Strategies of Commercial Negotiation of Fish Resellers at Njanja Market in Lubumbashi

Kalumba Kawaya Daniel Floribert¹, Mwilambwe Twite Makonga Félicien², Moke Kalenge Eric³

¹Assistant at the Faculty of Psychology and Education Sciences at the University of Lubumbashi

²Head of Works at the Faculty of Psychology Of Education Sciences at Likasi University

³Assistant at the Faculty of Psychology and Sciences of Education at the University of Lubumbashi

Abstract: The research examines the strategies of commercial negotiation of fish middlemen at Njanja market in Lubumbashi. Fifty fish middlemen constitute the sample of this research. These negotiation strategies used by the middlemen were apprehended by a questionnaire of semi-opened questions elaborated to this aim and then the given were analysed thanks to the analysis of content and the chi-carré statistic test. The results show that the strategies lead the middlemen to reach their aim. That is to buy the large amounts of good fish to less cost. In this way, the fish middlemen are asked to tum to same strategies at the time of commercial negotiation among them and the fish wholesalers, as this lead them to the satisfaction and to friendly separation with their protagonists.

Keywords: strategy, commercial negotiation, Middlemen

1. Introduction

The evolution of the world pushes the man to go to a market to satisfy his material needs, whether he is a seller or a buyer. Between them, he engages in well-focused discussions to make the sale with profit on one side and the discount purchase on the other. Thus, the motive that pushed us to make our choice on this subject and that to identify the different types of strategies that resellers use in the mass markets at the three moments of the commercial negotiation and determine their role each, allowing them to buy a considerable amount of products at a reduced cost.

Indeed, this study of which we present the results focused on the strategies of the commercial negotiation of fish resellers at Njanja market in Lubumbashi. There is no need to demonstrate the importance of the trade aspect as an activity of human labor.

Since resale purchase by resellers is a so-called "petty trading" activity in basic necessities and current purchases, this is work as supported by Karnas (2002) who claims that the work of which Treatise on Work Psychology is defined as the activity of a man or a woman in a defined organizational and social setting using specific tools, in order to achieve given production objectives.

Indeed, we define the commercial negotiation according to the authors and according to our in-tendement. Joly (2010) defines commercial negotiation as the independent commercial role of negotiating with its clients.

For Darmon (2011), commercial negotiation is a process (1) involving two or more parties who consider the possibility of exchanging goods and / or services for a generally financial counterparty; (2) involving greater or lesser risks for each of them; (3) the objectives and interests of the parties are partially divergent; (4) each party has at least some latitude to exchange information; make proposals, accept or reject the proposals of the other party; (5) to

converge towards an agreement to establish or maintain a business relationship; (6) short or longer term; (7) and consider it preferable to the status quo by each of the parties involved.

Commercial negotiation is the set of communication processes and processes designed to confront positions, points of view, interests and expectations, with the aim of reaching an agreement between the parties concerned. The term also refers to the various interviews that mark out the commercial life and aim to reach agreements, be they agreements of purchase / sale or barter. <u>http://WWW.e-marketing.fr/définitions-glossaire-négociation</u>

As we understand it, trade negotiation is a transactional duel that allows the two main players in the mass markets to reach an agreement to easily conclude their market while separating out of court, to the great satisfaction of one and the other. As far as strategies are concerned, they are defined differently according to the authors from whom we have selected a few.

It is an art of coordinating actions, of maneuvering skillfully to reach a goal (Larousse, 2010). Dema Ricourt defines strategy as "a global reflection on the future of the company in the long term and a choice of its main axes of development".

We define it as the set of means of action implemented to achieve the objectives we have set for ourselves. As for the reseller, he is defined as the one who resells goods, who buys wholesale to resell retail. http://WWW.cnrtl.fr

We refer to a reseller, a person who is the marketplace of the wholesaler for the purchase of his or her products in considerable quantities for retail sale to end consumers.

