Promoting prevention success at the bargaining table: Regulatory focus in distributive negotiations

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ABSTRACT

While promotion-focused individuals conceptualize goals as ideals and opportunities, prevention-focused individuals conceptualize goals as obligations and necessities. Due to these different goal conceptualizations, prevention-focused parties are expected to set the framework for agreements in distributive business-negotiations among parties with different regulatory foci: Specifically, we predict that prevention-focused negotiators reveal a high resistance to concede until their goals are met, but are willing to concede once their goals are fulfilled. In contrast, promotion-focused parties should adjust their concession making to the best attainable outcomes, irrespective of their negotiation goals. Two studies supported these theoretical assumptions: Prevention-focused parties with goals located in the upper range (i.e., high goals) of the ‘zone of possible agreements’ (ZOPA; e.g., Sebenius, 1992) revealed a high resistance to concede. Hence, they outperformed prevention-focused counterparts—irrespective of whether the latter held low (Study 1) or equally high (Study 2) goals. Conversely, prevention-focused parties with goals located in the lower range of the ZOPA (i.e., low goals) revealed a lower resistance to concede. Hence, they were outperformed by their promotion-focused counterparts—irrespective of whether the latter held equally low (Study 1) or high (Study 2) goals. The findings are discussed with respect to the role of self-regulation and goal conceptualization in the context of negotiations.

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1. Introduction

Imagine your company has asked you as the company’s CFO to sell a company site. The CEO has further assigned you the goal to sell for €5,000,000. Imagine further that you have been given either one of two reasons for the sale: (1) your company intends to buy a new site at a different location as an opportunity to increase its market share, or (2) your company faces liquidity problems and the sale is necessary to protect the company from insolvency. In a negotiation with a potential buyer, would these two reasons differentially impact your willingness to concede? Would you be willing to accept a lower price when given the former or the latter reason for the sale? Do you show a stronger resistance to concede when striving to increase the market share or when attempting to avoid insolvency?

According to regulatory focus theory (hereafter RFT; Higgins, 1997, 1998), there are two structurally different ways in which individuals perceive goals they intend to attain: As duties, obligations and responsibilities, or as hopes, ideals and
opportunities for accomplishment. The former concern for duties, obligations, and responsibilities is referred to as prevention focus, while the latter concern for hopes, ideals, and opportunities is referred to as promotion focus (Scholer & Higgins, 2010). With respect to the introductory example, the first reason for selling the site illustrates how promotion-focused individuals conceptualize goals as opportunities, whereas the second reason illustrates how prevention-focused individuals conceptualize goals as necessities (cf. Freitas, Liberman, Salovey, & Higgins, 2002; see also Brendl & Higgins, 1996; Crowe & Higgins, 1997; Higgins, 1998; Idson, Liberman, & Higgins, 2000; Shah & Higgins, 1997). The present research investigates the impact of regulatory foci and corresponding goal conceptualizations on parties’ goal-directed behaviors and negotiation outcomes.

We aim to extend previous research on regulatory focus in negotiation (Appelt, Zou, Arora, & Higgins, 2009; Galinsky, Leonardelli, Okhuysen, & Mussweiler, 2005) by investigating how the assignment of high vs. low goals affects the behavior of prevention- vs. promotion-focused parties in buyer–seller negotiations. It is predicted that negotiators’ regulatory focus and the inherent differences in goal conceptualization (necessity vs. opportunity goals; Freitas et al., 2002) distinctly affect parties’ resistance to concession making and in turn the quality of achieved outcomes: Prevention-focused negotiators are expected to reveal a high resistance to concede as long as their assigned goals have not been secured. However, prevention-focused negotiators should abandon their resistance to concede as soon as their assigned goals have been reached and the necessity has hence been fulfilled.

In contrast, promotion-focused negotiators were expected to strive for what they perceive to be the best attainable outcome in a negotiation as they conceptualize goals as “one of many opportunities for accomplishment” (Freitas et al., 2002, p. 122). These opportunities are mainly determined by the counterpart’s concession making: When faced with a counterpart who reveals a low resistance to concede (e.g., a prevention-focused party with a low goal), the best attainable outcomes are located in the upper range of the zone of possible agreements (hereafter ZOPA; Sebenius, 1992). However, when faced with a counterpart with a high resistance to concession making (e.g., a prevention-focused party with a high goal), the best attainable outcomes are located in the lower range of the ZOPA.

Following these assumptions, two negotiation studies in a business context were conducted. We predicted that prevention-focused negotiators geared towards high goals would reveal a strong resistance to concede and thus outperform their promotion-focused counterparts—irrespective of whether promotion-focused parties strive for low (Study 1) or equally high goals (Study 2). Moreover, we predicted that prevention-focused negotiators geared towards low goals would display a low resistance to concede once their goals have been reached. Consequently, prevention-focused parties with low goals should be outperformed by their promotion-focused counterparts who strive for the best attainable outcomes given in the negotiation.

In the following, we first describe the basic assumptions of RFT as introduced by Higgins (1997, 1998) and illustrate previous research on goal conceptualization due to different regulatory foci. Subsequently, we summarize previous research on RFT in the context of business negotiations. Finally, two experimental studies are reported examining the interplay of regulatory focus on the one hand and the level of negotiation goals (high vs. low goals) on the other hand.

2. Regulatory focus theory

Regulatory focus theory offers an explanation for how individuals regulate goal-directed behavior by postulating two different self-regulatory systems: On the goal level, promotion-focused individuals reveal a high sensitivity to positive deviations from a salient reference point. When engaged in a promotion focus individuals direct their attention to the achievement of ideals, opportunities and aspirations. In juxtaposition, prevention-focused individuals reveal a high sensitivity to negative deviations from a salient reference point (Higgins, 2009). When engaged in a prevention focus, individuals direct their attention to the fulfillment of obligations, duties and responsibilities.

