**Please answer each discussion with 250 -300 words, APA style. DO NOT FORGET THE CITATION!!!! Then write a response to 2 students for each discussion week with 100 words min, and directed at them in a positive manner not in 3rd person! The other students discussion posts can also be used as an example on how your initial post should be done. So by the end of this assignment your should have done 1 discussions and 4 responses!!! Read and watch all materials**

**WEEK 6 instructions (just as reference and maybe good to look at for responses but initital post has already been made)**

**Part I:  Bargaining**

Bargaining can be viewed strategically, as a game of chicken where the ability to commit to a position allows a player to capture the lion’s share of the gains from trade.  Do you agree with this concept?  What have you observed about bargaining situations?

[[](http://www.youtube.com/watch?v=b_6fnaTVzPM)Watch Video](http://www.youtube.com/watch?v=b_6fnaTVzPM)

**Bargaining 101 (#1): Introduction (The Bargaining Problem)**

**Duration: (6:11)**                                                                 
**User:**                                William Spaniel -                                                               **Added:**                                8/19/14

**Part 2:  Game Theory**

As an introduction to some issues involving game theory, watch the following short videos: [Game Theory and Business Strategy](https://www.youtube.com/watch?v=sU1RvicQkvM) and [Signaling](https://www.youtube.com/watch?v=m5tKRMZWYD8&t=144s)  (There are other eCornell videos on game theory also available on You Tube, if you wish to view others).

Next read this any ONE of the following articles and provide some of your insights on how game theory can help with decision making.

[Article](http://www.businessinsider.com/how-to-use-game-theory-to-your-benefit-2012-4) on using game theory in various decision making scenarios.

[Article](https://www.washingtonpost.com/news/wonk/wp/2017/08/16/what-game-theory-tells-us-about-nuclear-war-with-north-korea/?utm_term=.14f84c91f576) on game theory and North Korea relations.

[Article](http://www.businessinsider.com/what-game-theory-tells-us-about-trumps-north-korea-approach-2017-8) on Trump's 'madman' approach to North Korea.

Finally, share any helpful videos or article links that you think helps to elucidate the topics of this week, including but not limited to, concepts such as:  Prisoner's dilemma, arbitrage, bargaining, etc.

**THIS IS INITITIAL POST I POSTED FOR DISCUSSION WEEK 6 ( JUST AS REFERENCE)**

The bargaining concept has become common in every business today. I don't agree with the practice since at times it leads to consumers exploitation. The practice is associated with the practice where the two parties want to gain an advantage over each other. As for the seller, nowadays they tend to set higher prices for cheap products. The approach helps them pretend that the customer can bargain(Mehta, 2017). For customers who are not aware of the exact prices they end up being exploited if they don't bargain well. I advocated for fixed prices like in supermarkets where a customer knows the exact price of a commodity. For instance in a shop where products are bargained you cannot send a child to bargain. But in a market where prices are fixed anyone can purchase a product reasonably without exploitation. In different bargaining situations I have noted that the practice at times and fair and time-consuming. At the end of the process there is a party that they feel like they have lost. At times it may lead to the loss of customers if one customer finds that the same commodity was sold at a higher price than it could cost.

Game theory is a strategy that organizations or people can use to make important decisions. The strategy involves critical thinking whereby the participant uses mental skills to get offers from various parties. A good example is a situation addressed in the article about a person who wants to buy a car at a low price. Through the game theory they do not have to go to each firm bargaining. However a phone call could work whereby they have to call the different dealers. During the calls the dealers will end up offering various prices from which the buyer can settle for the best price. The game theory involves analysis of the opportunity cost of each option before the final decision is made.

