaju prodajne aktivnosti, posebno u hotelijerskom biznisu. Pregovaranje u osnovi može biti konfliktno i beskonfliktno. Primjer konfliktnog pregovaranja je situacija overbukiinga. Primjer beskonfliktnog pregovaranja je prodaja hotelskih kapaciteta, posebno prodaja putem alotmanskog zakupa.

*Ključne riječi:* menadžment prodaje, hotel, ugostiteljsko tržište, pregovaranje.

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## INTRODUCTION

The aim of this article is to present theoretical background and practical experiences in negotiation techniques in selling hotel rooms.

The negotiation and negotiation techniques are constituent part in manner of performance sale activities, specially in hotel business.

The contents of this article is consists of two parts, introduction and conclusion. Introduction presents aim, subject and contents of the article. In first part is noticed theoretical background of sales management as subject and sales management in hospitality industry. Second part is consists of negotiation theoretical background in sense of subject and negotiation techniques, and practical negotiation experiences from hotel industry. Conclusion points on importance of negotiation techniques in sales management in hospitality industry regarding to nature of it.

## 1. SALES MANAGEMENT IN HOSPITALITY INDUSTRY

### 1.1. Sale management – subject

Subject of managing or management could be easily determined as conscious and controlled changing existing situation in direction to achieve certain aim or goals (Adizes, 1989).

Sale and payment represent final phase in reproductive cycle in one company.

Sales function is different organized in company in relation to numerous factors (tipe of industry, size, business orientation, structure of personnel, etc.) and could be organized within department, division, sector, service etc., if it is in a logistic role, or in special profitable units if it is trade and foreign trade industry (wholesale, retail, export-import).

Somehow, according to R. E. Anderson, salespersons have to accept the new role and re-vitalize some old one in client serving process:

- (1) knowing more about client business and accept responsibility for client profitability,
- (2) helping clients to create long term competitive advantage,
- (3) knowing how to use company resources in order to create additional values per client,
- (4) building good relationship with leadersheep supporting team,
- (5) devoting more attention to gathering information as »eyes and ears« their companies,
- (6) using the latest technologies in order to improve contact and service for clients with reduction of costs,
- (7) developing long term mutual profitable relationship with clients.

Traditional sales management duties are being dramatically changed by buyer behavior dynamism, sales automatization, salesperson empowerment, and shifts to new marketing channels.

Sales management former roles as communication channel, data analyst and information distributor are eroding. The accent is changing from individual training and motivate field salespersons toward selection, organizing, training and providing support and resources for hybrid sale force which including diverse types electronic

and field salespersons. Above all, sales manager job seems to more evolve toward so called »channel manager« who supervise hybrid sales force operating through different electronic and field sale channels and managing current relationship with clients.

Being successful in 21. Century, both sales managers and salesmen, have to learn the new roles and to resume the old one, such as (Anderson, 1996):

- (1) developing closer relationship with customers and better understanding customer's business;
- (2) treating salesmen as equal partners in attainment sales goals;
- (3) applying flexible motivation skills dealing with hybrid sales force of telemarketing, tv sales, direct marketing and field salesmen;
- (4) following accurately latest technology advanced in relation to buyer-salesman relationship,
- (5) learning marketing skills in order to identify potential business opportunities and to recommend strategies,
- (6) close cooperation with other internal departments as member of corporate team dedicated to profitable satisfying clients requirements,
- (7) continually searching for a chance to exceed clients expectations and beary added value to the current buyer-salesman relationship,
- (8) creating flexible, adaptive and learning setting for all members of sale team.

A. H. Harman noticed that sales department, as main force in survival of companies through realization revenues, is much more successful if leadership effective mentor, train and advise every single salesperson. Sales manager lead the sales department providing data about salespersons results after beginning determination necessary data based on the salespersons perception about sale efficiency (Harman, et al., 2002).

Motivation process in management sales force, as M.Krafft think, usually is explained through cycle: The level of salesperson motivation influence on their effort or behavior, what lead to the certain level of attainment the one or more dimensions of job results. Salesperson efforts are compensated by one or more awards (for example, fee, recognition). Compensation lead to the motivation, which influence on behavior again, and so long.