Regarding the mass market, it is defined as the one whose volume of activities is very important. It is fed by products whose price is generally quite low which does not take into account the specificities of the individuals who compose it. <u>http://WWW.e-marketing.fr</u>

Volume 7 Issue 4, April 2018 www.ijsr.net

Licensed Under Creative Commons Attribution CC BY

It is up to us to signify that the mass market is a very specific public place where the sale-purchase actions in considerable quantity of the necessities are carried out.

This market responds to the theories of commercial negotiation that are set out below:

Akerlof's theory of information asymmetry, cited by Bruel (2013), refers to the buying and selling of second-hand cars. The asymmetry of information is due to the fact that the seller knows the condition of the cars he is proposing, while the buyer ignores it, knowing that the seller is aware of it.

So there cannot be a transaction, while both parties would have an interest. In fact, whatever the price, the buyer expects the seller to seek to place his worst cars first; he will therefore refuse all the proposals made to him, for fear of being passed on a "tacot" or paying more than he could have spent (selection ad-verse). Yet both parties have an interest in having the transaction take place on a correct car.

The situation is blocked even if the seller is in good faith, because the buyer does not have the means to know it, and therefore is wary. Opposing adverse selection is therefore a source of inefficiency since it can prevent mutually beneficial relationships from forming.

This theory is of major importance in this study, in that it avoids resellers buying fish at a very high price that they could have spent, which is why they engage in discussions based on the detection of fish quality and the discount.

Schultz's theory of need cited by Demeure (2003) argues that the individual who, in a relationship of interpersonal communication, is able to satisfy the needs for inclusion, control and affection with his interlocutor, has all the necessary chances of establishing a satisfactory communication climate.

Since the fish resellers in our study are in negotiation with the wholesalers, this theory supports the transactional mechanisms they use, inviting them to meet the needs of inclusion, control and affection with their interlocutors. in order to establish a satisfactory communication climate that can lead to the achievement of their objective and to separate with them amicably.

It is in this same logic that Maslow's theory fits in, helping us to understand a purchase by facilitating the identification of the different levels of needs that can be put into play (Demeure, 2003). Thus, preparing a homemade soup rather than using sachet soup can be explained by physiological needs (more nourishing), but also safety (more natural), affection (more friendly), of esteem (more rewarding) and of accomplishment (more creative).

The theory of motivation, according to Maslow, in this study, is explained by the fact that retailers by buying fish take into account the different needs of their customers according to whether it is this or that other environment from which they come from.

Indeed, there are the resellers who buy:

- Fry because they are more nourishing (physiological need);
- Smoke because they have no salt and many edges (need security);
- Salty foods because they are more user-friendly (need for affection);
- Large smoked fish, large salted fish and large fry because they are more rewarding (need of esteem);
- Small smoked fish, small salted fish and small fry because they are more marketed (need for fulfillment).

From the above, a single question summarizes our concern, namely:

What are the types of strategies used at each moment of commercial negotiation by fish resellers at Njanja Market?

From the point of view of Dupont (1983), who noted in the early eighties that the management of commercial negotiation offers two behaviors, one for sellers and the other for buyers, we postulate that Fish resellers use three types of strategies depending on the start, middle and closing moments of the negotiation.

Concretely, they involve at the first stage the type of contact strategies with wholesalers, at the second moment the type of cost reduction strategies and at the third moment the type of strategies for building trust.

This study has pursued a triple objective:

- Identify the types of trade negotiation strategies used by re-sellers to enable them to easily start and close the market with wholesalers in a mass market,
- Highlight the type of strategies used at each moment of the commercial negotiation by the resellers in order to encourage them to continue using them during their exchanges with the wholesalers,
- To develop a theoretical model of commercial negotiation strategies used by resellers in mass markets.

2. Methodology

This study was carried out at the Njanja market in Kampemba commune, Lubumbashi, on resellers of salted fish, smoked fish and fry whose duration in the exercise of this activity is zero to ten years and more.