Moreover, promotion- vs. prevention-focused individuals do not only differ on the goal but also on the strategic level. Promotion-focused individuals apply eager strategies, regardless of whether matches to positive reference points (i.e., gains) or mismatches to negative reference points (i.e., non-gains) are approached (e.g., Crowe & Higgins, 1997). Promotion-focused individuals with a concern for advancement and accomplishment are sensitive to better results (+1), thus trying to move beyond their reference point (0). For a promotion-focused individual, the absence of positive outcomes may be represented by 0 (the reference point) or by −1. Eager strategies serve promotion concerns because they reflect means for moving from 0 to attain +1. In contrast, promotion-focused individuals apply vigilant strategies regardless of whether mismatches to positive reference points (i.e., non-losses) or matches to negative reference points (i.e., losses) are avoided (e.g. Higgins, Roney, Crowe, & Hymes, 1994; Scholer & Higgins, 2010). Prevention-focused individuals with a strong preference for safety and responsibility are sensitive for worse results (−1), thus trying to avoid a mismatch to a certain reference point (0). For a prevention-focused individual falling below the reference point represents a serious threat, as they are particularly sensitive for the difference between 0 and −1 (Scholer, Zou, Fujita, Stroessner, & Higgins, 2010). Vigilant strategies serve prevention concerns because they reflect means to restore 0 and to remove −1 (Brodscholl, Kober, & Higgins, 2007).

Noteworthy, different preferences for eager vs. vigilant strategies do not ultimately determine individuals’ behaviors on a tactical level. For instance, based on previous research on regulatory focus one may assume that a prevention focus goes along with a conservative bias and a natural inclination for risk-averse behaviors. However, as indicated by recent research, prevention-focused individuals may also reveal risky behaviors in case these serve their natural strategy of vigilance to avoid
undesired end-states (Scholer & Higgins, 2008; Scholer, Stroessner, & Higgins, 2008; Scholer et al., 2010). Specifically, prevention-focused individuals reveal more risk-seeking behavior than promotion-focused individuals if risky behavior is the only tactical means to return to the status quo in order to prevent a potential loss.

2.1. Regulatory focus and goal conceptualization

Individuals with a prevention focus perceive goals as duties and obligations. When “oughts are goals that a person must attain or standards that must be met” (Idson et al., 2000, p. 254), goals function like necessities (Crowe & Higgins, 1997). In line with this notion, goals of prevention-focused individuals have been described as duty goals (Werth & Förster, 2007a, 2007b) or minimal goals (Brendl & Higgins, 1996; Crowe & Higgins, 1997; Freitas et al., 2002; Higgins, 1998; Idson et al., 2000). These necessity goals are perceived as having clearly defined boundaries, and once met they consequently need not be exceeded (Meyer, Becker, & Vandenberghe, 2004).

In contrast, individuals with a promotion focus perceive goals as ideals, opportunities, or aspirations (Higgins, 1997, 1998). When “ideals are standards one hopes to meet” (Idson et al., 2000, p. 254), goals constitute “one of many opportunities for accomplishment” (Freitas et al., 2002, p. 122). Accordingly, goals of promotion-focused individuals have been described as ideal goals (Werth & Förster, 2007a, 2007b) or maximal goals (e.g., Brendl & Higgins, 1996; Crowe & Higgins, 1997). These opportunity goals tend to have less clearly defined boundaries and can be expanded in order to provide a continuous challenge (Meyer et al., 2004).

Noteworthy, the conceptualization of a goal (i.e., necessity vs. opportunity) and goal difficulty (i.e., reference point) can vary independently (Brendl & Higgins, 1996; Idson et al., 2000; Molden, Lee, & Higgins, 2008). Molden and colleagues (2008) give an illustrative example for this independence:

“Imagine two students in an upper-level college course. Both are highly motivated to earn an A (…); however, the first views this as an opportunity to improve his or her class rank, whereas the second views this as a necessity for protecting his or her good standing in the premedical program.” (p. 171)

Various studies provide evidence that the conceptualization of goals as either necessities or opportunities influences individuals’ behavior and reactions. For instance, once interrupted, individuals with a prevention focus prefer to finish a task rather than to begin a new task. They view their goals as obligations that must be fulfilled before they begin to strive for new goals (Liberman, Idson, Camacho, & Higgins, 1999). In contrast, promotion-focused individuals do not hesitate to start working on new tasks and goals, as they perceive them as new opportunities for accomplishment (Freitas et al., 2002; Liberman et al., 1999). Likewise, necessity goals arouse an inner obligation to pursue them and are perceived as basic requirements that have to be addressed (Werth & Förster, 2007b). Therefore, individuals attempt to solve tasks framed in prevention terms before tasks that are described in terms of advancing opportunities for goal attainment (i.e., promotion terms; Freitas et al., 2002). Finally, individuals with a prevention focus experience greater pain after having failed in a task, as this failure means not having achieved a basic requirement (Idson et al., 2000). Conversely, for individuals with a promotion focus, such a failure means not to succeed in one of many opportunities for accomplishment.

2.2. Regulatory focus in the context of negotiations

Until now, only a few self-regulation studies have been conducted in the field of negotiations (e.g., Trötschel & Gollwitzer, 2007). Based on the self-regulation literature, some researchers have started to investigate the impact of regulatory focus on negotiators’ tactics, behaviors and outcomes (e.g., Appelt & Higgins 2010; Appelt et al., 2009; Galinsky et al., 2005). Galinsky and colleagues (2005) examined how regulatory focus affects parties’ opening offers and the quality of outcomes. The authors found that promotion-focused negotiators started with more self-serving opening proposals and hence achieved higher individual profits than prevention-focused negotiators—irrespective of their role as buyers or sellers. Noteworthy, parties were free to choose their individual goals from several reference prices (e.g., original purchase price, outdated market price, price of a recently sold plant, price to build a new plant; cf. Study 2). In many business negotiations, however, goals are not self-determined but rather assigned by constituencies such as CEOs or supervisors.

Appelt and colleagues (2009) investigated the impact of regulatory focus, negotiation role (buyer vs. seller), reference prices, and a focus-role regulatory fit on parties’ perceptions (Study 1), as well as on opening offers and the emergence of impasses (Study 2). Although Appelt and colleagues did not find an effect of reference price on opening offers, it remains an interesting endeavor to investigate the interplay of reference prices (i.e., goals) and regulatory focus on parties’ behaviors in the ongoing process of negotiations (e.g., concession making) and the attained quality of outcomes. In addition to their previous research, Appelt and Higgins (2010) recently demonstrated that prevention-focused parties primed with vigilant strategies and promotion-focused parties primed with eager strategies were more demanding than parties with no regulatory fit between

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strategies and regulatory focus. Although these findings suggest that regulatory focus impacts the start of the negotiation, it remains to be examined how regulatory focus and different goal levels affect parties' tactics and behaviors in the ongoing negotiation process and ultimately the quality of outcomes.

