

# THE MICROSOFT-NOKIA DEAL

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### The Introduction

• The Microsoft-Nokia acquisition case offers a glimpse into the intricate world of international negotiations. As tech giants grappled with market dynamics, their strategic maneuvers and calculated risks underscored the complexity of high-stakes deals. This study delves into the motivations, strategies, and lessons learned from their negotiation process, illuminating the nuances of global business interactions.





#### Initial Discussions:

Micro

**BATNA** 



**Negotiations** 



**Deal Formations** 

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Microsoft's proposal to acquire divisions of Nokia due to their partnership and Nokia's struggles in the mobile device market. 02

- Nokia's consideration of alternatives, including adapting smartphones to Google's Android system.
- Nokia's negotiation condition: Microsoft must set up financing and Here mapping service off the table.

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- Disagreements over price, control of Here mapping service, and other issues.
- Microsoft's acceptance of Nokia's negotiating conditions.

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- Agreement reached on financing and mapping service control.
- Finalization of the acquisition deal.

## Lessons Learned



Setting negotiating conditions: Benefits and risks.



Importance of understanding counterpart's interests and alternatives.



Balancing deal breakers with concessions for stronger negotiations.

### Conclusions



#### 01

The negotiation process between Microsoft and Nokia showcased the importance of setting negotiating conditions, cultivating strong BATNAs, and understanding counterpart interests.



02

Insights from the Microsoft-Nokia case study can inform future negotiation strategies, highlighting the relevance of empathy, cultural understanding, and adaptability.



03

Effective negotiation practices are essential for driving successful business outcomes in an increasingly interconnected world.



# THANK YOU

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