From this population, we extracted an occasional sample of fifty dealers. These resellers are distributed as follows:

- Eight resellers whose activity duration is from zero to one year, ie 16%,
- Twelve resellers whose duration in the activity is one year to five years, or 24%,
- Sixteen dealers from five to ten years in the business, or 32%,
- And finally fourteen resellers of ten years or more in the activity, ie 28% of the participants.

As for the research method, the survey method was used. This re-search path was materialized by a questionnaire consisting of five semi-open items for the production of the data.

This questionnaire was built around the three factors below:Contact strategies with wholesalers,

Licensed Under Creative Commons Attribution CC BY

• Cost reduction strategies,

• Strategies for building trust.

The content analysis and the chi-squared statistical test were used to analyze the data above all to test the difference of the opinions of the participants in the research.

3. Search Results

At this level we analyze the mechanisms used by the fish resellers at the different moments of the commercial negotiation, namely:

1) At the start of the commercial negotiation Contact Strategies with Wholesalers

This factor of our study was exploited by two items which are presented in the following paragraphs. Having collected the data related to these strategies, the tables below were used for their presentation:

Table 1: Resellers' questions about the price and quality of

fish						
Reviews	Yes	%	No	%		
Duration of the activity						
0-1 year	6	10	3	5		
1-5 years	10	16,6	4	6,6		
5-10 years	17	28,3	4	6,6		
10 years and over	13	21,6	3	5		
TOTAL	46	76.6	14	23.3		

This numerical representation shows that 76.6% of wholesalers claim that retailers use questioning as a strategy of contact with them, so that 23.3% refute the use of questioning as a strategy used by resellers.

Indeed, the null hypothesis states that there is no significant difference between the wholesalers' reactions as regards the questioning as a strategy of the resellers on the price and the quality of the fish.

Thus with a dl = 1, the $\chi^2 c = 17$, 06 > χ^2 th. α .05 = 3, 84. We reject the null hypothesis with regard to the results above. Given these results, we observe a significant difference between wholesalers who have been put in contact with resellers from questioning and those who reject this version.

Table 2: The semblance of selflessness of fish

Reviews Duration of the activity	Yes	%	No	%
0-1 year	7	11,6	3	5
1-5 years	10	16,6	3	5
5-10 years	19	31,6	2	3,3
10 years and over	14	23,3	2	3,3
TOTAL	50	83,3	10	16,6

To see these results, the positive responses of our respondents dominate because they represent 83.3% of the wholesalers who claim that the resellers use the semblance of disintegration of the fish as a strategy of contact with them whereas the negative reactions represent only 16, 6%. As for the null hypothesis, it states that there is no significant difference between wholesalers who accept that the pretense of disinterest in fish presented by resellers push them to follow them for negotiation and those who refuse

this point of view. Thus the $\chi^2 c = 26.6 > \chi^2 \text{ th.}\alpha.05 = 3.84$ whose dl = 1, the null hypothesis is invalidated.

In this sense, the difference between wholesalers who accept that resellers' pretense of disinterest in fish pushes them to follow them for commercial bargaining and those who refuse it is considerable.

2) In the middle of the negotiation

Cost reduction strategies

With respect to the cost reduction strategies, only one question on fish quality detection and rebate discussions exploited this factor. The data related to these strategies having been produced, the following table was used for their presentation.

Table 3: Discussions based on Fish Quality Detection and
Discount

Reviews	Yeas	%	No	%
Duration of the activity				
0-1 year	6	10	3	5
1-5 years	10	16,6	4	6,6
5-10 years	19	31,6	2	3,3
10 years and over	12	20	4	6,6
TOTAL	47	78,2	13	21,5

These statistics show that 78.2% of wholesalers say resellers use discussions based on fish quality and the discount as persuasive strategies. However, 21.5% of them hate the use of fish-quality-based discussions and rebate as costreduction strategies, which leads us to say that positive responses to discussions based on the detection of the quality of the fish and on the discount are superior to the negative answers.

