

# The Ultimate Guide to Negotiating

(for people who  
hate negotiating)



# This guide at a glance

- 1. 10 hot tips that will suit any negotiation style ..... 4
- 2. How to negotiate with service providers ..... 5
- 3. How to negotiate on rent with landlords ..... 8
- 4. How to negotiate when buying a property ..... 11
- 5. How to negotiate on insurance ..... 12
- 6. How to negotiate with people in your life ..... 14

This guide is published by Verve Superannuation Pty Ltd (ABN 65 628 675 169, AFS Representative No. 001268903), which is a Corporate Authorised Representative of True Oak Investments Ltd (ABN 81 002 558 956, AFSL 238184). Verve Superannuation Pty Ltd and True Oak Investments Ltd are not licensed to provide personal financial advice. The information contained in this blog, including any financial guidance, is general in nature. You should consider seeking independent legal, financial, taxation, or other advice to ensure that your financial decisions are suited to your unique circumstances.

## When was the last time you haggled with your internet provider to get a better deal? What about bargaining with a seller on Facebook Marketplace to score a sweet discount? Or how about negotiating ways to pay for that new fridge with your housemates?

If the sheer thought of negotiating makes your palms sweat, you're not alone. In fact, a recent study by Fidelity Investments revealed that a whopping **8 in 10 women feel uncomfortable talking about money**, let alone haggling about it.

The notion that women shouldn't talk about money has been cultivated by society for generations. Women are often told by their parents (and the world at large) that nattering about money in any context is **"unladylike" and "unattractive"**.

Even the media perpetuates these outdated stereotypes. Many **finance articles targeted towards women** define us as "splurgers" who need to "rein in" our spending. Positioning money as "a minefield" for us to navigate. On the flip side, the language used to describe men and money **draws on stereotypes of combat and power**, often using competitive phrasing like "having a punt" and "playing the game".

Here at Verve, we want to shatter the misconception that negotiating is only for bros. We know that learning how to negotiate and bargain is a powerful tool to help improve our financial position and boost our confidence when it comes to money. Negotiating is about more than just scoring a bargain: it's about owning our worth and being empowered to stand up for it.

That's exactly why we've created this ultimate guide to negotiation. Inside, you'll find ten key tips to successfully negotiate anything, and some practical examples, templates, and scripts you can use to support you during these conversations.

If you feel ready (or even a little curious) to ditch the discomfort and lean into the power of negotiation, get stuck in.



## 10 hot tips that will suit any negotiation style

Here's the thing: you don't need to channel a sleazy car salesperson to nail negotiations. The best way to start (and stick to) negotiating is to find a way of communicating that feels natural and authentic to you and then stick to some golden negotiation rules

**1. Make shamelessness your friend.** If you've ever travelled through parts of southern Europe, Asia, or the Middle East. You'll know that negotiating is just part of the culture, for many people it's fun, enjoyable and actually builds positive relationships. This is the right attitude to bring to any negotiation. In most cases, it's in the best interests of both parties to make a deal that everyone is happy with. So drop the guilt, embarrassment, or shame and know that you're most likely doing the person on the other end of your negotiation a favour, too. After all, they want to sell you the thing, buy your time, or have you walk away a happy employee as much as you do.

**2. Know exactly what you want.** You should always know what you want – what you're willing to spend, pay or accept as a deal. Going into a negotiation with a generic idea of 'wanting a better outcome' is a sure-fire way of failing to get the best out of a negotiation. Know exactly what you want and what you will and won't accept.

**3. Assume the best case.** High expectations typically lead to high outcomes. Ask for what you want, and go into the negotiation assuming you'll get it. Why not? You can't receive if you don't ask.

**4. Go first.** Making the first offer lets you set the "anchor" for negotiations to follow. This means that the negotiation is more likely to go back and forth around your number. Many people hate to be the first to throw out a figure because they think they might miss out on an opportunity. ("If I offer \$500 and she would have been happy with \$200 I'll spend a lot more than I have to.") Occasionally that might happen, but it makes more sense to go into a negotiation assuming the other person is aware of the value of whatever they want to buy or sell. Studies like this one show that when a seller makes the first offer the final price is typically higher than if the buyer made the first offer. Why? The buyer's first offer will always be low, which sets a lower anchor. In negotiations, anchors matter.

**5. Avoid setting ranges.** Buyers often ask for estimates in ranges: "What's a ballpark figure you'd like to spend?" Ranges create anchors, too. If you don't have enough information to provide a solid estimate, don't. And never say, "Well, somewhere between x and y" as all you're doing is anchoring at the bottom of that range.