Usually, sales managers, should design such control system which direct this motivation process toward increasing mutual welfare for company (profit) and salesman (benefit). Two opposite philosophies of sales management to attain it are behavior-based and result-based control. Result-oriented control system is characteristic less by monitoring and management direction, but more by objective measuring the results. Behavior-based management represent contrary philosophy, with considerable monitoring, high levels of management direction, and subjective and complex methods of evaluation and compensating the salespersons (Krafft, 1999).

During last few years, as H.P.Wilson observed, more marketing trends have significantly influenced to the management and efficiency of sales work. The level and type of exchange of informations which going on between organizations which are buying and selling, have been very developed. Considering these trends together with emphasize on the different relations which appears in sales process, becoming obviously that the complexity of interaction between salesman and buyer has been escalated. Therefore, salespersons are faced with challenges more than ever to understand completely their role and activities in specific marketing context (Wilson, et al., 2002)

## 1.2. Sales management in hospitality industry

The sales department, according to A. Stutts, is one of the first contacts that many persons have with a hotel.

A. Stutts, define the most common key responsibilities and structure of sales department in hotels with higher categories and capacities, which mean that these responsibilities and structures match with hotel category and size.

*Director of sales* (responsible to general manager, establish and coordinate all necessary measures for selling every group arrangements; in cooperation with hotel reception provide group accommodation for every kind of group arrangements; closely cooperate with advertising agencies in developing all kinds of print and promotive programs).

*Sales manager* (responsible to director of sales, responsible for special marketing segments).

*Sales representative* (responsible to sales manager, responsible for specific marketing segments; have special field of sales responsibility).

*Sales secretaries* (welcome clients, receive messages, creating data archive about clients) (Stutts, 2001).

Sale management in hospitality industry, according to F. Buttle, is based on follow tasks (Buttle, 1996):

1. Establishing sales force volume
2. Establishing sales force structure
3. Selecting sales personnel
4. Planning sales personnel duties
  - regulation sales quotas
  - planning sales territory per salesman
  - identifying key accounts
  - providing help in selling
5. Training sales personnel
6. Creating rewarding system
7. Controlling, supervising, motivating and evaluating salespersons.

J. Sisson think that sales executives in the hospitality market face many challenges as they combat operating with less administrative help and dealing with tighter-fisted clients.

One of the obstacles is lack of experience dealing with markets with few perspective clients. Next challenge are well informed clients, which forced sales managers to be more prepared in negotiation (Sisson, 2002).

The key to successful sale, by opinion of A. Stutts, is networking the informations relevant to prospecting, which means using historical database, membership in the local and national tourist branch offices, contacting to scientific and research institutions in field of tourism, press conferencies, fairs and exhibitions, contacts with leadership of competing hotels, contacts with leading touroperators etc (Stutts, 2001).

The most noticeable characteristic, regarding to D. Jeffrey and R.R.D. Barden, hotel demand is its temporal variability. In industry which is characteristic by high capital investment risk and high fixed costs of land, object, personnel and equipment,

this temporal variability is producing series of problems in using resources and management, and result in continual struggle for minimizing this influence on efficiency and profitability in hotel business. In this struggle, understanding the nature of temporal demand fluctuations for diverse market segments, and their different influence on using hotel capacity, represent pre-assumption of developing the effective management and marketing reaction.

First, is to consider the range and type of market, because they are main determinants per profile form of occupied hotel capacities. It force the need of hoteliers to recognize characteristics of temporal demand from different client segments on hotel market which is served, and to design and to accept marketing and service strategy suitable to characteristic needs and desires from everyone. Where is it attainable, hoteliers should search for obtaining or developing those market segments which temporal pattern will reduce differential during the week, by rising up level of occupancy in days of low occupancy rate. Aspiration to these goals will be limited with possibilities presented on hotel market area, hotel location and current positioning its product (Jeffrey, Barden, 2000).

As J. Murphy noticed, hoteliers, first of all, should pay attention on regular answering on e-mail messages, second, managers should think to accept some or all from following 11 web-site possibilities: brochure requests, on-line service, entertainment, news, on-line promotion, hyperlinks, URL brands, booking requests, personal profiles, on-line booking, and control personal data. The researching indicate that in many cases, web-sites less than half of hotels, which are investigated, offering these possibilities. Therefore, adding these opportunity giving the hotel immediate possibilities to distinguish from the competition (Murphy, 2003).

