Abstract

Building upon earlier research on regulatory fit in negotiation preparation, we investigated focus-role fit in a real price negotiation. Focus-role fit is created by a match between negotiator role and regulatory focus. In price negotiations, buyers and prevention focus share a preference for a vigilant strategy, and sellers and promotion focus share a preference for a more aggressive strategy (Appelt et al., in press). In the current study, prevention buyers (fit) and promotion sellers (fit) make more demanding opening offers than promotion buyers (non-fit) and prevention sellers (non-fit). Dyads with both negotiators in fit are more likely to impasse than other dyads.

Methods

• Participants (N = 94) completed “study 1,” the Regulatory Focus Questionnaire (Higgins et al., 2001).
• The experimenter introduced “study 2” by randomly assigning participants to dyads and to buyer or seller roles within these dyads.
• A real negotiation (vs. a hypothetical case) was used. The buyer was given $5 whereas the seller was given a Columbia University notebook. Participants were informed that the negotiation was real and that their outcome (agreement or impasse) would be binding.
• After preparing, participants had 15 minutes to negotiate.

Results

Opening offer
• Opening offers were standardized (sign reversed for buyers). For all negotiators, an increasing number represents a more demanding opening offer.
• No main effects of chronic regulatory focus (identified by a zero split on the difference score from the RFQ) or negotiator role.
• As predicted, the Regulatory Focus x Negotiator Role interaction was significant—prevention buyers made more demanding opening offers than promotion buyers whereas promotion sellers made more demanding opening offers than prevention sellers.

Discussion

Focus-role fit affects demand, not only in negotiation preparation, but also during negotiation. Fit negotiators make more demanding opening offers. Their intensified demand also impacts impasse frequencies—dyads with both members in focus-role fit are more likely to impasse.

Because focus-role fit impacts the subjective experience of negotiators (Appelt et al., in press) and increases planned and actual demand, it may explain why some people are naturally better buyers or sellers than others. Research in persuasion suggests that people can selectively emphasize information fitting their regulatory focus (Wang & Lee, 2006).

The current research examines the effects of focus-role fit on first offers and impasse rates in a real price negotiation.

References


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