**6. Don't be afraid to smile and count to five.** If you're nervous you will tend to talk a lot and therefore miss a lot: let silence be your friend. If you make an offer and the seller says, "No way," don't respond immediately. To fill the silence, the seller will give reasons why your offer is too low or your ask is too high... and in the process, may give you some extra information you wouldn't have received otherwise. You are more likely to be able to form a deal if you know what the other person really needs. So ask them and give them time to tell you.

**7. Only make concessions for a reason.** Whether you're buying, selling, or negotiating your salary. Every concession should involve a trade-off of some kind; otherwise, your price was simply too high to begin with. For instance, if you're negotiating a pay increase and your employer can't pay you the amount you want, can you agree to start work late one day a week, or take a day off every fortnight?

**8. Make time your friend.** Never, ever rush. Never see a negotiation as something to wrap up as soon as possible. A negotiation is an investment in time, and most people don't want to lose their investments, so the more time the other person has in a deal the more they'll want to close the deal – and the more they will voluntarily give up in order to get you to say yes.

**9. Ignore face value.** Don't assume everything you hear is true. Statements like, "I can't do any better," are more likely to be negotiating tactics than truths. Listen, but toss a few grains of salt onto what you hear. Look closely for what lies under the posturing and positioning.

**10. Create a relationship.** Take, but don't take too much. Give, but don't give too much. Establishing a long-term relationship should always be your goal. A no this time around may always be turned into a yes in the future.

## Section 1: How to negotiate with service providers

Are you getting the best rate on your phone bill? What about your gas or electricity rates? Have you asked if there are cheaper plans you could switch to with your internet provider?

If you answered 'no' to any of the above, this section is for you.

When we talk about service providers, we're talking about the kinds of companies you get regular bills from, including:

- Energy providers (such as gas and electricity)
- Internet providers
- Mobile phone networks
- Gyms or fitness centers

Typically, service providers offer a range of packages and tiered pricing options for customers (like you) to choose from. And we're not just talking about the packages listed on their website.

In many cases, service providers bank on their customers continuing to pay their bills without questioning the rate they're being charged. Even when it changes with no or little explanation. However, by doing your research and seeing what other options are on the market, you can put yourself in a powerful negotiating position.

Ultimately, service providers want to keep you as a customer. So, by doing your homework and coming to the table to bargain for a better deal, you're likely to save yourself some serious coin on your regular bills. And if your provider isn't willing to negotiate, it could well be time to take your dollars elsewhere.

Ready to score a better deal? Here's how to negotiate with your current service providers.

\*clears throat\*

### Tip 1: Gather all your documents

Before jumping on the phone, make sure you've got all your paperwork handy. That includes having a copy of your recent bills as well as your customer number or any other identification the provider is likely to ask for.

Most importantly: know what you're currently being charged (bonus points if you can figure out what package or plan you're on as well).

### Tip 2: Do your market research

Now, it's time to get a lay of the land. Head online to look at the going rates from other service providers and create a list of alternative options. You may even take the time to contact competitive service and ask about the best deals they can offer new customers.

By having comparison figures from other providers ready to go, you'll be able to take cold hard facts to the negotiation. It also shows your provider that you're serious about switching.

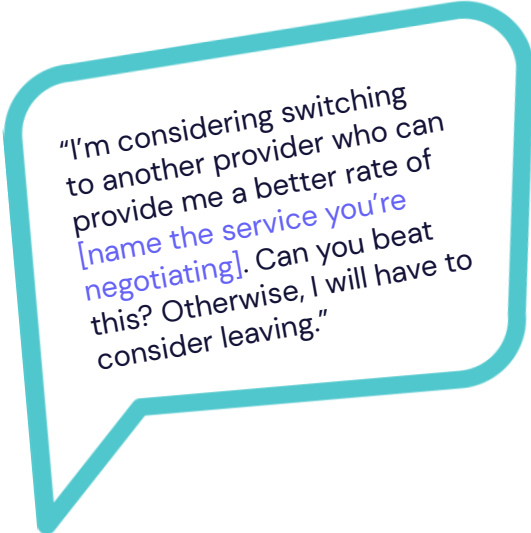
A handy tool for comparing the price of energy providers is to head to the [Australian Government's free energy plan search tool](#) (which allows you to easily compare prices of electricity and gas plans in your suburb). Remember, some service providers may be willing to offer even better rates when you contact them directly to ask.