A.J. Morrison emphasized that the consequences of developing communications technology, the globalization of services to have crucial influence on nature and characteristics of hotel distribution channels. Distribution channel could be defined as: »every organized and service system, created or used to provide suitable sales points and/or access to consumers, long distance from production and consumption location, and paid beyond from marketing budget«.

As result, hotel sector is connected with highly developed sophisticated computer reservation systems (CRS). It has been estimated that, world wide, over 40 % business and over 70 % holiday travelers, book their hotel accommodation in travel agencies. Only in Europe, 30 % current hotel booking, is performed by CRS, and further growth is forecasted (Morrison, 1994).

## 2. NEGOTIATION TECHNIQUES IN SELLING HOTEL ROOMS

### 2.1. Negotiation – subject and techniques

According to P. Rubin and J. Carter, negotiation is »is the process of reviewing, planning, and analysing used by two parties to reach acceptable agreement or compromise« (Buttery, Leung, 1998; according to: Rubin, Carter, 1990).

With appearance of paradigm the relationship marketing, as suggested M. Sharma and S.K. Krishnan, negotiation can be noticed as consumer effort (1) which take part in developing the desired configuration of products, (2) provide valuable marketing information, and (3) become long term coproducent of marketing mix in company.

Consumer bargaining is defined as complex behavior of taking and giving between buyer and salesman to reach to acceptable price. In fact, consumer negotiation sphere include not only price but product characteristic, guarantee and service issues. In typical bargaining transaction, buyer and salesman are going through process making and rejecting offers till agreement is reached. Other possible results might include: or one party leaving negotiation which is result by suddenly end of process, or one party could leave its offer to other party for a while, hoping to hear better answer. It is wide range of tactics such as bluffing, argumentation, concessions, threats and rejecting.

Consumer bargaining is social process which request direct interaction between buyers and salespersons.

Negotiation is economical process within there is objective to find out joint solution acceptable for both sides through intensive level of bargaining.

The numerous factors are responsible for increasing buyer interest in negotiation. Those are: Internet explosion, increased competition, fragmentation of consumer markets, fast products and technologies obsolete, appearing the global buyers, and shift from product-oriented to service-oriented economy. There are numerous marketing strategies in order to do business with consumers trough negotiation.

- Product strategies /It would be better for companies to introduce product with universal set of characteristics, options and service dimensions, and to allow the consumers to negotiate. This will enable the consumers to independently select product configurations through life cycle and to adapt changing values different product dimensions during the time. Doing at such way, companies will reduce chances for obsolete products before reaching desirable volume of sales.
- Promotion strategies /Ordered advertising for consumer, is possible now. Some sequences of bilateral communication might be carried out in very short time on the base of Web marketing. Marketing techniques on the data bases allowed companies to continue dialogue with buyers soon as they will be back on their web-sites. Although, old communication mass media could be built to easy continual conversation between buyer and marketing experts. TV, for example.
- Distribution channels strategies /Contacting (prospecting and communicating), adjustment (forming and testing offer according to buyer needs) and negotiating (reaching agreement about price and other conditions from offer, with buyer) are three important functions of distribution. These functions salespersons might effectively realise if they expand possibilities of negotiation with buyers.
- Price strategies /Consumer bargaining practice about prices is not strictly limited on electronic markets of the new economy, but it is also accepted on the traditional markets (Sharma, Krishnan, 2001).

By opinion of T. Frank, there is no one negotiating strategy that will consistently improve the results of an individual's business deals. Rather, each negotiator must use a unique set of personal negotiation tools to improve bargaining results. Being well-prepared going into a negotiation is key to being successful when you come out.

Negotiation process is consist of: strategy preparation, exchange information, opening and making concessions, and closing and reaching negotiation results.