3. Present research: The interplay of regulatory focus and negotiation goals

Building on previous research on regulatory focus and goal conceptualization, the present studies investigate how assigned goals (i.e., high vs. low goals) affect prevention vs. promotion-focused parties' behaviors in the process of a distributive business negotiation. For this purpose, we systematically varied negotiators' regulatory focus, meaning that in both studies a prevention-focused negotiator was paired with a promotion-focused counterpart. In the context of regulatory focus research, a typical challenge is that a promotion focus usually sets a positive reference point while a prevention focus sets a negative reference point. Dealing with this challenge, we assigned reference points (i.e., goals) to each negotiator. This assignment allowed us to systematically manipulate regulatory focus and goal level independently from each other and explore our predictions on the interplay of these two mechanisms. Specifically, within each pair of negotiators, prevention-focused parties were either assigned a high or a low goal, while the promotion-focused counterpart's goal was held constant at either a low (Study 1) or a high level (Study 2).

The present study intends to contribute to the self-regulation literature as well as to research on economic psychology: First, we aim to demonstrate the interactive effect of regulatory focus and different goal levels on parties' behaviors in the negotiation process. This appears particularly relevant, as previous research has consistently shown that parties concession-makings behavior in the interactive negotiation process determines parties' achieved outcomes (De Dreu, Weingart, & Kwon, 2000; Pruitt & Carnevale, 1993). Second, the present research is the first to explore whether a prevention focus may help parties to attain higher individual profits, particularly when they strive for high goals. Thus, specific boundary conditions are investigated that moderate the detrimental effect of a prevention focus found in previous research (cf. Galinsky et al., 2005). Third, the present research aims to demonstrate the important role of assigned goals in the process of negotiations. Although parties usually self-determine their aspirations in private negotiations (e.g., when buying a car), goals are often assigned by constituencies in the context of business negotiations (e.g., buying a new plant). Finally and fourth, we extend recent research on regulatory focus and risk-seeking behavior on a tactical level. Specifically, as has been argued in previous negotiation research, a strong resistance to concede in the context of distributive negotiations can be seen as a risk-seeking tactic (Bazerman, Magliozi, & Neale, 1985; Bottom, 1998; Schurr, 1987) as it may lead to hurtful non-agreements instead of better outcomes (Trötschel, Hüffmeier, Loschelder, Schwartz, & Gollwitzer, 2011). In accordance with Scholer et al. (2008, 2010), the present research demonstrates that prevention-focused individuals may use risky tactics when these tactics are the only available means for eliminating losses.

4. Study 1

A first experiment was conducted to test the predictions that (i) promotion-focused parties strive for the best attainable outcomes that their counterparts allow them to achieve—even if these outcomes are located above their originally assigned reference points (i.e., goals), and (ii) prevention-focused parties reveal a strong resistance to concede—and thus engage in risky behaviors—as long as they have not reached their assigned reference-points.

To test these predictions, we conducted a negotiation experiment in the context of a distributive business negotiation (“Synertech-Dosagen” paradigm; cf. Galinsky & Mussweiler, 2001). Participants were instructed to assume the role of a buyer or a seller in the price-negotiation of a pharmaceutical plant. Within pairs of negotiators, one party was placed into a prevention focus, while the other party was placed into a promotion focus. Participants' regulatory focus was counterbalanced with negotiators' roles. Moreover, participants were assigned with different goals. First, all participants with a promotion focus were assigned low goals (i.e., goals located in the lower range of the ZOPA). This assignment of low goals for promotion-focused parties allowed us to systematically test the prediction that promotion-focused parties strive for the best attainable outcomes—even if these outcomes are located in the lower range of the ZOPA. Second, participants with a prevention focus were either assigned with low vs. high goals (i.e., goals located in the lower vs. upper range of the ZOPA). The goal manipulation on part of prevention-focused parties allowed us to test the prediction that prevention-focused parties with high goals engage in risky behaviors by resisting to concede (Bottom, 1998; Schurr, 1987) as long as their assigned goals have not been reached.

Four hypotheses were postulated: First, promotion-focused parties should achieve higher individual profits than prevention-focused parties when both strive for equally low goals (Hypothesis 1a). Second, prevention-focused parties with high goals should achieve higher individual profits than their promotion-focused counterparts with low goals (Hypothesis 1b). Third, in comparison to the promotion-focused party, prevention-focused negotiators should have a higher resistance to concede when pursuing high goals and a lower resistance to concede when pursuing low goals (Hypothesis 1c). Finally, differences in the quality of individual profits achieved at the end of the negotiation should be explained in terms of differences in parties’ resistance to concession making (Hypothesis 1d).
4.1. Method

4.1.1. Participants and design

Eighty-four students (58 women, age 18–30, M = 22.39, SD = 2.38) from the University of Trier, Germany, with different academic majors (e.g., economics, law, educational sciences, psychology) participated in this study and were recruited through leaflets. They received €7 as remuneration. The experiment followed a 2 (regulatory focus: prevention vs. promotion focus) x 2 (prevention goal level: high vs. low) design with repeated measures on the first factor to account for the non-independence of data within pairs of negotiators (Kenny, Kashy, & Cook, 2006).3

4.1.2. Procedure and negotiation task

Participants were recruited in pairs and were randomly assigned to the role of buyers or sellers. Upon arrival at the laboratory, participants were seated in a cubicle equipped with a networked computer and engaged in a computer-mediated, distributive price negotiation. Computer-mediated negotiations reflect many real-world negotiations in economical contexts (i.e., an increasing number of business negotiations is conducted via electronic media such as e-mail, chat, and Skype; see Citera, Beauregard, & Mitsuya, 2005; Stuhlmacher & Citera, 2005). Moreover, the computer-mediated context allowed us to systematically record participants’ offers and concessions throughout the negotiation process.

Both parties received identical information about the sale of a pharmaceutical plant on the computer screen (cf. Galinsky & Mussweiler, 2001; Galinsky et al., 2005). Both parties were informed that they were authorized by their company to buy or sell the plant at whatever price appeared acceptable to them but that they should pay close attention to the goals assigned to them by their constituencies (see goal level manipulation). In line with the paradigm used by Galinsky and Mussweiler (2001), buyers/sellers were provided with a reservation price of €25/€16 million resulting in a ZOPA of €9 million (i.e., range between buyers’ and sellers’ reservation prices).

Once parties had made their opening offers, they continuously exchanged proposals via the computer-mediated negotiation program. With each proposal, participants’ concessions were recorded. Hence, concessions were assessed over the entire negotiation process. Negotiations ended with an impasse when parties failed to find an agreement after the exchange of 18 proposals (an amount of proposals that had proven to be sufficient for finding agreements in an earlier pilot study). Upon completion of the negotiation, participants filled out a questionnaire containing manipulation checks and demographic questions. Participants were then thanked for their participation and debriefed.