The null hypothesis assumes that there is no significant difference between those wholesalers who agree that fishbased fish detection and reseller discussions are techniques to sell their fish and those having a contrary perception of these discussions.

Hence with a dl = 1 the $\chi^2 c = 19,2 > \chi^2$ th. $\alpha.05 = 3,84$, the null hypothesis is rejected. There is, therefore, a significant difference between those wholesalers who argue that discussions based on the detection of fish quality and the discount made by resellers are techniques for selling fish and wholesalers with a perception of fish to disagree with these discussions.

3) At the end of the commercial negotiation

Confidence-building strategies

Two items used this factor in our research in the following lines. The tables below were used to present the data produced in relation to these strategies:

Table 4: Thanks from resellers to wholesalers

Reviews	Yes	%	No	%
Duration of the activity				
0-1 year	7	11,6	2	3,3
1-5 years	10	16,6	4	6,6
5-10 years	18	30	3	5
10 years and over	15	25	1	1,6
TOTAL	50	83,3	10	16,7

DOI: 10.21275/ART20181678

From this table, the reactions of our respondents show that the thanks of the dealers to the wholesalers in case of discount at the time of the purchase leads them to have for them a good consideration, because they represent 83.3% against 16.7%. The null hypothesis states that there is no significant difference between wholesalers who are marked by the thanks of the resellers and those who are not. The $\chi^2 c$ = 26, 6 > χ^2 th. α .05 = 3,84 with a dl = 1. The null hypothesis is reversed, so there is a significant difference between the wholesalers who are marked by the resellers' thanks and those who are not.

 Table 5: The trust climate established by the reseller's vis-à-vis the wholesalers

the unorestators					
reviews	Yes	%	No	%	
Duration of the activity					
0-1 year	6	10	3	5	
1-5 years	10	16,6	4	6,6	
5-10 years	17	28,3	4	6,6	
10 years and over	14	23,3	2	3,3	
TOTAL	47	78,3	13	21,6	

78.3% of wholesalers surveyed say that the trust they place in retailers is a confidence building strategy.

In an attempt to test the difference between the observations mentioned above, the null hypothesis assumes that there is no significant difference between wholesalers who certify that the climate of confidence established in their regard by the resellers pushes them to return to them soon and those who perceive this climate in a negative sense.

From where with a dl = 1, the $\chi^2 c = 19$, $2 > \chi^2$ th. $\alpha.05 = 3,84$, which leads us to reject the null hypothesis and to conclude that there is a significant difference between wholesalers of fish, who testify that the climate of trust established in their regard by the resellers pushes him to return to them soon and those who perceive this climate in a negative sense.

4. Discussion of the results.

The data above analyzed led us, in the light of the chi-square statistical test, to reject the null hypotheses relating to it, hence:

Resellers' questioning about the price and quality of fish, as well as the seeming lack of interest in fish that resellers make, are called negotiation strategies by the fact that resellers using them seek to stimulate profit-sharing. Wholesaler to follow them more for the purchase of their goods, to know how much they cost and to have the precision of their quality.

In this state of affairs, it is normal for fish resellers to resort to contact strategies with wholesalers, as stipulated by Bruel (2013), which evokes a strategy of contact, which is the contact, the beginning of dialogue.

• Discussions based on the detection of fish quality and the discount, many wholesalers are convinced that these strategic techniques are highlighted by the resellers in order to help them reduce the cost of fish acquisition as the support Hemery (2005) who says that: Purchasing departments translate every day the permanent desire to reduce costs.

• The thanks that resellers send to wholesalers in the event of a discount at the time of purchase and the climate of confidence they establish with regard to them are called trusting strategies by the fact that resellers using them seek to wholesalers have consideration for them. They are what Van Vracem and N. Stas (1993: 11) argue, as being a process of adoption by the consumer which is a mental schema followed by an individual since the first information he receives about an innovation until it finally adopts it.

5. Conclusion

This study, which is nearing completion, focused on strategies for the commercial negotiation of fish resellers at the Njanja market in Lubumbashi. A single question guided this scientific investment, namely, what types of strategies are used at each moment of commercial negotiation by fish resellers at the Njanja market?

