

Lowballing Psychology for Effective Negotiation (Case Study)

The Power Moves | 12 June, 2017 | by Lucio Buffalmano

The lowball technique can be a fantastic way to get a bargain.

But it's a high-risk crapshoot because it annoys the sellers.

What to do then?

This article will walk you through the steps of a psychology-backed, field-proven lowball technique which works (almost) every time.

Contents

- [The Lowball Technique: A Walkthrough](#)
- [#1: Don't make enemies](#)
- [#2. Ask a Trojan Question](#)
- [#3. Make a Trojan Compliment](#)
- [#4 Leverage Question & Compliment](#)
 - [Lowball Technique: the result](#)
 - [More Negotiation Techniques](#)
- [SUMMARY](#)

The Lowball Technique: A Walkthrough

This HP Envy on Ebay Classifieds was *exactly* what I wanted.

Except, you guessed it, for the price.

I will show you now how I used the lowball technique to get it at half the price.

#1: Don't make enemies

Now what most people would do, and would do wrong, is to lowball right away.

Or, only marginally better, low ball after a neutral question that does nothing useful for you (ie. "*is it still available?*").

Let's first understand why it's not the ideal way.

Why you don't lowball

There's much truth in the saying that people don't buy products but they buy *people* (whom they like). But most are much less careful with the other side of the equation: people also *sell* (to) people (whom they like).

And often we'd rather lose money than sell to people we don't like.

This notion has been scientifically proven in many experiments -most famously the "[Ultimatum Game](#)"—and by neuro-science MRI scans showing that [lowball offers stimulate the part of the brain associated with disgust](#).

In a nutshell: **low ball offers disgust people and make them switch to "vendetta" mode.**

No wonder so many low-ball offers end up getting spurned, ignored or, it happened too, provoking violent reactions.

The great book [Never Split the Difference](#) is also based on the principle of not making enemies.

What do you do then?

Enter the psychology of persuasion.

#2. Ask a Trojan Question

Photo by [Tama Leaver](#)

To set up the lowball offer ask what I've baptized the "Trojan Question".

A Trojan Question is a question where **you already know the answer will highlight defects and problems.**

If you're buying a house that needs renovation, for example, you don't attack saying "but it needs renovation".

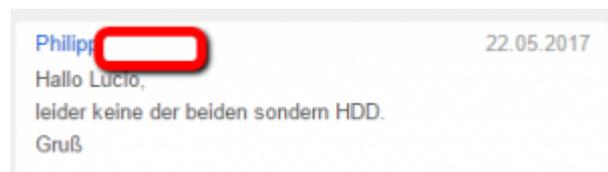
You ask if they *think* it needs renovation.

Defenses go down and when they say yes, you ask how much it could be. And now you're safely hinting at "ask price minus renovation costs".

Similarly, I [ask if the computer has SSD memory](#), which I already know it hasn't:

*Hello Philipp,
Is the drive SSD or SDRAM?
Many thanks,
Lucio*

And as expected he replies it's not.



NOW, *because* it doesn't have the feature you were looking for and you are already engaged in a conversation -as opposed to starting with a lowball offer-, you won't raise nearly as much hostility.

And on your next message, you build rapport prepare the ground for a second attack with a Trojan Compliment.

#3. Make a Trojan Compliment

A Trojan Compliment is a compliment hiding another critic.

This is the best way to safely keep criticizing the product by staying friendly.

If you're buying a house, you could say

You: "oh ok, I see, renovations are expensive. Well, I like the location though. And it looks like the traffic noise is barely audible (said it on a Sunday, with traffic being 3x higher during weekdays ;)"

With a Trojan Compliment, you fully focus the seller's mind on the negatives of the product, making it much more likely he'll seriously consider your low ball offer.

In our example [it went like this](#):

OK I understand

.But it's still a good machine, and it looks like it doesn't have any scratches.

I would offer 280 and can meet you this week and pay.

What do you think?

Apologies for my terrible German and best regards,

Lucio

The passages explained:

- “doesn't have any scratches”: Trojan Compliment as I could see a small one
- “ready to move on ASAP”: benefit for him to sell it quickly (maybe he already got a new one?)
- “what do you think”: makes the seller feel respected and in charge. You just made an offer but *he* is the final decision maker
- “280”: even numbers are perceived as bigger and it's slightly more than half, with half being a major psychological threshold
- “Sorry for my terrible German”: I'm stretching myself to communicate in your language. [Mistakes can be endearing](#).

#4 Leverage Question & Compliment



He tells me:

- it has a small scratch -exactly what I was angling for- and
- he accepts my offer *if* I got pick it up

Bingo. I use both information for another price reduction, which now seems very fair:

Hmmm it's a bit far. But OK.

Is it OK for you if we make 250 because I'll need to take time off from work? I can be there this week, how's your schedule?.

[And he accepts.](#)

NOTE:

- I say it's far before accepting: I'm highlighting it's concession, and [concession given calls for](#)

[concessions back](#).

- [“because” always make your point stronger](#) and more likely to be accepted ([even when “because” adds no real information](#)).

Lowball Technique: the result



50% discount on an already fairly priced item + Mouse & Bluetooth dongle gift.

With the next move, sold old laptop above its value and for 76 Euros moved from an old 2010 clunker running Vista to a sleek All In One touch screen quad core 64 bit Windows 10 with remote.

All thanks to great lowball technique -and auction sales techniques-.

Edit:

And that was also, BTW, the computer with which I started this website. A website that two years later became a viable business and my main source of income.

Fond memories spring to mind :).

More Negotiation Techniques

Since then I have written a lot on the psychology of negotiation.

Check out these articles:

- [Manipulative negotiation techniques](#)
- [Negotiating An Unfair Refund Request](#)
- [Best Negotiation Books](#) (+ free summaries)

| [20 Manipulative Negotiation Tactics](#)

SUMMARY

Results will differ from case to case, but you learned the main issues with the lowball technique and you certainly will improve your hit ratio by doing the following:

1. On your 1st message ask a Trojan Question -a question with negative answer-
2. Make a Trojan Compliment -compliment hiding a critique-, make your low ball offer and be kind

3. Use his reply for further discounts / concessions and tell you're ready to move

And use with ethics

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