4.1.3. Independent variables

4.1.3.1. Regulatory focus. Similar to Galinsky et al. (2005), parties in the prevention focus condition were given the following instruction:

“Please take a couple of minutes to describe behaviors and outcomes you would like to avoid during negotiations. Also think about how you would like to avoid these behaviors and outcomes. Please write down five to seven thoughts about this topic.”

In contrast, negotiation parties assigned to the promotion-focus condition were given the following instruction:

“Please take a couple of minutes to describe behaviors and outcomes you would like to achieve during negotiations. Also think about how you would like to achieve these behaviors and outcomes. Please write down five to seven thoughts about this topic.”

4.1.3.2. Goal level manipulation. All promotion-focused negotiators were assigned low goals (i.e., goals located in the lower range of the ZOPA). Promotion-focused buyers were told that their constituencies had assigned them the goal to buy the plant for not more than €24 million. Promotion-focused sellers were informed that their constituencies had assigned them the goal to sell the plant for not less than €17 million. In contrast, the goal level of prevention-focused negotiators was systematically varied (high vs. low goals). Prevention-focused buyers with high (vs. low) goals were informed that their constituencies had assigned them the goal to buy the plant for not more than €17 million (vs. €24 million). Prevention-focused sellers with high (vs. low) goals were told that their constituencies had assigned them the goal to sell the plant for not less than €24 million (vs. €17 million).

4.1.4. Dependent variables and manipulation checks

As our major dependent variables we assessed (a) individual profits at the end of the negotiation, (b) parties’ opening offers, and (c) parties’ concession rates over the process of the negotiation. Since buyers and sellers are on opposing sides of price-negotiations, prices have different meanings for them. A lower price is more self-serving for buyers, while a higher price is more self-serving for sellers. To control for these directional effects and to simplify interpretation of our findings,

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3 As suggested by Kenny et al. (2006), one way to deal with dyadic data is to analyze individual data with repeated measures, thus accounting for the non-independence of data. “Dyadic data involving within-dyads independent variables fit well within the framework of traditional repeated measures designs. Whereas in traditional repeated measures designs the same person is measured at two (or more) times, with dyads the same dyad is measured twice, once for each member. Thus statistics developed to analyze repeated measures data can be used for dyads” (Kenny et al., 2006, p. 62).
we created a standardized profit variable. Specifically, we computed how far parties’ proposals and their outcomes exceeded their respective reservation price (i.e., buyers: reservation price minus proposed prices; sellers: proposed prices minus sellers’ reservation price).\(^4\) Due to this recoding, higher scores indicate more self-serving proposals and outcomes.

Noteworthy, as buyers’ and sellers’ reservation prices demarcated the ZOPA, parties’ individual profits always summed up to €9 million in the case of an agreement. For instance, consider an agreement of €21 million: The buyer makes a profit of €4 million as compared to the reservation price (€25 million minus €21 million). In turn, the seller makes a profit of €5 million (€21 million minus €16 million). As mentioned above, these individual profits sum up to €9 million.

In addition to opening offers and the profits achieved at the end of the negotiation, a concession rate score was computed. The computer program assessed how much each proposal deviated from the preceding proposal. Positive scores on this variable indicate that parties conceded, negative scores indicate that parties increased their self-serving demands. These concession scores were averaged over the entire negotiation. Thus, lower scores indicate that on average parties had a stronger resistance to concede, whereas higher scores indicate that parties were more willing to concede.\(^5\)

Finally, we assessed manipulation checks for participants’ regulatory focus and their goal level. Participants’ prevention and promotion focus were each assessed with one item (“I was worried that I might not be able to avoid poor outcomes” “I envisioned that I would accomplish desired outcomes”; for prevention and promotion focus, respectively). Both items were accompanied by seven-point scales ranging from 1 (do not agree at all) to 7 (strongly agree). Participants’ focus on high vs. low goals was also assessed with one item (“Please indicate which price you were oriented towards during the negotiation”). With respect to this goal manipulation check, we computed a price orientation score, which again controlled for party’s role by taking the reservation prices into account (cf. explanation above). Due to this recoding, higher values on the goal level score indicate higher goals, irrespective of participants’ role.

4.2. Results

Three pairs of negotiators were excluded because they failed to reach an agreement (cf. Galinsky & Mussweiler, 2001; Galinsky, Mussweiler, & Medvec, 2002). Subsequent statistical analyses used the degrees of freedom related to the number of negotiation pairs in order to account for the non-independence of data within pairs (Kenny et al., 2006). Due to the specific nature of our hypotheses, one-tailed statistical tests were used in the subsequent analyses. Analyses on participants’ role (buyer vs. seller) revealed that negotiators in the role of the seller obtained higher outcomes than negotiators in the role of the buyer.\(^6\) No other effects including the role factor became significant. For purposes of simplicity, this variable is not included in the subsequent analyses.

4.2.1. Manipulation checks

A 2 (regulatory focus) × 2 (prevention goal level) × 2 (item) ANOVA on the regulatory focus manipulation check item revealed a main effect for item, F(1,37) = 27.74, p < .001, η\(^2\) = .43, which was qualified by the expected interaction between regulatory focus and item, F(1,37) = 10.32, p = .003, η\(^2\) = .22. No other effects were significant, Fs < 1.21. In line with our manipulation, contrast analyses revealed that negotiators in the prevention condition reported stronger concerns about avoiding undesired outcomes (M = 4.63, SD = 1.81) than negotiators in the promotion condition (M = 3.47, SD = 1.70), t(37) = 2.87, p = .004, η\(^2\) = .18. Conversely, negotiators in the promotion condition reported stronger concerns about achieving desired outcomes (M = 5.79, SD = 1.15) than negotiators in the prevention condition (M = 5.10, SD = 1.39), t(37) = 2.22, p = .017, η\(^2\) = .12. Hence, the manipulation of regulatory focus can be considered successful.

With respect to the goal level manipulation check, a 2 (regulatory focus) × 2 (prevention goal level) ANOVA revealed the predicted interaction effect, F(1,37) = 6.89, p = .013, η\(^2\) = .16. In line with our goal level manipulation, prevention-focused participants with high goals reported an orientation towards higher target prices (M = 8.76, SD = 3.40) than their promotion-focused counterparts with low goals (M = 3.00, SD = 4.05), t(37) = 3.74, p < .001, η\(^2\) = .27. Prevention- and promotion-focused negotiators who had been assigned equally low goals (M = 2.95, SD = 4.60, and M = 2.99, SD = 4.07, respectively) did not differ from each other in their price orientation, t(37) = .02, ns. In sum, the manipulation of both independent variables can be considered successful.

