

PART 1

THE QUICK WAY TO BECOME A WINNER



## Chapter 1

# Never Buy a Car from a Dealer with a Gong in the Showroom

### **That Car Dealership in the Desert**

If I had known that the car dealership had a gong in the showroom, I would not have gone there in the first place. That is a sure sign of trouble for buyers—too hard sell. Nevertheless, I am glad I went. There is no better way to learn how to get people to do what you want them to do than by practicing on a hard-sell car dealer!

On February 29, 2008, my wife and I drove ninety miles from our house in Mesquite, Nevada, to Las Vegas. First stop was the Desert DeSoto car dealer's showroom. (Dealer, make, and model names have been changed.) For more than a year, the dealership has been running an ad every weekend in Las Vegas's *Review-Journal* newspaper featuring the same prices.

Two days only sale. Waikiki (sub-subcompact) \$5,989, MSRP \$10,995. Honolulu (subcompact) \$6,889, MSRP \$14,245. Polynesian (compact) \$10,889, MSRP \$17,895. Tahitian (midsize) \$14,889, MSRP \$22,890. Small print at bottom. (By the way, MSRP means manufacturer's suggested retail price.)

Since my goal with this book is to establish 365 powerful ways to influence, I am going to share with you the specific tactics used during our visit to the dealership. This scenario will introduce you to the first thirty-three tactics, and it is especially good for those of you who have yet to buy a car, either because you find the process distasteful or because you are afraid of it. During the writing phase, I showed this chapter to numerous women. Almost all of them told me they would really rather *not* negotiate with a car dealer. Women and minority groups pay more for a car than white males do. Why? Perhaps because women hate to haggle. On the other hand, men love to haggle, especially if they are not Americans. Americans usually dislike haggling and are lousy at

it. There are several cultural reasons for this behavior, including impatience, lack of a “negotiating” culture, and language. (American behavior is explained further in chapter 19.)

So if you are afraid of haggling, this chapter is for you! It will teach you how to negotiate a better price from a car dealer—new or used.

### **Exhibit 1-1: The Fine Print**

Desert DeSoto’s ads use Dirty Trick 16, Bait and Switch. This tactic reels you in with an attractive offer. However, it is then revealed to the customer that the advertised offer is no longer available, but a substitute is. This tactic is explained in chapter 16.

Here is what the fine print said:

Must finance through dealer. Can’t be combined with any other advertised offer. Subject to Tier 1 credit approval. All sale prices are after DeSoto Active Military Rebate, DeSoto Factory Rebate, DeSoto Loyalty Rebate, and DeSoto College Graduate Rebate. Prices reflect all rebates and incentives to dealer. All customers may not qualify. All prices, payments, and interest rates are on approved credit. Must trade a 1999 or newer DeSoto valued about \$3,500 to qualify. Above prices are for the following vehicles and aren’t limited to one stock number. (Then, the ad lists several models.) Must own DeSoto and have registration at current address or qualifying competitive vehicle (see dealer for details) AND must finance through DeSoto’s Finance subsidiary. Must present ad at time of sale to receive special offers and must take delivery on the same day from dealer’s stock. No advertised offers can be combined. Not responsible for typographical errors. (The ad includes even more restrictions on several models.)

I did not bother to read the small print since I was sure I was not buying a car from them. The Waikiki model priced at \$5,989 was obviously a transparent come-on designed to draw gullible people into the showroom, and I did not believe I could actually buy the car I wanted at that price. So why did I go there? Two reasons.

First, my wife, Eda, is a Filipina and has not been in the United States that long. She has not bought any big-ticket items since she has been here. I wanted to teach her how to negotiate with a car dealer. I have written several books and articles on persuasion, influence, power, and negotiation, and I try to haggle as often as possible. In fact, every now and then, when I am on business trips, I visit hard-sell car dealerships in other cities. I pretend I want to

buy a car, and I haggle simply to find out what tactics the dealer uses. This practice makes me better at what I do best, and what I enjoy the most is getting others to do what I want them to do. Winning is a huge ego trip for me.

However, the main reason I went to Desert DeSoto that day was to get detailed information on the tactics a car dealer uses for inclusion in this book. Based on their newspaper ads with their ridiculously low prices and their screaming TV and radio spots, Desert DeSoto seemed to be by far the hardest-sell dealer in Vegas. I wired myself with a small tape recorder so I could review and transcribe our conversations that day. I was not disappointed. Here is what happened.

My wife and I arrive at Desert DeSoto about 11:30 A.M. There are three small, inexpensive balloons tied to the aerials of each car in front of the lot. The dealership is small and looks more like a used car lot. I was not impressed at all. I did not even see the service facility, which seemed hidden from sight. (Later that day, I found it and thought it was crappy.) There were about twenty representatives waiting under the awning. They all look at us in our extremely small 1999 Chevy Geo Metro two-door hatchback with a three-cylinder engine. I immediately think of vultures circling overhead. I tell Eda, "Whenever there are a lot of sales reps waiting outside the dealership, it's because their boss won't let them come into the showroom, not even to go to the bathroom, unless they bring a customer with them. Let's see who's going to come out and ambush us." The salesmen talk to each other, trying to decide who's going to come to our car. The only female in the pack of vultures came out to meet us as we got out of the car. She was in her fifties with short red hair (dyed). "I'm Tiffany. Tiffany Buffet." I thought, "A good Las Vegas name." Then, I thought, "An even better Vegas-sounding name for her would be Tiffany Neon."

