Ticket master case: Conflict & negotiations

**Majors players & Issues**

The case introduces two entities, Ticket Master and Pearl Jam, that have a conflict that escalates into multiple legal cases. Ticketmaster is a tech company that does ticketing distribution and service for events, whereas Pearl Jam is a successful alternative rock band that performs concerts. These two businesses need to work well together to serve their customers. The two companies have an issue of conflict brought on by Pearl Jam in an antitrust case against Ticket Master Inc because of a set of previous conflicts that were poorly managed. The antitrust case steps from the allegation that Ticket Master engaged in exclusive contracts with venues and exploited its position as a market leader. The legal case ends with the Justice Department stating that there was no material evidence to charge Ticket Master but continued to monitor the ticketing industry.

**Analysis of the issues:**

At the time, Ticketmaster was a leader in the ticketing business, and their network of venues and events made them a very powerful organization that event companies need to go through to have a successful event. On the other hand, Pearl Jam was a band that had significant customers and needed an organization like Ticketmaster to launch a successful event. The relationship between them was tense in that Pearl Jam was not happy with how Ticketmaster was treating them. Ticketmaster also had contracts with music venues that made it impossible for those venues to be without Ticketmaster.

In this case, we see that Pearl Jam wanted to host free concerts but had to pay a fee to Ticket master, which Pearl Jam was negotiating. Some negotiations took place between the two companies that resulted in a win/lose outcome. In each negotiation, one party won and the other lost, making the relationship between the two organizations worse. There was a negotiation in 1993 in which Ticketmaster was supposed to pay part of the proceeds to charity but then at the last minute said no. These conflicts primarily arise because two different missions, and goals drive the two companies. Taskmaster, in this case, appears to be more focused on producing shareholder value and gaining market share. In contrast, Pearl Jam focuses on giving away money to important causes and more concerned about prices and social equality. However, the issue is that due to the lack of sound conflict management, both companies set their organizations to a lose/lose negotiation scenario and, as a result, suffered significant loss of potential.

**Application to theory & Recommendations:**

Pearl Jam’s strategic managers should seriously consider managing their conflict with business partners. They should consider doing the following in becoming more cooperative:

1. Accommodating: The Pearl Jam team should consider being more accommodating. They should attempt to satisfy Ticketmaster's concerns more than their own.
2. Compromising: The Pearl Jam team should focus on being more focused on meeting both the needs of Ticketmaster and their own goals partially.
3. Collaborating: The pearl Jam team in these instances should focus on meeting the top concerns of both Ticketmaster and Peal Jam. This collaboration will increase the commitment between the two organizations.

**Recommendation to Pearl Jam based on the case:**

Hire a consultant for advice on Strategy, managing Conflict & Negotiation. Additionally, focus on these five elements of the business.

1. Consider doing a comprehensive tradeoff analysis before making decisions that have long term consequences. The decision to through Ticketmaster under the bridge was based on clouded judgement and bad data.
2. Invest time in strategic planning and cost analysis before making decisions. Although Ticketmaster charges fees for their services, it makes sense to understand how those fees are created and why they charge fees. The cost of distribution networks, Direct labor hours, Direct Material, and Manufacturing overhead are all different types of expenses that Ticketmaster has to pass along to its customer to stay solvent.
3. Focus on creating a Win/Win situation with all business dealings. Pearl Jam should focus on letting Ticketmaster and other partners win by helping them accomplish their goals.
4. Learn to make compromises and collaborate better with people. There are times when some people have different goals and visions, but it makes sense most time to focus on collaborating rather than competing.
5. Be careful when you negotiate a win/lose with a company when you are the winner. These types of deals can make the company feel that they were not treated well, and in the future, if you need them, they will do the same to you if given the opportunity. Recuring types of deals there should be avoided, but in project-based deals perhaps it might be okay.

**Works cited**

1. Organizational Behavior 5th Edition Chapter 12
2. Managing Organizations and people: Pearl Jam’s Dispute with Ticketmaster