Negotiation styles which are usually used: »competitors«, »problem solvers«, »compromisers«, »adapters«, »conflict avoiders«. Strategy preparation is the most important step. Negotiator have to estimate the situation: are the stakes high; are the future relationship important. As result of this estimation, negotiation adjust negotiaton situation with negotiate strategy: relationship-adapting; transaction-competition; tacit coordination-avoiding; balanced interest-problem solving. Second step is exchange information. The importance of developing close relationship with other side is emphasized. Not only that people better communicate if they are close each other, but these close relationship help to determinate interests of other party, negotiation observations and questions. It is suggested to make questions and carefully listen the answers. These informations might be also used to test expectations of other side and to evaluate the relative advantage.

Different strategies of information exchange based on own position strenght are recommended. This mean that negotiation style must be choosen to adapt negotiation situation (Frank, 2001).

Getting in negotiation, well prepared, is the key of its successfull ending.

T. Simons and T.M. Tripp, suggest following list of negotiation procedure in hotel business (Simons, Tripp, 1997):

1. What are the questions? What is specific question which is negotiable to reach final result or agreement with purpose to realise your global objective? For instance, if your global objective is successful booking of one convention/congress, what guarantees, service and limitation will be included?
2. How much is every question important for your? It is possible to develop a table which is consists of all questions in negotiation.
3. What is Your BATNA? Before your starting of negotiation, you must have »Backup plan« or reserve plan in case of failing to make a agreement with other side. The theoreticians of negotiation recognize this plan as »Best Alternative to Negotiated Agreement« or BATNA shorterly.
4. What is your resistent point?
5. What is BATNA of other side?
6. What is resistent point of other side, if it is exists?
7. What is deadline of negotiation? Who is more impatient?
8. Which equity norms or referential points to apply?
9. Which subjects or questions do you want to avoide? How would you answer it, if other side asked it?
10. What do you know about style and tactics of other side?
11. What are the limitations of negotiation authorities of other side?

The preparation of your negotiation, as J. Hostein accent it, start with list of six basic charateristic of all negotiation.

The negotiation (1) include people either as indiviudal or group; (2) have a trak of conflict while you running it; (3) use bargaining or barter to make exchange; (4) mostly include face to face contact, directed to future events; (5) if it succeeded; (6) the result is joint decision.

There are three strategies for get out of negotiation dead end: keep communications opened; rebuild interruption of good relationship and find a way to go ahead together (Hostein, 2001).

In western countries, as E.A. Buttery and T.K.P. Leung noticed, negotiation process has been seen as business bargain and it is separated in great measure form the other social aspects and from personal and social life. Negotiations are, although influenced by past experience, often in great measure technical processes with technical results. It is easy, in this model, describe entire process as process of economical exchange. In recent years, it has been emphasized that developing the schools and theoreticians who are looking on marketing which is based on »social relationship« rather than »transactions« and such as it will lead to negotiation process which is closer to Chinese ideal than »transaction school«.

In China, social relationship are still much more important than transactions and they dedicate little importance to formal agreements, rather turn back to friendship and trust as base for doing business. This lead to long term negotiation process which equally involve social and business parameters. In case of China, it wuld be wrong to see negotiation process exclusively as process of economical exchange, that is more process which equally include technical aspects of product and service with buyers requests but it simultaneously fit into realising of friendship and trust through doing business (Buttery, Leung, 1998).

It has been founded by C.K. Schneider, that male salespersons use self-confidence in strategies of influence (on the buyers, note D.L.), and that female salespersons rather use defensive tactics of influence which involve conformance and cooperation. This research suggests that male have great number of points in measuring the aggressiveness till female have great number of points in measuring interpersonal relationships, and it found out that male prefer competition with others (Schneider, 1999).

The negotiation is in world wide global movement. In USA, it spread out on more and more products categories caused by Internet expansion, increasing competition between suppliers, fast product obsolete, market fragmentation, appearing the global buyers, changes in sale setting, and shift in economy from product to service orientation. The days of ignoring the consumer bargaining are past away and salespersons have to accept and adapt it (Sharma, Krishnan, 2001).

## **2.2. Selling hotel rooms and negotiation situations (practical cases)**

The negotitation and negotiation techniques are constituent part in manner of performance sale activities, specially in hotel business.

The negotiation in essence could be based on conflict or non-conflict situation.

