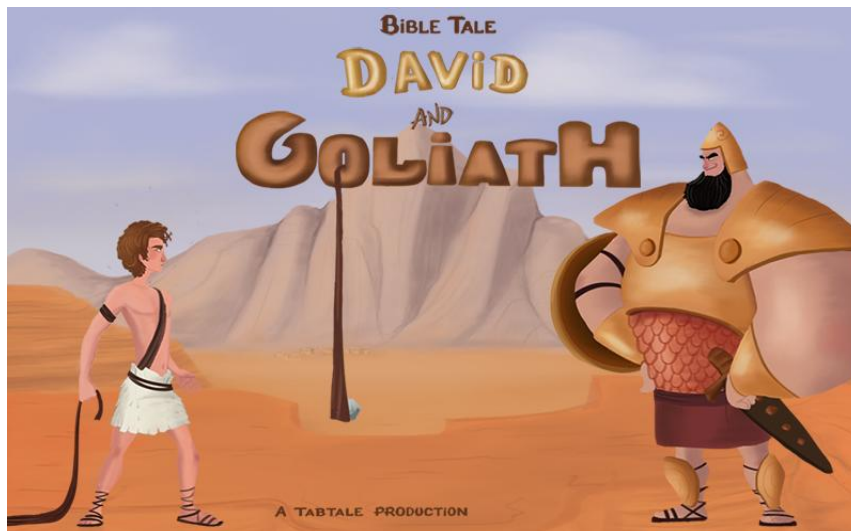




## Buyer power and dependency in a model of negotiations

Joao Montez and Roman Inderst





Range of prices

Buyers equally dependent on seller

Seller + dependent on large buyer

$c(x)$  convex



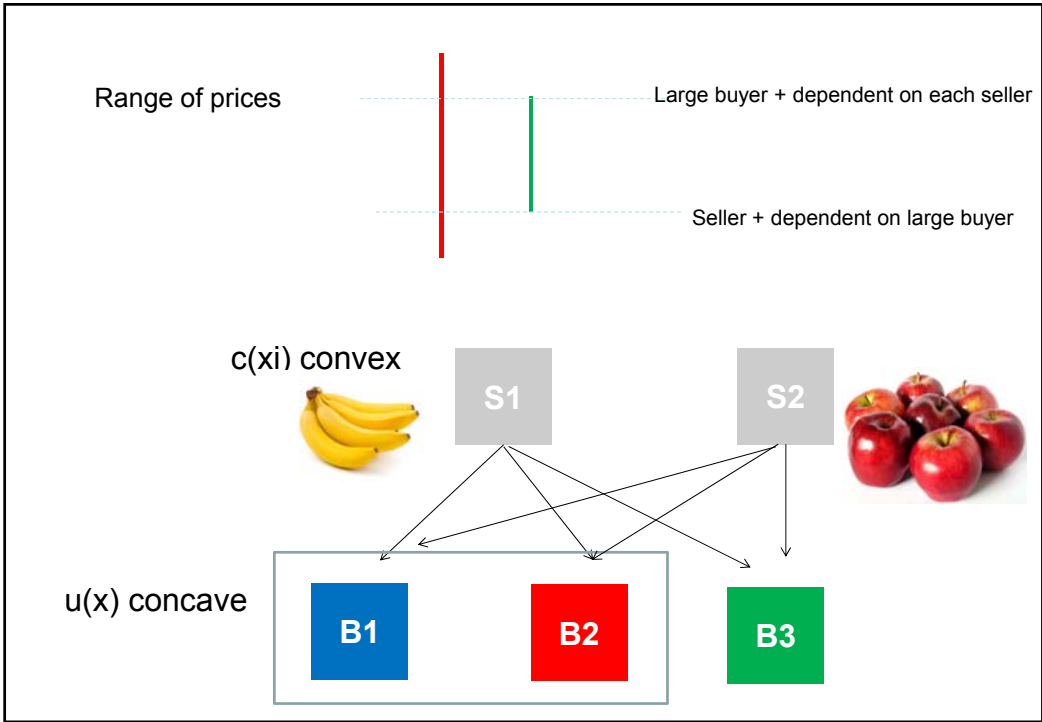