## Tip 3: Pick up the phone

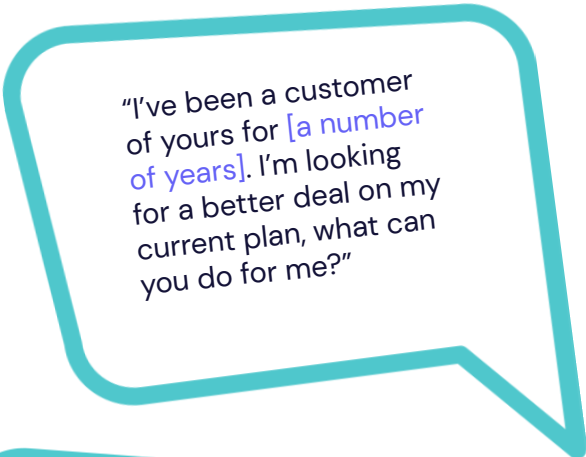
This bit is the step many of us dread: calling your provider and starting a negotiation. But, nothing is going to change if we stay quiet. Also just remember they probably speak to hundreds of customers a week who are wanting better deals – it's their job. So, pour out a fresh brew, pull up a chair, and get dialing.

Not sure what the heck to say once you're on the call? We've pulled together a handy script you can follow to guide you through this conversation. We recommend printing this out or making notes you can access while on the phone.

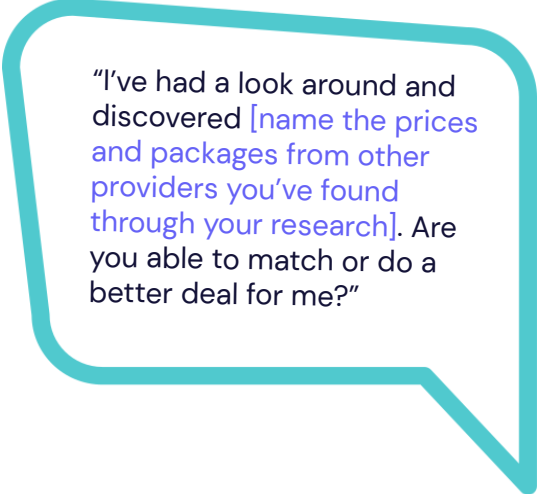
### Your service provider negotiation scripts:



"I'm considering switching to another provider who can provide me a better rate of [name the service you're negotiating]. Can you beat this? Otherwise, I will have to consider leaving."



"I've been a customer of yours for [a number of years]. I'm looking for a better deal on my current plan, what can you do for me?"



"I've had a look around and discovered [name the prices and packages from other providers you've found through your research]. Are you able to match or do a better deal for me?"

Don't feel pressured to make a decision during your call. Instead, it's worth getting your service provider to send any new offers via email so you can think it over in your own time.

And if you're met with a flat 'no', don't be afraid to tell your provider you're willing to take your business elsewhere. In some cases, this can help you access a better rate (because the reality is service providers want to keep you as a customer, too). To show them you're serious about switching, you can ask about the necessary steps to close your account. Again, don't feel pressured to make a decision on the spot. You can request that they put the details in an email for you to action at a later date.

## Tip four: decide the best move for you

If your provider does come to the table with a better offer, make sure you understand exactly what this rate includes. Get everything in writing and be sure to clarify if there are any reversion rates or time-bound conditions that might apply.

If you're negotiating over the phone, it can help to get the name of the customer service consultant you're talking to. This is handy to reference if you're dealing with a different member of staff in the future.

Remember: you should act in your own best interests. If your current service provider isn't willing to match or beat your desired rate, it could be worth thinking about switching to a more competitive provider.

It's also worth remembering that the best rate on the market changes over time. So, make sure you're doing a yearly review to make sure you're getting the best deal.



## Section 2: How to negotiate on rent with landlords

### How to navigate rent increases on an existing lease

It's the scenario every tenant dreads: rent increases. But before you go ahead and accept the hike in rent, it's important to check your rights as a tenant.

It's the scenario every tenant dreads: rent increases. But before you go ahead and accept the hike in rent, it's important to check your rights as a tenant.

The rules around rent increases depend on the type of lease agreement you've signed and where you're renting.