4.2.2. Profits

Analyses on individual profits supported our predictions: Prevention-focused parties with high goals left the bargaining table with more individual profits (M = 6.40, SD = 4.00) than prevention-focused parties with low goals (M = 2.85, SD = 4.67), t(37) = 2.56, p = .008, η\(^2\) = .15 (Fig. 1). As the total profit for the negotiation pair summed up to €9 million, analyses for the promotion-focused counterparts completely paralleled these effects: Promotion-focused parties faced with a prevention-fo-

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\(^4\) For instance, if a seller made a proposal of €27 million, this proposal was recoded as implying €11 million individual profit (€27 million minus €16 reservation price = €11 million). Likewise, if a buyer made a first proposal of €12 million this proposals was recoded as implying €13 million of individual profit (€25 million reservation price minus €12 million = €13 million).

\(^5\) For instance, a concession score of 0.50 indicates that the respective party on average conceded €0.50 million per proposal, whereas a score of 0.25 indicates that the respective party conceded €0.25 million per proposal.

\(^6\) Irrespective of regulatory focus and assigned goals, participants in the role of sellers obtained higher individual profits (M = 6.49) than in the role of buyers (M = 2.51), F(1,37) = 9.77, p = .003. This effect was not qualified by any interaction effect with the other two factors, Fs < 1.

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cused counterpart with high goals achieved lower individual profits ($M = 2.60, SD = 4.00$) than promotion-focused parties faced with a counterpart with low goals ($M = 6.15, SD = 4.67$).

It was further tested whether prevention-focused parties with high goals outperformed their promotion-focused counterparts with low goals. For this purpose, parties’ profits were tested against the compromise point located in the middle of the ZOPA (£4.5 million). A significant difference from this compromise point indicates that parties systematically achieved higher/lower outcomes than the counterparts. In line with our predictions, prevention-focused parties with high goals ($M = 6.40$) achieved higher individual outcomes than their promotion-focused counterparts ($M = 2.60$), $t(19) = 2.14$, $p = .023$, $\eta^2 = .19$, (Hypothesis 1b). In addition, we analyzed whether promotion-focused parties outperformed their prevention-focused counterparts when both parties focused on low goals. In line with Hypothesis 1a, promotion-focused parties ($M = 6.15$) tended to achieve higher individual profits than their prevention-focused counterparts ($M = 2.85$), $t(18) = 1.54$, $p = .071$, $\eta^2 = .06$. Given that both parties focused on equally low goals, it appears that promotion-focused parties took the opportunity to strive for higher outcomes—even if these outcomes were located above their originally assigned goals. In contrast, prevention-focused parties with low goals fulfilled their obligation to reach the assigned goal level but failed to strive for outcomes beyond these obligations.

4.2.3. Opening offers

A $2 \times 2$ (regulatory focus × prevention goal level) ANOVA on parties’ opening offers revealed no significant main or interaction effect, all $F$ s $< 1$, $p s > .45$. Irrespective of regulatory focus and goals, parties started the negotiation with highly self-serving opening proposals ($M = 14.35$, $SD = 6.65$), as proposals significantly exceeded the counterparts’ reservation prices, $t(38) = 5.05$, $p < .001$, $\eta^2 = .40$.

4.2.4. Concession rate

Next, parties’ concession rates were analyzed. To control for the impact of opening offers on concessions (i.e., the more self-serving an opening offer, the larger the potential range of concessions; cf. Wall, 1977), the quality of opening offers was included as a covariate in the analyses on concession rates. A $2 \times 2$ (regulatory focus × prevention goal level) ANCOVA revealed a main effect for the goal factor, $F(1,36) = 8.07$, $p = .007$, $\eta^2 = .18$, which was qualified by the predicted interaction effect, $F(1,36) = 9.55$, $p = .004$, $\eta^2 = .21$ (Fig. 2). In line with Hypothesis 1c, contrast analyses revealed that prevention-focused negotiators with high goals were less willing to concede ($M = 1.27$, $SD = .70$) than their promotion-focused counterparts ($M = 1.78$, $SD = .57$), $t(36) = -2.48$, $p = .009$, $\eta^2 = .15$. In contrast, prevention-focused negotiators with low goals conceded more ($M = 2.10$, $SD = .70$) than their promotion-focused counterparts with low goals ($M = 1.65$, $SD = .57$), $t(36) = 1.91$, $p = .032$, $\eta^2 = .09$.

4.2.5. Mediation analysis

Finally, we tested whether the differences in parties’ individual profits can be explained in terms of differences in negotiators’ concession rates. To test this assumption, a bootstrapping analysis for estimating direct and indirect effects (Preacher & Hayes, 2008) was conducted. The goal level conditions that were manipulated within pairs of negotiators were entered as the predictor. Differences between parties’ individual profits were entered as the dependent variable. The difference in parties’ concession rates was submitted as a mediator, while it was again controlled for the impact of first offers on concession rates by adding a respective covariate to the analysis (cf. Wall, 1977). The bootstrap results indicate that the indirect effect through concession rates was significantly different from 0, with a point estimate of 4.82 and a 95% BCa CI (bias-corrected...
and accelerated confidence interval; see Efron, 1987) of 1.40–8.00. As this confidence interval does not include zero, it suggests that the differences in concession rates qualify as a significant mediator for the observed differences in individual outcomes (Hypothesis 1d).

4.3. Discussion

The findings of Study 1 support our predictions: Promotion-focused parties outperformed prevention-focused parties when both were assigned equally low goals (Hypothesis 1a). In contrast, prevention-focused parties with high goals achieved higher individual outcomes than their promotion-focused counterparts with low goals (Hypothesis 1b). In addition, further analyses revealed that prevention-focused parties with high goals were more resistant to concede than their promotion-focused counterpart (Hypothesis 1c). This finding is in accordance with recent research (Scholer et al., 2010) indicating that prevention-focused individuals engage in risky behaviors if these tactics help them avoid outcomes below their reference points. Finally, mediational analyses indicated that the differences in parties’ individual outcomes were due to differences in their concession rates (Hypothesis 1d).

