

Building a detailed understanding of a supplier to support contract negotiations

BACKGROUND + CHALLENGE



A relatively new player in the regional aircraft manufacturing industry with ambitions to become one of the top commercial aircraft providers supported by a robust aerospace cluster, was attempting to renegotiate large contracts with some of its key suppliers.

The client was finding its suppliers reluctant to enter productive contract negotiations and wanted gain a deeper understanding of these companies and their senior executives. The client also wanted to discover the perceptions suppliers had of them in order to help the company engage.

In a sector with high-value multi-million dollar contracts at stake, understanding your counterparts is critical to a successful negotiation which secures the best terms for your company, whilst also maintaining good relations between parties.

Contract negotiations are not just about knowing your account, they are also about selling to a person. By fully understanding the cultures, drivers and decision-making processes of the companies, and the drivers and behaviors of the negotiators, the client could determine how best to engage more effectively during the negotiation process, shortening the sales cycle and delivering successful outcomes.

FULD + COMPANY SOLUTION



Fuld + Company created in-depth psychological profiles of the key individuals combining detailed [DISC®](#) analysis with research across a variety of sources to understand their personality traits and negotiating behavior, to learn how best to engage with them during contract negotiations.

To complete a 360° analysis for the client and provide a complete understanding of the suppliers' positions in advance of negotiations, Fuld + Company carried out in-depth research into the companies, covering levels of risk, the pros and cons of the contracts, breakeven analysis, critical success factors, and issues they were facing. Fuld's supplier analysis went on to review the suppliers' corporate cultures and reputations before carrying out in-depth examination of the drivers, motivations and objectives of the supplier companies.

Following the research phase, Fuld + Company developed a series of recommendations for the client for how to communicate with their suppliers to achieve the best outcomes, including detailed tip-sheets on the individuals, covering their backgrounds, drivers and motivations, and what approach to take (and not take), and suggested phrases to use within the negotiation process. The client was also provided with detailed analysis of the supplier companies to help them build their strategic approach to the negotiation process to achieve their desired outcomes.

RESULTS FOR THE CLIENT



Fuld + Company's research and analysis provided the client with a far deeper knowledge and understanding of their suppliers, placing them in a stronger, more advantageous position from which to participate in negotiations.