Here's a quick snapshot of all the rules in each state to help you figure out what scenario applies to you:

<b><u>NSW</u></b>	Fixed-term of 2 years or more	Once in any 12-month period.
	Fixed-term of less than 2 years	Check your agreement to see if there is a clause allowing increases. Plus, your landlord must give you at least 60 days written notice.
	Periodic (ongoing)	Once in any 12-month period.
<b><u>ACT</u></b>	Fixed-term lease	Either 12 months from the start of your lease or 12 months after the most recent increase.
	Periodic (ongoing)	Only once every 12 months (with eight weeks' written notice).
<b><u>NT</u></b>	Fixed-term lease	Only once every six months (as long as this is written in your tenancy agreement).
	Periodic (ongoing)	Only once every six months (with 30 days written notice).
<b><u>QLD</u></b>	Fixed-term lease	Can't be increased unless this is listed in your tenancy agreement (but it must remain unchanged for the first six months of the lease).
	Periodic (ongoing)	Only once every six months (with two months' written notice).
<b><u>SA</u></b>	Fixed-term lease	Only once every 12 months (however the rent can't increase until 12 months after the lease has started).
	Periodic (ongoing)	Only once every 12 months (with 60 days written notice).
<b><u>TAS</u></b>	Fixed-term lease	For leased under 12 months, rent can only be increased 12 months after the tenancy started. If the lease is longer than 12 months, the rent can be increased 12 months after the start date of the lease.
	Periodic (ongoing)	Only once every 12 months (with 60 days written notice).
<b><u>VIC</u></b>	Fixed-term lease	Only once every 12 months (with 60 days written notice).
	Periodic (ongoing)	Only once every 12 months (with 60 days written notice).
<b><u>WA</u></b>	Fixed-term lease	Only once every six months (only if this is clearly stated in the tenancy agreement) with 60 days written notice.
	Periodic (ongoing)	Only once every six months (with 60 days written notice).



If your landlord or agent does propose an excessive increase in rent, it's worth starting a negotiation. Start off by doing your research to benchmark this new price against other similar rentals in your local area. For example, Tenants.org offers a [handy online tool to help NSW residents track rent rates](#) in their local area.

Be equipped with evidence and explain why you believe this rent increase is unreasonable. Some evidence you can use to support your case includes:

- Rent rates for similar properties in your area
- A list of all the rent increases you've accepted since living in the rental
- Photos of the condition of your rental property (if relevant to your negotiation)

Whether you organise a phone call, video conference, or meet face-to-face, make sure you know exactly what you want to get out of the conversation with your landlord. Have an exact rent figure or discount percentage in mind and also think about other ways you could reach a compromise, including:

- Accepting a rent increase for a longer fixed-term lease
- Negotiating for extra repairs or maintenance (such as updating appliances)
- Adjusting your lease agreement terms (such as removing break lease fees)

And remember: it makes more financial sense for your landlord to keep you as a tenant, rather than release your property.

### Let's price up some potential scenarios:

#### Scenario A: You don't reach a compromise and leave the property

Your landlord proposes a rent increase of \$50 per week (changing your weekly rent from \$650 to \$700 per week).

You try to negotiate for a compromise (only a \$20 per week increase), but your landlord won't budge.

You end your lease and move elsewhere. Now, your landlord has a vacant property that they need to rent quickly.

Let's say their property is vacant for six weeks between tenants. That works out to be \$4,200 in lost rental income for the landlord. In some cases, they will also be required to do necessary maintenance and updates before a new tenant is secured.

#### Scenario B: You compromise and remain as their tenant

Your landlord proposes a rent increase of \$50 per week (changing your weekly rent from \$650 to \$700 per week).

You negotiate for a compromise (only a \$20 per week increase) and your landlord agrees.

You resign for another 12-month lease at a new rate of \$670 per week. Your landlord has just saved potentially \$4,200 in vacancy costs and is now making an extra \$1,040 per year in rental income.

Using cost comparisons like this can be a helpful strategy when negotiating with your landlord. At the end of the day, it's their investment income on the line.

So what happens if your landlord isn't willing to negotiate? You can reach out to your **state or territory's tribunal to raise an objection**. Make sure to start this process quickly as many areas have time limits that apply to rent increase objections.

## How to negotiate rent on a new lease

Think the rent price isn't up for negotiation? Think again.

When applying for a new rental, tenants can make a case for a lower weekly rent in certain scenarios. The key to getting this type of negotiation right is to understand the market conditions.

In a competitive market (where there are more prospective tenants than there are rental properties), it can be difficult to bargain on rent. That's because landlords are likely to have plenty of interest in their property.

However, if vacancy rates are high and properties are staying on the market for a long time, tenants have the upper hand when negotiating. Here's the thing: every week a rental property is vacant, the landlord is losing hundreds of dollars in lost rental income.