In sum, the findings of this first experiment corroborate previous research on regulatory focus and the corresponding differences in goal conceptualization in terms of an opportunity vs. a necessity (Brendl & Higgins, 1996; Crowe & Higgins, 1997; Freitas et al., 2002; Idson et al., 2000; Shah & Higgins, 1997). When both parties held equally low goals, prevention-focused negotiators conceded once they had fulfilled their low-goal obligations. Promotion-focused counterparts exploited this opportunity to strive for outcomes above their originally assigned goals, thereby outperforming the prevention-focused party. Conversely, prevention-focused negotiators with high goals felt the necessity to insist on their demands (i.e., they resisted to concede) until they had fulfilled their high-goal obligations. Consequently, promotion-focused parties were not provided with the opportunity to strive for outcomes above their low goals and were thus outperformed by the prevention-focused counterparts.

With respect to the interactive negotiation process, it is important to note that parties affected each other and that one may thus not ultimately conclude whether differences in outcomes were driven by the prevention- or the promotion-focused party. Although it is difficult to give an ultimate answer to this question with negotiation research (i.e., the unit of analysis is the dyad), one may approach it by assigning both parties the same goal level. Specifically, by means of assigning low goals to both parties, the present study allowed us to test the prediction that prevention-focused negotiators would outperform their prevention-focused counterparts and strive for the best attainable outcomes. At the same time, one could criticize that the differences in goal assignment in the other condition of Study 1 (i.e. promotion low-goal vs. prevention high-goal) do not allow for clear conclusions. Specifically, it is not possible to clearly conclude whether the observed effects are due to the other party’s regulatory focus (i.e., promotion) or the differences in goal level. Consequently, assigning equally high goals to the promotion-focused party should provide a more critical test for our prediction concerning the risky tactics (i.e., resistance to concede) of prevention-focused parties acting below their assigned reference points.

5. Study 2

The second experiment aimed at replicating the effects found for the assignment of high vs. low goals to prevention-focused parties in a more conservative setting. Hence, we again varied prevention-focused parties’ goal level (high vs. low), while now assigning high goals to promotion-focused counterparts. Again, we predicted that prevention-focused parties with
high goals would feel obliged to insist on their demands, thus pursuing a risky negotiation tactic in order to eliminate losses (cf. Scholer et al., 2010). This effect should even emerge when prevention-focused parties face a promotion-focused counterpart with equally high goals.

In accordance with the hypotheses of Study 1, we made four predictions: First, promotion-focused parties with high goals should achieve higher individual outcomes than their prevention-focused counterparts with low goals (Hypothesis 2a). Conversely, prevention-focused parties with high goals should achieve higher individual outcomes than their promotion-focused counterparts—even though the latter were provided with equally high goals (Hypothesis 2b). Third, in comparison to the promotion-focused party with high goals, prevention-focused negotiators should have a higher resistance to concede when pursuing equally high goals and a lower resistance to concede when pursuing low goals (Hypothesis 2c). Finally, differences in the quality of individual profits should be explained in terms of differences in parties’ resistance to concession making (Hypothesis 2d).

5.1. Method

5.1.1. Participants and design

Ninety students (57 women, age 18–29, \( M = 22.35, SD = 2.56 \)) with different academic majors were recruited through leaflets at the University of Trier, Germany. They received either course credit or \( €7 \) as remuneration. The experiment again followed a 2 (regulatory focus: prevention vs. promotion focus) \( \times 2 \) (prevention goal level: high vs. low) design with repeated measures on the first factor. In contrast to Study 1, all promotion-focused negotiators were assigned high goals located in the upper range of the ZOPA.

5.1.2. Procedure and negotiation task

The procedure and the negotiation task were identical to Study 1.

5.1.3. Independent variables

5.1.3.1. Regulatory focus. The regulatory focus manipulation was identical to the one used in Study 1.

5.1.3.2. Goal level manipulation. Half of the prevention-focused parties were assigned to the high goal condition, while the other half received the low goal manipulation as described in Study 1. All promotion-focused negotiators received goals located in the upper range of the ZOPA (i.e., high goals).

5.1.4. Dependent variables and manipulation checks

Again, (a) individual profits, (b) opening offers, and (c) concession rates were assessed as dependent variables. All these dependent measures were recoded in line with the procedures described in Study 1. To check the manipulation of participants’ regulatory focus, two items were used from the Promotion/Prevention Scale by Lockwood, Jordan, and Kunda (2002; i.e., “I am more oriented toward preventing losses than I am toward achieving gains”; “I typically focus on the success I hope to achieve in the future”). In this way, the regulatory focus manipulation was assessed by means of a more established procedure (cf. Santelli, Struthers, & Eaton, 2009). Items were accompanied by nine-point scales ranging from 1 (do not agree at all) to 9 (strongly agree). The item assessing the goal-level manipulation was identical to Study 1.

5.2. Results

Eleven pairs of negotiators were excluded because they failed to reach an agreement (cf. Galinsky & Mussweiler, 2001). As in Study 1, statistical analyses used the degrees of freedom related to the number of negotiation pairs, and due to the specific nature of our hypotheses, one-tailed statistical tests were used. Again, analyses on parties’ role (buyer vs. seller) revealed that negotiators in the seller role obtained higher outcomes than negotiators acting as buyers.\(^7\) No other effects including the role factor became significant. For purposes of simplicity, this variable is not included in the subsequent analyses.

5.2.1. Manipulation checks

A 2 (regulatory focus) \( \times 2 \) (prevention goal level) \( \times 2 \) (item) ANOVA revealed a main effect for item, \( F(1,32) = 59.08, p \leq .001, \eta^2 = .65 \), which was qualified by the expected interaction between regulatory focus and item, \( F(1,32) = 13.39, p \leq .001, \eta^2 = .30 \), all other Fs < 1.4. In line with manipulations, contrast analyses revealed that prevention-focused parties were more concerned about preventing losses (\( M = 4.44, SD = 1.83 \)) than promotion-focused parties (\( M = 3.12, SD = 1.57 \)), \( t(32) = 3.31, p \leq .001, \eta^2 = .26 \). Conversely, promotion-focused parties reported to be more concerned about the success they hoped to achieve (\( M = 6.76, SD = 1.54 \)) than prevention-focused parties (\( M = 5.94, SD = 1.59 \)), \( t(32) = 2.50, p = .009, \eta^2 = .16 \).

The 2 (regulatory focus) \( \times 2 \) (prevention goal level) ANOVA on parties’ goal focus revealed the predicted interaction effect, \( F(1,32) = 24.55, p \leq .001, \eta^2 = .43 \). Consistent with the manipulation of the goal level, prevention-focused participants with a

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\(^7\)Irrespective of regulatory focus and assigned goals, participants in the role of sellers tended to obtain higher individual profits (\( M = 5.54 \)) than in the role of buyers (\( M = 3.46 \)), \( F(1,32) = 3.83, p = .059 \). This effect was not qualified by an interaction effect with the other two factors, Fs < 1.