The conflict negotiation requires high level of tolerance, regular sequence of steps, self-confidence in approaching to, respect to guest and his requests, correct and precise communication about the problem, and on the end obligatory solving the problem at the one of the mutual acceptable ways.

The example of conflict negotiation is overbooking situation.

Solving the overbooking situation requests, first of all, well knowing the state of room occupancy in own hotel and in hotels in surroundings, readiness on financial expenditure and concessions in quality of accomodation service till economically justified level.



It is obligatory to face with unsatisfied guest and to show him proper care and readiness to solve the appearing problem. By no means avoid the problem and send negotiator with limited authority, such as receptionist or sales officer. Negotiator must be at least chief of reception or sales manager, hotel manager or director of sale if it is about group what requests making adequate decisions which must be final and rapid feasible, what negotiators on lower level of decision-making hierarchy could not provide. It is necessary to dislocate the conversation at more pleasant place (Aperitiv bar, for example) where it is possible to offer some drink on the hotel account.

Negotiation must have adequate timing, not to fast nor to slow.

Fast negotiation could lead to the inferior solution for hotel and that is often case when hotel negotiator rushing to solve the problem and he is not focused on problem nor on the accomodation situation at hotels in surroundings. The result is accomodation at very expensive hotel in surroundings or charge for breach of accomodation contract caused by non-adequate alternative accomodation.

Slow negotiation indicate on unreadiness of hotel negotiator to really solve the problem, which additionally disturbing the guest or guests and reducing the space for compromise, and in extreme situations could lead to the verbal conflict after that it isn't possible to reach at least a minimum of tolerance to continue further negotiation. Result is charge for breach of accomodation contract with possible consequences on the further performing the promotion activities of hotel.

The example of non-conflict negotiation is selling hotel rooms, specially selling by allotment contract.

Selling by allotment request complex procedure with lot of speculations about basic elements of allotment contract.

The preliminary phase starting with partner announcement for organizing the meeting.

The meeting obligatory have to be accepted disregarding the level of interesting at the moment, because every partner is important in short term as well in long term.

The prolonging of acceptance the meeting reducing the possibility of future cooperation and in furthest case loosing the partner with creating bad picture about businesslike manner.

Acceptance of meeting without any objections indicate the weakness of negotiation position, what will experienced negotiator know to exploit.

The time for waiting the partner to come represent the possibility of quality preparation of meeting which include marketing research, checking the partner's payment position, internal analysis and calculating the possible price, forecasting the events in internal and external setting in period of realisation of contract.

Many sales managers think that with a few telephone calls could do negotiation preparation disregarding to it's complexity and delicateness. The leaning on telephone marketing research without internal analysis and calculation, represents fast but risky solution, because on that way it is possible to come to the false data for example, if competitors also waiting for same partner.

On the other side, phone calling too much, taking away precious time and it get possibility that some part of confidential information, regarding to negotiation, could reach to business partner.

Checking the partner's payment position is often neglected in case of long-term collaboration with partner, and by that hotel negotiator withdraws the possibilities

to find out the facts which could be used to weaken the counterpart negotiation position.

Forecasting the conditions in internal and external setting, in the time of realisation of Allotment contract, has been very rarely performed, because this task requests certain time and application of some forecasts techniques. The most common applied methods are based on experienced observations and intuition, which mostly make shorter the time of estimation but carry on the risk of wrong decision.

At the end of negotiation preparation it is necessary to make the conversation scenario with list of negotiation topics and unpleasant questions, welcoming, staying and leaving partner's arrangement, preposition the volume and structure of hotel rooms in allotment contract, proposal of maximum and allowed minimum prices.

Sales managers avoid to make conversation scenario, considering it as wasting the time, and for the unpleasant subject they are relying on experience and resourcefulness, what will experienced and well prepared negotiator use as his advantage insists on weak points.

The coordination between the importance of talking and partner's staying arrangement almost always will have as consequence very good atmosphere for talking. Making the proposal of volume and structure of hotel rooms for allotment contract could be powerful resource for negotiation pressure.