You can use this knowledge to your advantage when negotiating. Here's how to find and negotiate on rent for a new rental:

- **Check the volume of similar rental listings in the local area:** jump onto real estate websites like Domain.com.au and Realestate.com.au to do your research. If this number is high, it shows that there may be an oversupply of properties and you're in a good position to negotiate.
- **Check the number of days the property has been on the market:** most real estate websites will display how long the listing has been on the site. If this number is higher than 15 days, you have a good chance of negotiating.
- **Present a compelling offer:** once you've inspected the property, email or call the agent or landlord and begin to negotiate. Do your calculations and explain the cost advantage of accepting \$10 or \$20 less in rent per week in exchange for securing a tenant sooner rather than later.
  - **TIP:** Use the weekly rent and the average time on market to calculate how much the landlord is already out of pocket. Then, compare this figure to the small loss they'll accept with a lower weekly rent. Chances are, a few dollars less each week is much better than another month of no rental income.
- **Get your new rent rate in writing:** before you sign a lease agreement, make sure you've got this new price down on paper. It's all about having the documents and paperwork in place to protect yourself in case of a future dispute.

## Section 3: How to negotiate when buying a property

Ready to score the keys to your first (or next) home? When it comes to buying property, negotiation is an inevitable part of the process.

The key to getting a good deal is this: understanding how the property buying process works.

### In a nutshell, there are two main ways to buy a home in Australia:

- **At auction:** this is where the seller will set a reserve price (a minimum price they'll be willing to sell their property for) and where buyers bid to secure the property. The highest bidder wins and will need to immediately pay a deposit (usually **5-10% of the purchase price**) once they win the auction.
- **By private treaty:** this is where the seller sets a price they want to sell for, and buyers are invited to negotiate and make offers. This approach tends to be less competitive (as negotiations happen on your own time and terms). You'll also benefit from a cooling-off period that allows you to walk away from the sale, too. Thought it's worth noting that forgoing your **cooling-off period** is one bargaining tool you can use when negotiating.

One of the best ways to negotiate as a buyer is to make an offer on a property (rather than going to auction). That's because the urgency of an auction creates inevitable competition between bidders and is seen as a tactic to increase the price a property sells for.

Instead, a private treaty process usually gives you more time to negotiate and reach a sale price you're comfortable with.

### Here's how the private treaty process works (the short and sweet version)

1. **The seller sets their sale price:** usually, this is a price range that takes into account the value of the property and the current state of the market (a.k.a. the price other similar properties in the area are selling for).
2. **The marketing campaign starts:** this is when buyers will see the property advertised and have the opportunity to attend an open viewing.

3. **Buyers present their offers:** If you're interested and would like to make an offer, you can contact the property's real estate agent with your offer. This is done over email so that they have your offer in writing. The agent will then present this to the seller on your behalf.
  - TIP: Make sure you've had the property inspected by a professional for things like pests and building problems before making an offer to ensure you're not walking into any hidden (costly) surprises. You can also include these checks as a pending subject of your offer.
4. **Negotiations begin:** This is the part where your negotiation skills really come into play. This step involves back and forth communication between you and the seller (via the agent) to reach the final sale price. You may be faced with a few curveballs at the stage (the agent might say there is another interested buyer, for example). It's best to trust your gut instinct before getting carried away.
5. **Contracts are exchanged:** Once you've reached an agreement, the seller will finalise the sale contracts and provide them to you. You'll need to work with a legal representative to review these documents. From here, you'll pay the deposit and enter a cooling-off period (where you can pull out of the sale for a fee).
6. **Settlement:** Once the paperwork is finalised and the entire deposit is paid, you'll score the keys to your new home.

## How to nail a negotiation on a property purchase

So, how exactly can you put yourself in the best position to negotiate when buying a home? Try these handy tips to help you navigate the process with confidence.

- **Do your research:** Understand what similar properties in the local area are selling for and use these comparable sales to make an informed offer. That way, you can set a price limit for yourself so you don't overpay for a property.
- **Get pre-approval sorted:** You want to only make serious, realistic offers as a buyer. So, by getting **pre-approval** from a lender you'll know exactly how much you'll be able to afford. And remember: don't buy at the top of your borrowing power (because extra fees, costs, and expenses are likely to crop up over time).
- **Get everything in writing:** When making an offer, put everything in writing to make sure there's no miscommunication with agents and sellers.

## Section 4: How to negotiate on insurance

Have you heard about a thing called “loyalty tax”? In short: sticking with and staying loyal to one insurer can actually end up costing you stacks of cash.