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low goal focused on a lower price ($M = 4.29, SD = 4.36$) than their promotion-focused counterparts with a high goal ($M = 10.06, SD = .83$), $t(32) = -6.36, p < .001, \eta^2 = .56$. When both parties had been assigned equally high goals, they did not differ in the reported level of the orientation price ($M = 9.71, SD = 1.21$ vs. $M = 9.12, SD = 1.96$ for prevention- vs. promotion-focused parties, respectively), $t(32) = .65, ns$. In sum, the manipulation of both independent variables can be considered successful.

5.2.2. Profits

Analyses on individual profits revealed the predicted pattern of results: Promotion-focused parties with high goals left the bargaining table with higher individual profits ($M = 6.66, SD = 3.05$) than prevention-focused parties with low goals ($M = 2.61, SD = 2.63$), $t(32) = 4.14, p < .001, \eta^2 = .35$ (Fig. 3). The analysis for the promotion-focused counterparts paralleled these effects as the sum of individual profits equaled €9 million (cf. Study 1): Promotion-focused parties faced with a prevention-focused counterpart with high goals achieved lower individual profits ($M = 2.34, SD = 3.05$) than promotion-focused parties faced with a prevention-focused counterpart with low goals ($M = 6.39, SD = 2.63$).

Again, parties’ profits were tested against the compromise point located in the middle of the ZOPA (€4.5 million). As predicted, promotion-focused parties with high goals achieved higher individual profits than their prevention-focused counterparts with low goals, $t(16) = 2.96, p = .005, \eta^2 = .35$ (Hypothesis 2a). Conversely, prevention-focused parties with high goals outperformed their promotion-focused counterparts, $t(16) = 2.92, p = .005, \eta^2 = .35$ (Hypothesis 2b). The latter finding is particularly noteworthy, as both parties were assigned with equally high goals.

5.2.3. Opening offers

A $2 \times 2$ (regulatory focus) ANOVA on opening offers revealed a significant main effect for prevention goal level, $F(1,32) = 7.97, p = .008, \eta^2 = .20$, which was qualified by a significant interaction effect, $F(1,32) = 8.31, p = .007, \eta^2 = .21$. Contrast analyses revealed that prevention-focused negotiators with low goals started the negotiation with less self-serving offers ($M = 12.44, SD = 6.46$) than their prevention-focused counterparts ($M = 15.78, SD = 3.89$), $t(32) = -2.25, p = .032, \eta^2 = .14$. When prevention-focused negotiators ($M = 19.49, SD = 4.24$) held high goals, they tended to start the negotiation with more self-serving offers than promotion-focused negotiators ($M = 16.78, SD = 5.65$), $t(32) = 1.83, p = .077, \eta^2 = .10$.

5.2.4. Concession rate

Next, parties’ concession rates were analyzed and again, to control for the impact of opening proposals, first offers were entered as covariates. A $2 \times 2$ (regulatory focus) ANCOVA revealed a significant interaction effect, $F(1,31) = 8.64, p = .006, \eta^2 = .22$ (Fig. 4). All other effects did not reach significance, $Fs < 1$. In line with Hypothesis 2c, contrast analyses revealed that prevention-focused negotiators with high goals conceded less per proposal ($M = 1.37, SD = .57$) than their promotion-focused counterparts ($M = 1.95, SD = .55$), $t(31) = -2.47, p = .01, \eta^2 = .16$. Conversely, prevention-focused negotiators with a low goal conceded more ($M = 1.89, SD = .57$) than their promotion-focused counterparts ($M = 1.46, SD = .55$), $t(31) = 1.92, p = .032, \eta^2 = .11$.

![Fig. 3. Individual profits as a function of parties’ regulatory focus and the level of assigned goals (Study 2). Promotion-focused parties were always assigned high goals. Percentage numbers indicate how much of the total pie (€9 million) each party attained. Error bars represent ±1 SEM.](image-url)
5.2.5. Mediation analyses

Finally, we tested whether the differences in parties’ individual profits were again due to differences in concession rates. For this purpose, we conducted bootstrapping analyses that paralleled those of Study 1 (Preacher & Hayes, 2008). The respective bootstrap results indicate that the indirect effect was significantly different from 0, with a point estimate of 5.09 and a 95% BCa CI of 2.18–8.30, suggesting that differences in concession rates again qualified as a significant mediator (Hypothesis 2d).

5.3. Discussion

The results of this second experiment replicated the pattern of findings observed in Study 1. This is particularly noteworthy with respect to the condition in which both parties held high goals. Whereas prevention-focused parties were not willing to concede and thus used a risky tactic, promotion-focused parties abandoned their assigned goals and instead—faced with an uncompromising counterpart—settled on the best attainable outcomes. Consequently, prevention-focused parties with high goals outperformed their promotion-focused counterparts with equally high goals. In sum, the findings of Study 2 again point to the important role of parties’ willingness to concede in the ongoing negotiation process and thus extend previous research on regulatory focus in negotiation.

6. General discussion

Following previous research on regulatory focus, differences in goal conceptualization, and tactical behaviors the present research pursued four goals. First, we aimed to demonstrate the interactive effect of regulatory focus and different goal levels on parties’ behaviors in the negotiation process. Second, we explored whether a prevention focus may help parties to attain higher individual profits when they strive for high goals. Third, the present research aimed to demonstrate the important role of assigned goals in the process of negotiations. Fourth, our goal was to extend recent research on regulatory focus and risk-seeking behavior on a tactical level. In response to our research goals we were able to demonstrate that that prevention-focused parties will use the risky tactic to insist on their demands as long as they have not secured assigned goals. However, once they have fulfilled their goals, prevention-focused parties abandon their resistance to concede. Second, promotion-focused parties strive for the best attainable outcomes they are provided with. Specifically, when faced with a conceding counterpart (e.g., a prevention-focused party with a low goal), they exploit the opportunity of realizing outcomes above their originally assigned goal (cf. Study 1). Likewise, when faced with an uncompromising counterpart (e.g., a prevention-focused party with high goal) they settle on the best attainable opportunity, which in this case is below their originally assigned goal (cf. Study 2). Note that this latter result is in line with previous findings on regulatory focus and goal conceptualization suggesting that promotion-focused individuals pursue goals less rigidly (Freitas et al., 2002; Idson et al., 2000; Liberman et al., 1999). Moreover, the present research corroborates recent findings indicating that prevention-focused individuals will use risky tactics if these tactics offer the only possibility to eliminate losses (Scholer et al., 2010). In sum, the present findings point to the importance of regulatory focus, corresponding goal conceptualizations, and risky behaviors (resistance to concede) in the context of negotiations.