Starting from the above question, we have postulated that fish resellers use three types of strategies depending on the start, middle and closing moments of the negotiation.

Concretely, they involve at the first stage the type of contact strategies with wholesalers, at the second moment the type of cost reduction strategies and at the third moment the type of strategies for building trust.

In conducting this study, we pursued three objectives, namely:

- Identify the types of trade negotiation strategies used by re-sellers to enable them to easily start and close the market with wholesalers in a mass market;
- Highlight the type of strategies used at each moment of the commercial negotiation by the resellers to encourage them to continue using them during their exchanges with wholesalers,
- Develop a theoretical model of the commercial negotiation strategies used by resellers in mass markets.

At the end of this scientific investigation, the results reveal that the resellers use at each moment of the commercial negotiation the following types of strategies:

- 1)At the start of the commercial negotiation, two strategies are used by the resellers to get in touch with the wholesalers:
- Dealer questioning on the price and quality of fish;
- The semblance of selflessness of fish that dealers do.
- 2)In the middle of the bargain, resellers use cost reduction strategies, namely:
- Discussions based on the detection of fish quality and the discount.
- 3)At the close of trading, resellers use the following trusting strategies:
- the thanks they give to wholesalers in the event of a discount;
- The climate of confidence they establish with regard to wholesalers.

Based on these results, we have proposed our theoretical model called, three-dimensional model that looks like this:

Volume 7 Issue 4, April 2018

<u>www.ijsr.net</u>

Licensed Under Creative Commons Attribution CC BY

International Journal of Science and Research (IJSR) ISSN (Online): 2319-7064 Index Copernicus Value (2016): 79.57 | Impact Factor (2017): 7.296

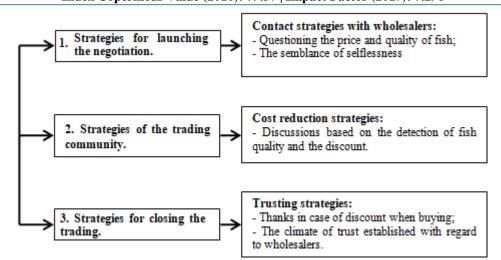


Figure 1: Three-dimensional model of commercial negotiation strategies of fish re-sellers

Source: ourselves

With respect to this model, resellers in the conduct of their market activities re-run at the strategies of three different moments of the trade negotiation:

- First, at the start of the negotiations, where they highlight the type of contact strategies with wholesalers,
- Then in the middle of the negotiation where they resort to the type of strategies leading them to reduce the cost of fish acquisition.
- Finally, at the end of the negotiation, during which time they adopt the type of strategies allowing wholesalers to have confidence in them.

In the end, the results of our study constitute the first approach to the problem under study, which allowed us to identify and describe the strategies put into play by the resellers during the commercial negotiation in the mass markets in order to develop a theoretical model.

References

- [1] Darmon, R., Trade Negotiations: Proposed Typology, in: Negotiations, 2011/1, No. 15
- [2] Dema Ricourt, A., Marketing Practice in Africa, Edicef, Paris, 1990.
- [3] Residence, C. Marketing, Ed. Dalloz, Paris, 2003.
- [4] Dupont, C., A Strategic Model of Trade Negotiation in: Cahier de la recherche, IPA-IAE, University of Lile, No. 2,1983.
- [5] Joly, B., Sales and Practical Techniques, De Boeck, Brussels, 2010.
- [6] Karnas, Philosophy and Psychology of Work, Ed. LPM, Paris, 2002.
- [7] The illustrated Larousse, fiftieth anniversary DRC, Paris, 2010.

Webography

- [8] Bruel, B. (2013), Selling a solution, booklet available at: www. Sell a solu-tion.com, accessed December 08, 2015.
- [9] Hemery, G. (2005), The Trade Negotiation, article available on: © www.sales-mkg.org, visited on November 23, 2015.