**The Pizza Pie Theory of Selling Books**

**By Brian Jud**

Negotiating with people who can purchase your books in large, non-returnable quantities can be stressful, particularly if you believe the buyer has all the power. You may feel you have more at stake since the buyers can always spend their money on some other promotional item. On the other hand, you may think, “If I can get $6.00 for each book on a 10,000-book order, I can make $60,000.” Instead, that perspective may place more pressure on you and also give all the power to the buyer.

It does not – and should not – have to be that way. You have more power than you think, and there is a unique way in which to understand that. What is that technique? Look at the negotiation process as you would a pizza pie, cut in 12 slices. A good solution would be a 50/50 split – you each get six slices of “value.” But you may consider settling for four slices, so you at least get something. In that case you do not have to leave money on the table if you simply change your negotiating strategy. Do that in two ways: 1) increase the value of each individual slice, or 2) increase the value of the pizza by making it larger. Here is how you can you do that.

1. **Increase the value of each slice**.

Every negotiation should be a win/win ordeal in which each party has an equal claim on the result. Keeping with our pizza analogy, each party is entitled to six slices of value, and each slice is worth $10,000 ($60,000). In your fallback position above, you are willing to take $4.00 per book, or four slices of the pie ($40,000).

Now, your objective becomes increasing the value of each slice, so you take home more than $40,000. You can do that by adding more or different “toppings” to them, i.e., adding terms that are favorable to you. Before you enter a negotiation, identify Your BNO (Best Negotiated Outcome), by making a list of all the outcomes that would be acceptable to you. These could be:

a. Short discount

b. Longer delivery schedule

c. Better payment terms

d. Non-returnable sale

e. Larger quantity order

f. Bonus for early delivery

g. Bonus is the buyers’ objectives are exceeded

Next, decide which of these alternatives would be best for you. What are you willing to negotiate away in return for your desired outcome? What are *not* you willing to negotiate away? Is there any way to change the terms you bring to the table that could improve your BNO? What is your final BNO -- the maximum value of your fallback position?

At the same time, it will behoove you to look at the pie from your buyers’ perspectives. If they spend $40,000 for eight pieces of pizza, each is now worth only $5,000, perhaps not enough to push them into making the purchase. So at the same time that you add more value to your slices, add more to the buyers’ slices so they see greater value in doing business with you.

Prior to entering the negotiation, you asked your prospects questions that helped you discover their interests, the problems they want to solve (their toppings). Do they want mushrooms (help designing the flyers in the campaign), anchovies (a customized tip-in page), olives (a less expensive shipping option such as that offered to APSS members)? Learn their “pain points” before you begin to negotiate, and you have all the ingredients to make a more valuable pizza for your buyers.

1. **Increase the size of the pie so each piece becomes larger**.

Change perspective from selling books to solving problems. If you look at a negotiation based on your contribution to it, you see the negotiation as a sale of books for money. This yields more power to the buyer. So instead of trying to sell your books, look at it differently. Sell your content as a solution to the buyer’s problem. Now you have more power than you ever imagined. This perspective has the effect of increasing the size of the pizza, and at the same time it makes each slice larger.

For example, think back to the original proposal of the buyer paying you $60,000. What if from your earlier questions you learned that the buyer is purchasing your books to solve a problem costing $100,000. Now the $60,000 payment solves a $100,000 problem.

Now the buyer is $40,000 better off ($100,000 problem - $60,000 solution). Since you are the cause of the $40,000 saving, shouldn’t you get something for creating that savings? Ask for half of that money ($20,000), since the buyer could not have done it without your books. If you effectively removed any competitors’ books with your presentation, the buyer has nowhere else to go to is still $20,000 better off.

Your buyer may be reluctant to share the savings, or not see the logic to your request. You still have a trick up your sleeve. Offer to get paid sequentially, as the problem is solved. This means that you work out a compensation schedule with payments made as the buyer’s savings are earned (problem solved). For example, the buyer pays you $5,000 per month for four months.

With either strategy the result is a win/win negotiation, revealing the otherwise-hidden equality of power. Successful negotiating is the co-creation of equal value, and that does not necessarily mean equal money. If the additional toppings on your four slices yield significant value to you, then you are an equal partner in the negotiation. This will also set you up as a tough but equitable negotiator in future deals.

Approach each negotiation as a solution provider with an open mind, flexibility to see and take opportunities, and a sense of mutual cooperation to increase the value of the deal for both parties. The end result is that you both get more than you bargained for and leave the negotiation satisfied that is was fair. This sets the stage for the next time you sit down to talk about another opportunity to work together and solve another one of the buyer’s problems.

----------------------------------------------

Brian Jud is a book-marketing consultant, Executive Director of the Association of Publishers for Special Sales (APSS – www.bookapss.org) and author of *How to Make Real Money Selling Books* and *Beyond the Bookstore*. Contact Brian at brianjud@bookmarketing.com or www.premiumbookcompany.com