

## Egyptian revelations

Lessons to be learned by bartering

I've just returned from a magnificent 14-day trip to Egypt. I was humbled to step into a 5,000-year-old ancient culture where I could touch 70-foot statues commissioned by the pharaohs who lived 4,000 years ago.

Make no mistake, survival is an integral part of the Egyptian culture. In a city like Luxor, where tourism IS the main industry, children learn by example. They watch as their parents and relatives approach tour buses to sell their family's wares: jewelry, scarves, linen, shoes, Egyptian party clothes, alabaster bowls and vases, inlaid boxes, glass figurines, etc.

Whether you visit Cairo's Khan el-Kahlili bazaar, founded in 1382, or a small port bazaar, expect your negotiation skills to be tested. Proprietors will leap at you and position themselves so you enter their "shop." They will ask where you are from. This apparently innocent question is a key part of their strategy – your answer tells them which pricing structure to use. If you say that you are from the United States, expect to pay more. If you are from England or Australia, your price will be more moderate. If you are a local you will receive a significant discount.

Here are some lessons I learned from savvy Egyptian negotiators:

### **Set the tone.**

Every shopkeeper knows that they have only a few seconds to capture your attention. After they ask where you are from, they will hand you things like scarves, statues, handbags and say, "I will give you a good price" or tell you that it's free. This is to test your interest.

Their goal is simple – build rapport so you relax and look around. Once you start inspecting their trinkets and wares, expect the proprietor to stick to you like glue. He knows from experience that once he has your interest, the probability shifts in his favor that you will buy.

### **Be prepared.**

Proprietors' know the walk-away point for every item in their shop. Experience has taught them to start high and create an unrealistic value expectation. They fully expect you to counter. Your negotiation acumen will be revealed. Do you counter low or somewhere in the middle? Your response will dictate his next move. Expect this exchange to continue until you either say, "OK" or "No thank you."

If you decide to walk away, expect a second (third or even fourth) round of negotiations to ensue. On two occasions, I was under an intense time constraint and needed the negotiation to become a simple transaction rather than a barter debate. In other words, I needed my negotiation to take seconds rather than several minutes. My cut-to-the-chase, take-it-or-leave-it approach was viewed as an insult and met with disdain. I knew what I wanted and what I was willing to pay. I told the proprietor about my time constraint. It didn't seem to matter – he wanted to barter, and I wanted an abbreviated negotiation.

When I walked out of his shop, he was shocked and came after me. I told him what I was willing to pay. He countered. I stuck to my original price as I began to look for the same item at another shop. Recognizing how serious I was, he conceded.

For every negotiation, be sure you know what's most important to you and define your walk-away position.

### **Understand the concessions you are willing to make and what you will ask in return.**

Virtually every purchase made in Egypt requires a negotiation. For these proprietors, the stakes are high – will they be able to feed their families today or not?

They know before entering into every negotiation what they are willing to give away, what they will ask for in return and what options are available. They are rarely caught off guard and will gladly reap the reward of a substantial profit from an unwary tourist.

### **Use leverage when appropriate.**

At both the alabaster and rug factories we visited, Mohammed, our tour guide, offered negotiation assistance to anyone who wanted to make a purchase. The proprietors respected him. They understood that he had a choice about which sites he would take his tour group to visit. Once or twice per month, he could bring 25 to 30 tourists to their stores. The incremental volume of the total purchases of the group clearly offset the additional discount the proprietor offered. Mohammed had leverage, which he extended to us and from which we benefited.

Like most Middle Eastern countries, Egypt is a place where negotiating is a life skill. For many, the stakes are ruthlessly high. Negotiation prowess determines a family's standard of living and, in some cases, what a family will eat for dinner that night.

I can heartily recommend a trip to Egypt. I promise you, the experience will broaden your knowledge of ancient history while sharpening your negotiation skills.



**Christine McMahon** is the owner of Christine McMahon & Associates, a training and consulting firm in Milwaukee. She can be reached at (414) 290-3344.