The number of seaside and airconditioned rooms, closeness of beach, etc., is mostly limited and it is not possible to offer to all partners who are interested in, what open a possibility to make offer in several variant. Too much weak offer quality could significantly influence on the attained level of the prices, or at least it could prevent the partner from the allotment agreement because of ignoring his requests. In contrary, the hotel negotiator withdraws from qualitative rooms which could be sold at higher prices than allotment prices.

The starting price for negotiation represents one of the most important elements of all negotiations and such as negotiations about allotment contract.

It is not reasonable, by no means, to coordinate offer quality and price, because in that case hotel negotiator withdraws from the possibility of speculative gain in negotiation.

Well determined starting price open the negotiations and leave the possibilities of exchange of mutual concessions.

Too much high determined price reducing the possibilities of talking, open the conflict situation and indicate on the negotiation unreadiness or unexperience.

Too much low determined price give the possibility to the other side to realise maximum of his requests upon from his expectations, which always happens with unexperienced and insufficiently prepared sales managers, specially in cases when competitors prices has not been examined and own negotiation advantage has not been determined and particularly if imperative of getting job is to high.

When partner is arriving the operative phase of negotiation begin.

In case of organizing the dinner before the scheduled meeting it is very important to emphasized it's unformal ton. However, even though during the dinner conversation about the meeting, as a rule, are not going on, experinced negotiators with skilled approach is trying to get usefull informations as much as possible. The bad prepared negotiator and less experienced negotiators, on these dinners, are completely leaving on the idle conversation on the different subjects, and ba that they risks to incautiously discover confindental informations.

It is very important to not get out with definitive offer which is not worth to discuss it, because in that case it is the most often to come in negotiation dead end and probably the conversation is stopped. Giving any promises must be based on the real guaranties, with immediate asking for adequate concession. Giving any unreal promises or giving concessions without counterconcessions always is happened when poorly prepared sales manager trying to close negotiation very fast on account of imperative of getting the job or to creating the false picture of strength of their own negotiation position, what will be used very well by experienced negotiator.

Unpleasant questions regarding to quality of accomodation units, for example, shouldn't be avoided in any way, or giving half-truthful or untruthful information, what often happens, and in mostly cases cause presure on offered prices. In situation, when weak point of offer is discovered, well prepared sales manager don't argue it but in spite of that he asks from the other side, for example, payment guarantee, predicting and guarantee of sales, etc., and with that in start neutralise or at least reduce asked concession.

Good timing for announcement of starting prices is from crucial importance to achieve the success of negotiation.

Stating the argumentation no covered with facts or free talk on unimportant subjects, what is happened very often to unprepared sales managers, give the opportunity for the other side, after price declaration, to extremely low down the offered prices with precise arguments, till than hided. Sales manager, completely prepared for negotiation, keep the one part of strong arguments for the intensifying of preasure on the other side and to retaining the proclaimed prices according to the strenght of counter argumentation.

The price should be declared at the moment when the maximum of counter argumentation has been drawn out and the own key arguments has been reached to make stronger the negotiation position, after declaration.

It is very important to know when and if it is possible to agree on the price concessions and with what counter concessions executing the price reduction.

This is most important moment of negotiation when experienced and well prepared sales manager on the base of qualitative, significant and accurate informations evaluate the situation and make adequate decision. Unprepared managers rushing to get a job, as soon as possible, poorly and indiscreet evaluate the other side will to accept offered price, giving the discount don't even dare to ask at least equal concession from other side, and on that way give the unexpected gain to the other side, for free.

Many sale managers unjustified neglect or pay no attention sufficiently to the negotiation closing, when could be suddenly moved, except courteous statement about former and future cooperation, issues which are not from strategic point of view but could represent small concession which is easily given without any counter concession, for example discount on room price for reprehensive family who staying at hotel. The experienced sale manager will compensate eventually concession, at least in long term period, because it is the question of equal agreement.

## CONCLUSION

The essence of negotiation techniques is to provide sales managers in hospitality industry very important tools in order to improve sales activities.

Performing the sales activities in many situations depends on the choice of adequate negotiation techniques.

Implementation of negotiation techniques is related to skill, experience and knowledge of sales personnel and managers.

Knowing the negotiation strategy and techniques make safe any sales manager to realise successful sale.

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