Fig. 4. Concession rates as a function of parties’ regulatory focus and the level of assigned goals (Study 2). Promotion-focused parties were always assigned high goals. Error bars represent ±1 SEM.
6.1. Regulatory focus and assigned goals

One may argue that our results may also be explained in terms of approach and avoidance motivation as a prevention focus manipulation set a negative reference point, while a promotion focus manipulation may set a positive reference point. However, the reference points in our studies were assigned and differed systematically across conditions suggesting that this argument may not hold true in the present research. Moreover, from a theoretical perspective, authors (e.g., Förster, Grant, Idson, & Higgins, 2001; Higgins et al., 1994) argue that the general strategic inclination of a prevention focus is avoidance and independent from performance expectancies (Shah & Higgins, 1997), success or failure feedback (Förster et al., 2001) or the valence of the reference point (Higgins et al., 1994).

In the context of negotiation research Galinsky and colleagues (2005) were the first to investigate the effects of regulatory focus. Their studies demonstrated that promotion-focused negotiators are more successful than prevention-focused negotiators, when parties are free to choose their goals. Galinsky and colleagues showed that promotion-focused negotiators turn their attention towards the achievement of higher outcomes than prevention-focused negotiators—at least when parties are free to choose their individual goals. Importantly, the results of the present research are in accordance with the findings by Galinsky et al. (2005). Promotion-focused parties turned their attention towards higher outcomes as long as the context (i.e., their prevention-focused counterparts with low goals) allowed them to strive for these outcomes. Moreover, our research shows that promotion-focused parties do not rigidly stick to the achievement of higher outcomes but instead adjust their behaviors to the situation.

In many private negotiations parties are free to set their own goals. However, in a good deal of business negotiations, specific goals are assigned rather than self-determined. The present results contribute to previous RFT research (e.g., Appelt et al., 2009) by demonstrating that the assignment of different goals moderates the effect of regulatory focus on parties' behaviors in the negotiation process and consequently the quality of outcomes.

Noteworthy, the present studies are the first to demonstrate that prevention-focused parties achieve higher individual outcomes than promotion-focused parties when they concentrate on high goals—even if their promotion-focused counterparts strive for equally high goals. Consequently, the present research not only expands negotiation research but also contributes to the advancement of regulatory focus theory by underlining that promotion and prevention regulatory foci are two motivational orientations that can be equally adaptive depending on the respective context. In this way, our findings help to draw a more differentiated picture of the two motivational orientations.

In the present studies all assigned goals were located within the ZOPA. This may indicate an important qualification and potential limitation of the beneficial effect of high goals assigned to prevention-focused parties: As has been demonstrated by Appelt and colleagues (2009; see also Loschelder & Trötschel, 2010; Trötschel, Hüffmeier, & Loschelder, 2010; Trötschel et al., 2011) negotiators using the risky tactic of low concessions are threatened by impasses when their resistance to concede is too strong. One may thus speculate that prevention-focused parties with goals located outside the ZOPA would have to pay the costs for their risky tactics by ending up with hurtful non-agreements. Similarly, one may predict that pairs of prevention-focused negotiators with goals located within the upper range of the ZOPA may also fail to find agreements, as both parties feel obliged to achieve their high, yet incompatible, goals. Viewed as a risky tactic in distributive negotiations, parties' resistance to concede needs to be seen as a double-edged sword: On the one hand, numerous studies have shown that negotiators with a low willingness to make concessions are likely to end up in impasses and, consequently, achieve weaker outcomes (e.g., Bartos, 1974; Benton, Kelley, & Liebling, 1972; Hammer, 1974). On the other hand, negotiators with a strong resistance to concession making will be more likely to reach high individual profits when they are faced with a counterpart who is willing to give in (e.g., Bartos, 1974; Donohue, 1981).

The effects of regulatory focus and assigned goals may become even more complex in the context of integrative negotiations: Negotiators with a strong resistance to concede will be more likely to explore the integrative potential and are therefore more likely to achieve win–win agreements (e.g., De Dreu et al., 2000; Pruitt & Lewis, 1975). As indicated by the research of Galinsky et al. (2005), promotion-focused negotiators without assigned goals are more likely to reach integrative agreements than prevention-focused negotiators. The findings of the present studies in turn suggest that pairs of prevention-focused negotiators with assigned goals in the upper range of the ZOPA may also create win–win solutions as they are forced to take advantage of the integrative potential in order to come to an agreement. In fact, Peng, Dunn, and Conlon (2011) have started to investigate the interplay of regulatory focus and goal assignment in integrative negotiations. In line with our reasoning, the authors found first evidence that prevention-focused negotiators persist longer than those with a promotion focus and thus attain higher joint outcomes.

6.2. Limitations and future research

For reasons of internal validity, negotiators' regulatory focus was experimentally induced rather than assessed in terms of self-report measures. Although previous research has shown that regulatory focus assessed as dispositional traits or induced through contextual features (e.g., experimental manipulations) produce very similar effects (Galinsky et al., 2005), future research may also take a closer look on how parties' chronic regulatory focus affects the conceptualization of assigned goals located in the upper or lower range of the ZOPA.

Moreover, many negotiations do not only revolve around a single issue (e.g., a price negotiation) but instead include multiple issues that allow to trade concessions across issues. As parties may follow multiple goals for each of these issues, future
research should investigate how regulatory focus and the corresponding differences in goal conceptualization impact parties’ behaviors in multi-issue negotiations.

An open question arising from the present research deals with negotiations in which parties hold the same rather than different regulatory foci. Thus, future research should also take a closer look on how different levels of assigned goals affect parties’ behaviors and outcomes when both parties are in the same state of regulatory focus.

7. Conclusion

The present research shows that a prevention focus does not inevitably lead to inferior negotiation outcomes, as has been suggested by previous research. The reported studies suggest that a prevention focus can be advantageous in distributive negotiations when parties are assigned high and challenging goals. Moreover, the present findings show that promotion-focused parties aim to achieve the best attainable outcomes in a negotiation—even when they are assigned low and less challenging goals. By investigating the moderating effects of high vs. low goals, the present research extends our understanding of regulatory focus in the context of negotiations and beyond.

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