

Be a Savvy Car Buyer

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OKLAHOMA CITY

Be a Savvy Car Buyer

- Definition of savvy; “shrewdly informed; experienced and well-informed.”
- We will discuss how you can equip yourself with survival tactics for being savvy with car....
 - Researching & negotiating
 - Money & financing
 - Owning
 - Selling



City of Toronto Archives, Fonds 1244, f1244_it2509

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Be a savvy Researcher

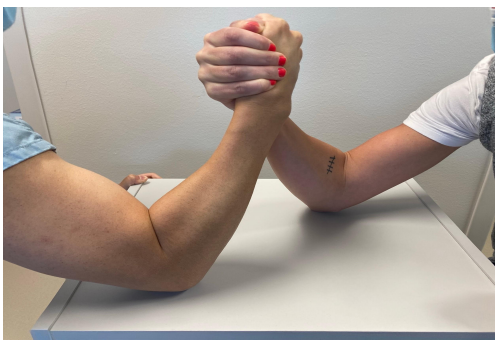
- It's all about you: A car should be a reflection of you.
- Research and research more
- Resources for research
 - Value/price - Kelly Blue Book, Autotrader (<https://www.autotrader.com/cars-for-sale>)
 - Reliability, safety, feature comparison, owner satisfaction - Consumer Reports
 - Car history - Carfax
 - Safety - nhtsa.gov, iihs.org
- Know your budget before you buy
 - Purchase price
 - Insurance
 - Fuel costs
 - Maintenance (reliability)



Be a savvy Researcher (cont'd)

- Research gives you the confidence to get what you want, not what they are selling
- Watch for bad publicity...this can save you thousands
- YouTube is your friend
- Ask friends and family





Be a savvy Negotiator

- Skip the dealer all together: Facebook Marketplace and Craigslist are excellent places to find private sellers and desperate dealers
- There are better times to buy a car and get a good deal
- Approach - game or poker face is best
- Don't chat
- Don't be a hostage: It is your time
- Bring a knowledgeable friend or family member with you

Be a savvy Negotiator (cont'd)

- Don't be married to a specific model or year. Being flexible will save you money.
- Skip the Options: Go for the base model initially then use the higher trims as a negotiating tool if there is something you must have (cruise control, back up camera, etc.)
- Know the highest commission vehicles
- Find the Loss Leader: Watch the “Bait and Switch”
- Pre-purchase Inspection



Be savvy with your Money



- Save up - it's not a surprise that you will need to buy a car some day ⇒ Start a Car Fund
- If you must borrow ⇒ Good Credit = Low Financing Costs: The higher your FICO score the more choices you have for lower interest rates on loans
- Consider pre-owned: On average a new car loses 60% of its initial value in the first 5 years
- The \$600,000 Decision

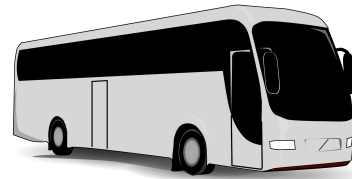
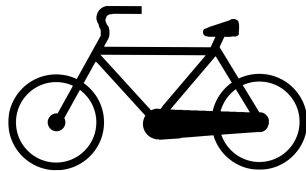
Be savvy with your Money (cont'd)

- Research car parts and repairs...Google (make and model of car + repair)
<https://getjerry.com/questions/how-much-does-it-cost-to-replace-toyota-prius-brakes>
- Take advantage of coupons on maintenance...dealers offer these often
- Skip the Extended Warranty: This is one of the biggest money makers for car dealers
- Insurance:
 - Insurance cost is influenced by the type of car
 - Risky behaviour will cost you
 - Shop insurance annually
 - Save money by paying semi-annual premiums



Be savvy with your Money (cont'd)

- Registration Cost is Not Equal: Oklahoma charges less for lower valued vehicles
- Opportunity costs of cars are very high: There are better Assets to put your money into
- Not used much: On average most cars are used only 10% of the time
- Think about alternative transportation: Transit, bike, walking, Uber, and carpooling



Be savvy with your Money (cont'd)

- Consider alternative propulsion: EV/hybrid prices are dropping. They save a lot in fuel cost (electricity is a quarter of the cost of gas) and there is virtually NO maintenance
- It's all about the place: Consider traveling to get the best deal
- Resist "it's all about the payment" marketing: Car dealers will downplay the high purchase price by emphasizing how low the payment is. Do the math to see what the total purchase price really is



Be a savvy Owner

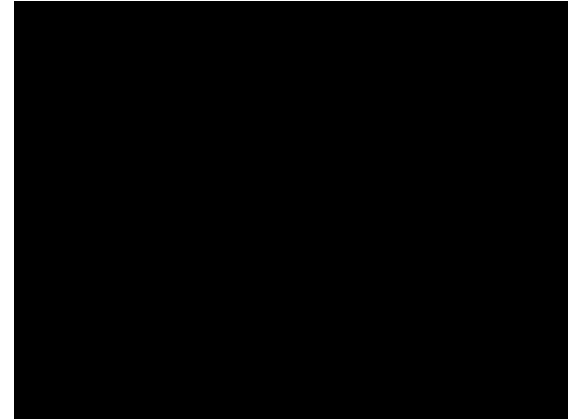
- As an owner, think of your vehicle as an investment, and take care of it so you can get the most from it
- Keep up on maintenance: Prevent issues from becoming big expenses by some simple checks done often
- Hang on to your car for a while

[Car ownership calculator](#)



Be a savvy Owner (cont'd)

- Check oil, fluids, tires, filters, windshield wipers
- Get free maintenance with purchase
- Free tire maintenance: Hibdon and Discount Tires will air up, fix (some) flats and rotate for free
- Don't fall for having to go to dealer for routine maintenance or voids warranty
- Do a quick visual Inspection often
- Keep it clean: Clean cars inside and out hold their value more than a dirty car



Be a savvy Seller

- Know what your car that you are parting with is worth: Do your research first to get the best deal
- Be prepared to sell the car yourself...this is often your best bet. Skip the dealer all together: Facebook Marketplace and Craigslist are excellent places to find private buyers
- Separate the trade-in conversation from the purchase one



Be a savvy Seller (cont'd)

- Keep it clean: Clean cars inside and out hold their value more than a dirty car
- Choose the setting of the photo carefully
- Don't be afraid to use your negotiating skills when selling, too
- If you have a service record for the car (regular oil changes, tire rotations, etc.) and an owner's manual, show them off to the prospective buyer



Conclusions and Q&A

Thank you!

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