

The background of the page is a photograph of a car dealership. In the foreground, the front of a white car is visible, showing the headlight and grille. In the background, several people are standing and talking, but they are out of focus. The floor is made of light-colored tiles.

**15 TRIED AND TRUE WAYS TO**

**NEGOTIATE THE PRICE OF A CAR**



When shopping for a new (or new to you) car, the last thing you want to do is rush into a decision. Or better yet, be rushed by a salesperson. The two biggest factors that prevent shoppers from getting the price they want are knowledge and confusion. And, the dealership is betting on the chance that you'll sacrifice cost for convenience.

When you start to weigh in rebates, financing options, trade-in values and signing fees, the car buying process can get a little tricky – especially if you're relying on the salesperson for your information.

Before ever setting foot into a dealership, it's best to do some research so you can walk in with confidence and know whether or not you're being offered a fair deal. Follow these 15 tips and drive home the car of your dreams for a reasonable price.

## 1. TIME YOUR PURCHASE

Bonuses are awarded to salespeople based on their monthly, quarterly and annual numbers. The closer you're able to time your purchase to the end of those sales period, the more likely you are to negotiate a lower price.

## 2. SHOP DURING OFF HOURS

Many people go shopping for cars on the weekends, but opting for a weekday (in the afternoon if possible) means fewer customers, shorter test-drive waitlists and the opportunity to speak directly with a decision maker.

## 3. KNOW WHAT IT'S WORTH

It's good to know the average cost of the car you want to establish a starting point for negotiation. The best way to calculate this number is visiting sites like TrueCar.com that show what local dealers have sold identical vehicles for.

## 4. KNOW WHAT YOU WANT TO PAY

The best strategy for negotiating price is coming to the dealership with pre-approved financing and knowledge of your current vehicle's trade-in value. It's important to be completely honest with yourself at this juncture and understand what you can afford based on your financial situation. WEOKIE offers a helpful [car-pricing tool](#) to help calculate this ballpark number.

## 5. LOOK FOR UNIQUE DISCOUNTS

In addition to the purchase price itself, don't forget to ask the salesperson about student, military, senior and AAA member discounts. If you've purchased from the dealership previously, ask if they offer any loyalty programs.

## 6. VISIT YOUR LOCAL CREDIT UNION

Dealerships offer their own financing, but they're usually at a higher rate. Salespeople will entice you with flashy promos, but you'll end up paying much more in interest over the length of the loan. Take a visit to your local credit union and get pre-approved for auto financing. Bring it to the dealership and the salesperson may be more interested in selling you a car because your buying power is more concrete.

## 7. GET QUOTES FROM MULTIPLE DEALERSHIPS

It never hurts to shop around! And with the internet at your fingertips, you can grab quotes from multiple dealerships without having to drive around town. If you do decide to stop by a dealership, don't mention your trade-in, monthly payments or financing options – it's best to start negotiating the sales price down first.

## 8. DON'T BE AFRAID TO PRICE MATCH

A great way to find out a dealer's bottom line is by communicating that you're shopping around. Contact local dealers to find the lowest prices in your area and ask the salesperson if they beat competition offers.

## 9. FOCUS ON THE LONG TERM

It can be tempting letting the salesperson talk you into lower payments. But lower payments don't necessarily mean a lower price on the vehicle. By extending your term or converting your loan into a lease, this can leave you owing more than your car is worth for years.

## 10. DON'T LET YOUR EMOTIONS RULE YOU

As we mentioned, buying a new car can be really stressful. It can get even more emotional after you've taken that first test-drive. As difficult as it might be, keep those feelings at bay to avoid walking into a bad business deal.

## 11. BE READY TO WALK OUT

This is your biggest power play – and the dealership's worst fear. If you don't like the price that's on the table or you feel the salesperson pressing you too much, you can always walk away. Get the quote in writing and ask how long they'll honor it then go home to think about it. Remember, there's no rush.

## 12. DON'T FOCUS SOLELY ON MONTHLY PAYMENTS

As we mentioned, it's wise to have a ballpark price in mind, but it's not always in your best interest to shop by monthly payment. When you do this, you're susceptible to financing that can have you paying thousands more in interest over the life of your loan. Negotiate on price alone and let your credit union help you with the financing terms.

### 13. NEGOTIATE YOUR CAR'S TRADE-IN VALUE SEPARATELY

Be careful not to bring up your trade-in too early. It allows a salesperson to draw your attention away from the sales price if they're offering a good deal on the trade-in. Treat them like two different things. Know what your current car is worth and stay with that number through the negotiation process.

### 14. NEGOTIATE REBATES AND INCENTIVES SEPARATELY

As you research local dealerships' pricing, search for deals on the model of car you're looking for. Try and lock in a price before incentives are applied. If the car you're considering has a cash back offer available, have them subtract the difference after you've negotiated a lower sales price.

### 15. KNOW WHAT FEES ARE NEGOTIABLE

When you're nearing the final contract, it's likely to include items such as a loan origination fee, dealer documentation fee or regional advertising fee. These fees are usually non-negotiable at dealerships. However, you can try to get them reduced. The best approach is to ask the dealer if they can reduce the sales price by a similar amount, allowing the fee to stay on the purchase agreement.

## READING THE FINE PRINT ALWAYS PAYS OFF

It's imperative you know exactly what's included in your contract. Knowledge is key and you always have the option to walk away if you aren't getting a good deal. Car shopping can be stressful, but it doesn't have to be. Take advantage of these 15 strategies and you'll be well on your way to getting the best price possible on your next car.

## NEED HELP PREPARING YOUR FINANCING?

Our experienced lending experts at WEOKIE Federal Credit Union can help. Give us a call at **(405) 235-3030** or **1(800) 678-5363** to discuss and strategize your financial goals today! You'll be well on your way to getting the best price possible on your next car.