In fact, a recent report found that **89% of Australians simply renew their insurance policy without shopping around** (even though **81% admit the cost of their insurance goes up** each year).

Whether you’ve stuck with the same insurer your whole life or opted for the same brand your parents use, not taking the time to assess the market means it’s likely you’re not getting the best deal.

And that’s not the only way you can find yourself spending too much on insurance. In fact, there are tons of other reasons that can mean you’re not getting the best deal. Things like:

- **Selecting the wrong level of cover:** From health insurance to car insurance, there are stacks of different policies to consider. But, there’s no point paying for extras that you don’t need, right? So, make sure to review exactly what features you’re paying for and make a switch if you’re overspending on unnecessary bonuses.
- **Not reviewing your policy regularly:** Each year new insurers enter the market, many offering more competitive rates, and policies. Don’t wait for renewal to see if you’re getting the best deal. Be proactive and scope out the market on a regular basis to check you’re getting a fair and competitive rate.
- **Choosing the wrong payment method:** Did you know some insurers offer a **4% discount if you pay by direct debit**? By setting up these automatic payments you can lower how much you pay over the long term.

So, what do you do if you’ve found a better insurance deal? Before you cancel your policy and jump to a new provider, it’s worth having a chat with your current insurer to see if they can match (or even beat) this price.

Once you’re ready to negotiate with your insurer, you can follow these steps to get started:

- **Come armed with facts and figures:** Do your research and note down what packages and policies other insurers are offering. Compare this to your current policy and do the math to figure out how much you could be saving. These hard facts show you’ve done your homework and are a serious negotiator.

- **Explore other policy options:** Ask your insurer what other packages or policy options you could switch to and see what deals they can do for you. Explain you're serious about changing to a new provider to give them an incentive to keep you as a customer.
- **Don't just bargain on price:** When it comes to negotiating on insurance, there's a whole heap of other ways to get a better deal (whether that's adding on new features, boosting coverage, or changing excess amounts). Prep yourself with backup plans and be ready to negotiate on more than just your premiums.

## Section 5: How to negotiate with people in your life

Have you ever found yourself in a sticky situation with a friend, housemate, or family member? Maybe you're trying to split bills, share the cost of furniture purchases or even negotiate cleaning duties.

Whatever the situation might be, negotiating with people we know is a whole lot trickier than picking up the phone and bargaining with an insurer. Why? Because we've got more to lose.

With emotions and personal relationships on the line, negotiating with friends and family can feel extra complicated. How do you get what you want out of the negotiation, without sacrificing your relationship along the way?

As we mentioned at the start of this guide: negotiating isn't a one-size-fits-all situation. Instead, it's about finding the right approach to suit each scenario, including when negotiating with friends and family.

If you're not sure where to start, here are a few handy tips to help you navigate through a negotiation with a friend, family member, or housemate:

- **Focus on solutions, not problems:** Channel your inner collaborator and get your problem-solving hat on when negotiating with people in your life. Get an understanding of what everyone wants out of the negotiations and find a way to work together to find a solution that works for everyone.
- **Be willing to compromise:** With personal relationships at stake, it's more important to find the middle ground than bargain your way to your desired outcome. In this scenario, walking away from the conversation on good terms is what's most valuable.
- **Be honest and candid:** Don't be afraid to be open and transparent about what you'd like to get out of this negotiation. Self-disclosure is a great way to retain trust with the other party and help you both reach an agreement that you're happy with. There's no need to keep your cards close to your chest, here!

Even with the best intentions, these personal negotiations can sometimes go sour. If tensions are getting high or emotions are running hot, it's worth stepping away from the conversation and giving each other some space.

The best negotiations happen when both parties are calm and collected as this lessens the chance of relationships being impacted in the process.

It pays to remember that it's likely the person you're negotiating with also wants the best outcome for you in return. So compromising can be a win, win for all parties!

—

And that's a wrap, folks! When it comes to negotiating, coming into these conversations prepared is what will help you feel confident and empowered to bargain for what you want.

Try writing out a script or prompts for yourself before you jump on the phone. Try different approaches until you find one that you're comfortable with. And most importantly, be courageous! It can be tricky to get these conversations off the ground but remember all the good things you can gain by giving it a go.

Ultimately, leaning into the discomfort of talking about money is an essential step towards feeling more confident and in control of your money. Do your research, know what you want to get out of any negotiation, and remember your worth.

Good luck and get negotiating!