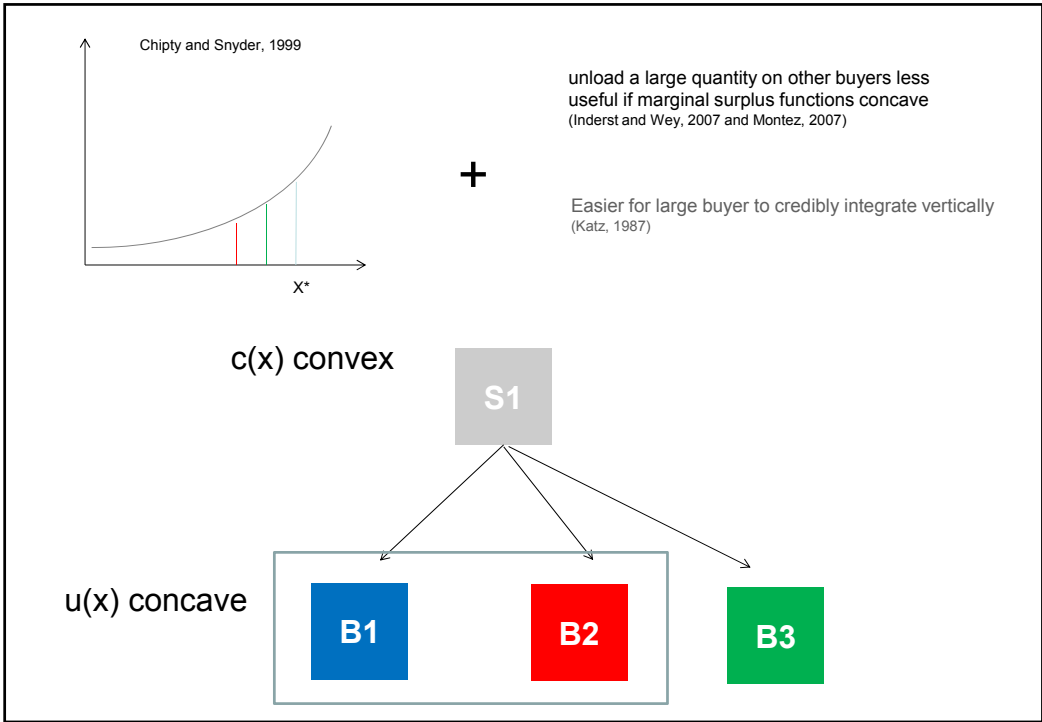
S1

$u(x)$  concave

B1

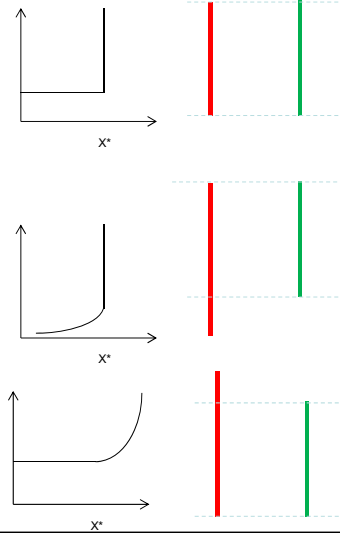
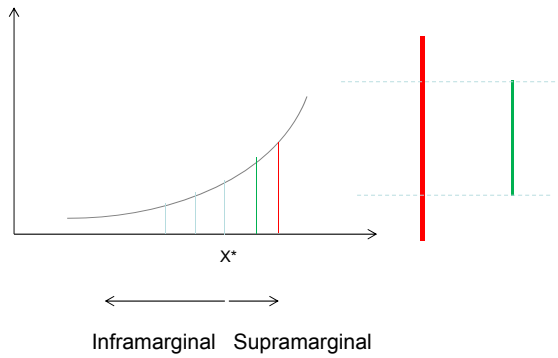
B2

B3



# Buyer and seller dependency

Large buyer adjust relatively less and at a higher unit price!



**Thank you for the attention**

Joao Montez