**Student #1 Lumen needs a 100 word response**

**Part I:  Bargaining**

I agree with this concept because bargaining is about winning in every different way. And in this case, I don’t think anyone would like to lose. For example, let's say you want o by a car, and it is listed $12,000. You all know that the value of the vehicle is base on specific factor. So if this used car was bought at $5000, they are making $6,000 of you just like that unless you got it from a owner directly. Since it is a dealer they will make more money of you. So, if you do your research very well, you can get this car at $9,0000 plus taxes or sometime I tells them I want at $12,000 including everything. No matter what thy ear making the most out of you. The other option is to find a car that they want to sell quickly, that will help you save money as well. A different option is to have 8,000 cash ready ,or a check to present during the deal .they will never let you go.

In a bargaining situation, you need to know the product the rules, your limit before bargaining. In the professional bargain, no one would like to lose. They want to make the most profit by negotiation to their best ability. The video shows an excellent example of bargaining about salary and most companies would make the most out of you. Most of the time the employee lose a lot. But if you are lucky and play the game correctly, you will get the most salary at the beginning before starting et never worried about salary raise(Baigining101,2014 ).

**Part 2:  Game Theory**

After reading how to use game theory article, I think this can help us in any way like securing a reasonable salary for a job. Also, it will help us makes a right decision on buying uses car or new. Even as a manager it will help you manage your department and your people. Below are two videos that will give you more insight into game theory and bargaining in China.

<https://www.youtube.com/watch?v=M3oWYHYoBvk>

<https://www.youtube.com/watch?v=HBSsbWVZzto>

Reference

Froeb, L. M. (2016). Managerial Economics, 4th Edition. [Chegg]. Retrieved from <https://ereader.chegg.com/#/books/9781305483170/>

<https://www.youtube.com/watch?v=b_6fnaTVzPM>

**Student #2 Tatiana needs a 100 word response**

**Part 1**

This week’s articles and materials were very interesting. I have always thought that bargainers have the power to manage strength to get the higher value that they want based on different situations and cultures by understanding the techniques.  I also think that bargaining is driven by willpower and truly excels when taking action. In today’s international environment I believe individuals need to take a stand for their own values, and to roll up your sleeves to get things done.  I come to work every day with the goal to face the challenges and focus on results, without any excuses.

From my experience in the United States and many other countries, bargaining in certain cultures is a big part of their everyday life.  Some countries people negotiate taxi rides, hotel rooms, and items being sold at a store with a set price.  It’s part of their everyday lives, but there are many others that don’t bargain as much.  For example, in most Asian countries most things can be negotiated such as items being sold in stores to hotel rooms.

**Part 2**

The game theory is a very fascinating business strategy toll for making decision on a strategic environment that anyone can use on business, politics and war. It’s crucial understand our own values and yourself and adapt to the competitive environment and the rules of the game, and how to shape the game to your advantage.   In addition to understand what are the rules of the game, understand what motivates the players and if you can change the game or not.  As I grow in my career, I believe I move further and further away from where the action takes place, so it is easy to lose touch with what's really going on in the organization. It's essential to use a leadership style that keeps the communication and the data flowing freely, so you have access to the best information and analysis.

**Week 7 info below ( needs initial post 300 words min and APA style citation and 2 responses to students 100 words each, I will upload those in next 2-3 days as soon as someone posts**

In oral or English Auctions, the highest bidder wins but only has to outbid the second highest bidder.  Does this concept make sense to you?  What bidding experiences have you participated in?

[[](http://www.youtube.com/watch?v=9bmupnZW8tU)Watch Video](http://www.youtube.com/watch?v=9bmupnZW8tU)

**Tips for Bidding at Auction.**

**Duration: (4:40)**                                                                 
**User:**                                McGrath St George -                                                               **Added:**                                10/16/13

**Part 2**

Read the following articles and make observations/comments:

Place Your Bids [here](http://insight.kellogg.northwestern.edu/article/place_your_bids)

Going Going Wrong [here](http://insight.kellogg.northwestern.edu/article/going_going_wrong)

Increasing Revenue from Online Auctions [here](http://insight.kellogg.northwestern.edu/article/increasing_revenue_from_online_auctions)