

Tips for negotiating like Steve Jobs

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Steve Jobs is renowned for his first-class Apple products. But did you also know that he was a great negotiator? Five of his best negotiating secrets were recently revealed in these court-filed emails between Jobs and James R. Murdoch over an e-book distribution deal between HarperCollins and Apple.

In short, HarperCollins wanted Apple to offer payment terms similar to what Amazon was offering, or about \$12 to \$13 on new e-book releases. Apple wanted to offer \$9 (about 75 per cent of that). HarperCollins didn't want to accept the terms.

Here are five tactics Jobs used to negotiate throughout the exchange – without once being pushy or rude:

1. Be willing to walk away.

First, Jobs makes it clear that HarperCollins needs Apple more than Apple needs HarperCollins. They already have other publishers on board.

While he makes it clear that they would like to work with HarperCollins, they will let the deal fall through before giving in to their demands.

Let the other person know you're ready to move on if terms aren't met.

2. Sell others on the big picture.

Jobs says that he believes an e-book revolution is coming and that Apple will be at the center of it.

And he uses numbers to back up his claims:

Apple sells more iPads than any other company,
Apple has 120 million customers with credit cards already in their system, and Apple led this same revolution in the music industry with its iTunes store. Back up your demands with evidence.



3. Make the other person try to compromise first.

Silence is a common tactic used in face-to-face negotiation because it makes the other person uncomfortable. When someone feels uncomfortable, they start to fill dead air by revealing their bottom line or willingness to compromise. The next time you are in a negotiation, practice silence.

You'll notice that the other person immediately begins to negotiate against him or herself (unless he or she knows this negotiation secret). Jobs did not engage in any negotiation; he essentially re-explained Apple's terms and let Murdoch negotiate with himself. In his next email, Murdoch pushes for compromise, hoping that Jobs would give a little as well. That's when Jobs went in for the kill with his final email.