



10 Tips for Successful Car Buying

Since you will probably only buy a new car a few times in your life, it's almost impossible to "get good" at the process. And since car salesmen do their job everyday, it may seem like they have an unfair advantage. But, if you research and come to the dealership prepared, there is no reason you can't come out with a great deal on a new car. Here are our tips for making your trip to the dealership successful:

Tip 1. Browse first

The first time you go to a dealership, just look with no intention of buying. Let the dealer know you're just browsing. In many cases, it may work well for you to go when the dealership is closed, allowing you to roam around outside. Then, take note of the window stickers, what you like and what you don't. Once you have some idea of what you're looking for, go home and research the features and different models online.

Tip 2. Find the Invoice Price

The invoice price is the dealer's cost on the car and it's very easy to find in our virtual age. This should be your starting point for negotiation as opposed to trying to talk the dealer down from the sticker price.

Be careful to find the invoice price that includes the options that you'll want included, so that it's most accurate. Also know that these options also have a dealer markup built in, as well.

Tip 3. Get a Price Quote Online

Actually, get a few of them. Most major dealerships now have online sales departments that are eager to provide you with a quote on a specific vehicle within a few days. There are also websites that will allow you to compare quotes from several dealers at once,, like Autobytel.com and PriceQuotes.com. Remember, this is a service they are providing to you, but you are under no obligation to pay what was quoted or to commit to any particular quote. These quotes can be a very helpful reference point when going back to the dealership.

Tip 4. Come Prepared

Gather all of the paperwork that you've accumulated in your research process and take it with you to the dealership. This includes the invoice price you found, including the options you want. You'll also want to research any manufacturer's incentives that could be available to you, such as rebates or other incentives.

Another important aspect to research is your financing options. Yes, the dealership can most likely offer you financing, but you can also find great loan rates at a local credit union or bank. Know your credit score and shop for your loan before you get to the dealership.



Tip 5. Don't Lease

Leases are very profitable for dealerships, so, often times, dealers will present this as a better option for you. It is not. A lease simply makes "your" new car a rental for the length of the lease. At the end of this term, you'll return the car with nothing to show for all of the payments you have made.

Tip 6. Financing, Trade-in Values, and Price are Three Separate Negotiations

A popular dealer trick is to give you great deal on the price of the car, while making up for it by offering you \$1000 less than what your trade-in is worth. The new car price, the value of your trade-in (if you have one), and the financing terms are three separate negotiations, treat them as such. It obviously serves you best to get the best deal on all three transactions. So, don't even start talking about your trade-in or financing until you've agreed on a price of the new car. If the dealer you're talking to can't match the numbers you've researched, go elsewhere, because another dealer can.

Tip 7. The Test Drive is a Test

Buying a new car and driving a new car are exciting. But don't get too emotionally attached to any one car. This is a big investment, so feel free to analyze every aspect of the way the car drives, its controls and settings. Just because it's a car you've had your eye on for a while, doesn't mean it drives the way you think it will or that it has all of the features that another car might. Ask question and try to be as analytical as possible.

Tip 8. Look at Your Contract

Be sure you agree to everything on your contract, including fees. Some fees are inevitable like sales tax, a destination charge, and title and registration fees. These can be as much as \$300, but are usually less. But some of the other fees can be either negotiated or completely removed, such as the classic "dealer prep fee", which is simply just a bogus fee for nothing, as all of the vehicles are "prepped" upon arriving at the dealership.

Tip 9. Don't Buy the Rust Protection...

or any other pointless dealer service add-on. Extras such as rust-proofing, fabric protection and VIN etching are just easy ways for a dealer to make more money. All vehicles are rust-proofed at the factory, VIN etching is not as big a theft deterrent as the dealer would have you believe, and you can buy protectant for your seats for as little as \$10. These are scams. You don't need them.

Tip 10. You Have the Power...

to walk away. Again, just because the dealer you are currently talking to isn't willing to negotiate, it doesn't mean there isn't another dealer that is. Your entire leverage with the auto dealer lies in your ability to walk out the door. No dealer will take a loss on new car. But, the salesman also knows that making some money is better than making none at all. Let them know you're willing to walk away and be prepared to do so if need be.