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9/25/01 12:54:23 PM

# Go Shopping on the World's Biggest Car Lot: The Internet

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*by Lynie Arden*

When you think of buying a new car, what comes to mind? If it's a mixture of glee and dread, you're like most people. Some of us would rather eat nails than deal with a car salesperson. Maybe that's why more than half of all new-vehicle buyers now use the Internet. According to J.D. Power and Associates, a global marketing information services firm, the primary reason so many people are going online to shop for a new car is to find information that will help them negotiate more effectively with dealers.

The Internet is great for shoppers who are pressed for time, but need more information than that which comes in a slick brochure. Online, you're just a few clicks away from learning everything you need to know about specs, features, pricing, safety, repair history, and recalls. Plus, shopping in cyberspace removes the emotional element; you won't get caught up in the heat of the moment and you don't have to deal with pushy salespeople. Online shoppers save money, too. On average, using an online buying service can yield savings of nearly \$500 over brick-and-mortar showrooms.

There are a variety of sites related to car buying. You can go through as little or as much of the buying process as you want online, then take your arsenal of information down to your local dealer to make a deal. Or you can opt to never set foot on a lot again. You can car shop in cyberspace and still shop around, check under the hood, take a test drive, apply for a loan, get insurance, and have your shiny new car delivered to your driveway without ever leaving home.

## Finding the Car of Your Dreams

To avoid impulse buying -- and whittle the mountain of possibilities down to size -- you need to first define what you want in a car. You can get interactive help choosing a car from sites like [FamilyCar.com](#). You'll be presented with questions similar to these:

- What options are important to you? You might be happy with the basics: a good stereo, air conditioning, and cup holders. If money is no object, you could consider heated leather seats with adjustable lumbar support, night vision, and a GPS mapping system.
- What qualities are most important to you? You might want to consider

reliability, safety, price, style, size, fuel economy, and comfort.

- What's your driving style? Do you prefer a stick shift or an automatic? How many passengers do you want to carry? If you're hard on a car, the cost of maintenance is an important factor, too.
- Where do you drive the most? Is it on the highway, offroad, or around town? Do you drive a lot in snow? What about long trips?

Once you've defined what you're looking for, it's time to go window-shopping. Some of the best sites on the Web belong to car manufacturers and online buyers love them. The Ford site alone attracted more than 1.5 million car buyers in the year 2000, making it the most popular American car manufacturer on the Web.

You can find a list with links to all the major carmakers [here](#). Those same brochures you find at the dealer are on the Web sites, but that's just the beginning. You'll learn more than you ever thought possible. Choose your make and model and look at all the technical specs, the array of features, color combinations, options, and pricing. Photos abound, too: exterior, interior, under the hood, 360 degrees, and streaming video.

It all looks good, doesn't it? But you know better than to be sucked in by the glitzy presentation of a carmaker, don't you? It's time to get a second opinion.

## Take a Back Seat Test Drive

There are many sites that offer reviews of cars. The best ones have knowledgeable writers who actually test-drive the cars before they write about them. These are avid enthusiasts with insight that goes far beyond what you could learn from taking a test drive yourself, because they really know what they're looking for. Here is a short list of some of the very best road test review sites on the Web:

- [Auto.com](#) -- Owned by the Knight-Ridder news service, this site has access to some of the best reviewers in the country. It's a good place to research the latest tests on brand new cars.
- [Automobile](#) - Auto enthusiasts will love this classy site. Find reviews of new models, concept cars, and classics.
- [AutoWire](#) -- For the buyer who doesn't have a lot of time for reading, these reviews are concise and well written. There are even audio reviews.
- [Consumer Search](#) -- Another time-saving idea, this site summarizes all of the available reviews for a given model and gives you links to the original reviews so you can read more if you choose.
- [Edmunds](#) -- By far the best there is; each review is extensive, the writing is excellent, and every aspect of a vehicle is covered in detail. There are often even more photos on the Edmunds site than on the individual manufacturer's site.
- [Road & Track](#) -- No list would be complete without this car magazine that has set the standard for reviews since the 1950s.

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SEARCH

## Do Some Comparison Shopping

Most of the car-manufacturer sites offer price comparisons of different models offered by that maker. The prices quoted are MSRP (manufacturer's suggested retail price) and available rebates are posted.

At sites like [Intellichoice Car Center](#), [Invoice Dealers](#), [Car Prices](#), and the [Auto Channel](#), you can compare MSRP and invoice prices for any combination of make and model. Plus, you can do side-by-side comparisons that make it easy to see at a glance where the best deal is.

While you're checking the price tag, don't forget about safety. The [National Highway Traffic Safety Administration](#) offers information on crash tests and recalls, as well as other safety news.

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## Financing Your New Car

Do you know if it's better to trade in your car or to sell it yourself? You can easily find out on either [Edmunds' Used Car Appraiser](#) or [Kelly Blue Book](#). Check either one to see what your car is worth as a trade-in versus selling it yourself. You can also estimate how much car you can afford to buy with the payment calculator like the one at [CarPoint](#).

Now that you know how much money you need to buy your perfect car, you can shop for a car loan on the Internet. You can obtain general information about rates and contract terms in your area or you can actually apply for financing. If your credit is good, you can complete the entire transaction online and avoid that dreaded procedure in the dealer's office.

To determine how much money you need to apply for, take the price of the vehicle and add all other charges like title, tags, extended warranty, transportation charges, and dealer prep fees. Subtract trade allowance and/or down payment. The online loan industry is heating up and the competition is good for you. Often, you can even finance with no money down and no processing fees.

Most Internet loan companies will approve your loan application via e-mail within 24 hours and some will send a check overnight for you to take to the dealership. Some companies only accept your application via the Internet; in those cases you will need to finalize the details offline.

## Time to Buy: Dealer or 100 Percent Online?

You've done your homework, checked your facts, compared prices and safety reports, and you have the money. It's time to take the plunge. If you decide to buy your car online, you're among the fastest growing group of car shoppers. In 2000, 4.7 percent of all new cars were sold online, double the number in 1999. People who use online services tend to be well-informed, aggressive shoppers who know how to get the best deal.

The biggest online car-buying services are [AutoByTel](#), [CarPoint](#), and [CarsDirect](#). They work essentially the same, but services vary somewhat.

- AutoByTel is the leading online buying service, accounting for 20 percent of the online market. The company offers a wide range of services including selection advice, price comparisons, insurance quotes, extended warranties, and financing. Buyers have the choice of dealing with an authorized dealer or buying direct from the AutoByTel inventory.
- CarPoint allows you to read reviews, compare prices, check trade-in values, and read recall alerts. The Web site acts as a link to the nearest authorized dealer where your car will be delivered.
- CarsDirect has fewer research services, but offers its own financing and your choice of lease or purchase. All cars are sold directly by CarsDirect.

When you're ready for a new car, if you're like most buyers, you'll want the latest thing available. So why not utilize the latest shopping venue, the Internet. You'll save time, in many instances money, and a lot of potential irritation and anxiety.

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