

Appraiser Blog

Top 10 Tips for Negotiating the Best Car Price



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1. Prepare Yourself

Preparation is key to getting the best price for a new or used car. Before visiting a dealer, find the car that suits your needs and budget, and get preapproved financing. Research on new car rankings and reviews and used car rankings and reviews to confidently focus on the vehicle you want.

2. Information Is Power

Get as much information as possible about the car you want, from its sticker price to the invoice price that the dealer may have paid for it. Check the buying insights on reviews to know the current demand for the vehicle, which helps you identify models that are in high or low demand. Look up customer reviews of car dealerships on sites such as Yelp.com to learn about their reputation.

3. Get Your Financing First

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Obtaining a preapproved car loan from an outside lender before heading to the dealer is the best way to get a great financing deal. It saves you confusion and forces the dealership to beat the offer you already have. Large national banks, community banks, and credit unions offer financing outside dealerships, with credit unions providing the best rates.

4. Check Out the Deals

Take advantage of special financing or cash-back incentives to save money. Automakers offer these deals to increase sales when cars don't sell at the expected pace. Zero-percent financing offers lower the amount of money spent on interest, while cash-back offers effectively lower the price of a new car. Check our new car deals and used car deals pages to discover the best deals each month.

5. Visit the Dealership

In both virtual and in-person visits, you can check the car and work with multiple dealers to get the best deal. Unprepared visits to a dealership or meetings with private sellers can result in overpaying.

6. Be Sure to Pick the Right Time

Some times are better to shop for a car than others. Car dealerships have monthly, quarterly, and annual sales goals, and finding one that has yet to reach their goal might offer a fantastic deal. Dealerships get a bonus on all the cars sold in a certain period if they sell a certain number of vehicles, and being the lucky buyer of the last vehicle they need to get the bonus puts you in a great position to get a deal. The last weekend of the month, quarter, or year is the best time to shop.

7. Know Your Trade-In Value

Knowing the value of your trade-in is crucial in negotiating the best car price. Check the value of your current car on websites such as Edmunds, Kelly Blue Book, or NADA

Guides. Dealerships will try to offer you the lowest possible price, so being armed with the trade-in value of your car helps you negotiate a fair price.

8. Negotiate Up From the Dealer Cost

Knowing the dealer's cost of the car is important in negotiating the best car price. Use websites such as Edmunds or Kelley Blue Book to find the invoice price, which is the amount the dealer paid the manufacturer for the car. Negotiate up from this price, starting with a lower offer and gradually increasing until you reach an agreement.

9. Don't Fall for Pressure Tactics

Dealerships may use pressure tactics such as presenting you with a limited-time offer or warning that someone else is interested in the car. Don't fall for these tactics; take your time and be willing to walk away if you're not satisfied with the deal.

10. Don't Be Fooled by the Monthly Payment

Dealerships sometimes focus on the monthly payment instead of the total cost of the car, which can be misleading. A low monthly payment might mean a longer loan term, which means you will pay more in interest over time. Always focus on the total cost of the car, not just the monthly payment.