Several times each day, I consciously try to use a few influencing tactics, and I wanted to put Tiffany off balance right away. I ask her, "How did the group of fifteen salesmen pick you to come and see us? Was it your turn? Did you get picked because of the kind of car we're driving?" I am using the first assertive tactic, Distract TOP, Off Balance. (TOP stands for "the other person"; this acronym is used throughout the book.) With this assertive tactic, I can distract Tiffany from her sales pitch. (This tactic is discussed in-depth in chapter 4.)

I pause for an answer, but she does not give one. So I continue by saying, "We're from Mesquite, ninety miles away, and you've

been running the same full-page ad for several months now. We're interested in the Waikiki sub-subcompact, two-door hatchback, automatic transmission, nothing else. You're advertising it for \$6,000—\$5,989, to be exact. Don't try to trade us up. It won't work. My Filipina wife has been in the USA about a year, and I've given up trying to teach her to drive a stick shift. My Geo Metro's a stick shift. I've been looking for a Metro or a Metro clone with automatic transmission for about six months. Can't find any. Chevy stopped making Metros years ago! This is the best car I've ever owned. Nothing ever goes wrong with it. Forty-two mpg city, 44 mpg highway, maybe 6 mpg less with the air conditioner on. The Waikiki gets 37 mpg according to your ad. That means it probably gets about 30 mpg, MUCH too low for me. But I just might buy it since I'm tired of looking for a used Metro. And I'm tired of being her chauffer."

I pause, but Tiffany still does not say anything. I carry on, "Now, here's a letter I'm getting ready to send to all fifty dealerships in St. George and all 250 dealerships here in Vegas." (St. George, Utah, a city of 150,000 people, is forty miles from Mesquite. Residents of Mesquite shop in Vegas, St. George, and Mesquite.) At this point, I hand her the piece of paper, and she looks utterly confused. I am now using Defensive Tactic 4, Remind TOP of Competition. (See chapter 10.)

### **Exhibit 1-2: The Letter**

To: Sales Manager.

From: Don Hendon (potential customer).

Subject: I want to buy a used car within the next 2 weeks from you.

I'm dropping this note off to many different car dealers (new and used) in Las Vegas and St. George. And I'm mailing it to those I don't visit today. Total: 54 dealers in St. George and 264 dealers in Las Vegas. I've given up trying to teach my wife to drive my stick-shift, and I'm giving up—I'm going to buy her an automatic transmission car. A cheap one.

I have a 1999 Chevy Geo Metro two-door hatchback stick shift, three cylinders. Mileage: 42 mpg city, 44 mpg highway. I like small cars with high mileage. Chevy stopped making the Metro several years ago. Its

“successor,” the Aveo, isn’t suitable for my needs. Lousy mileage, too. Too expensive, etc.

Ideally, I want a Metro two-door hatchback with automatic transmission. I’ve been looking for a used one for a few months both in Vegas and St. George, without success. I’m lowering my expectations and will get something else. But I want a two-door hatchback with extremely good mileage. A used car, not a new one. A good price.

Keep this sheet of paper. Whenever you get something you think I might be interested in, phone me and my wife and I’ll drive to St. George or Vegas and look at it. Please don’t waste your time and mine contacting me if you have a car that’s NOT small and that DOESN’T get good mileage.

After Tiffany reads the letter, I show her forty sheets of paper and tell her, “Here are the names, addresses, and zip codes of all the dealers, including yours. I’m going to cut them out, paste them on envelopes, and mail them. But I thought I’d stop here first since we’re in Vegas on our weekly shopping trip. There’s no way in hell you’re going to sell me a Waikiki for \$5,989. You and I both know that. Now, let’s talk.”

Tiffany apprehensively replies, “Did you read the fine print?”

“Nope. Too small. Just tell me how much MORE than \$5,989 I’ll have to pay for a two-door Waikiki hatchback with automatic transmission. Then we’ll haggle. If you’re too high, you and I will have wasted about a half hour, and that’s it. And I’ll just send out the letters tomorrow and see if a few dealers contact me with a used car they want to sell to me. I’ll delete your dealership from my mailing.”

Tiffany, even more apprehensively, once again replies, “Did you read the fine print?”

“Nope. I don’t want to bother with that stuff. Just show me the two-door hatchbacks with automatic transmission you’ve got and then we’ll talk price—if my wife likes what you show her. I’ll pay cash. I’m satisfied with my 1999 Metro, and I’ll keep it. But I’ll buy a cheap two-door hatchback with automatic transmission for my wife to drive back and forth to work and so she can do shopping without dragging me along.”

By the way, I intentionally made two mistakes to make the haggling more interesting.

Mistake 1: Dealers make a lot of money on finance charges, and I offered to pay cash. Therefore, they won’t drop their price as much as they would if I were financing through them.

Mistake 2: I said I was not going to trade in my Metro. It is usually

better from a buyer's standpoint to reveal you are going to trade in your old car after you and the dealer have agreed upon the price. I used Assertive Tactic 98, Make Major Mistakes on Purpose. (See chapter 8.)

Why did I make these mistakes on purpose? Because I knew I was not going to buy the DeSoto Waikiki. I thought to myself, "Why waste time haggling about these two matters? My wife wants to do a lot of shopping today, and I want to get back to Mesquite before 10:00 P.M. tonight. I can find out most of what I want to know about how this hard-sell dealership negotiates without going through these two extra steps."

Tiffany shows us about five of the Waikiki hatchbacks. Eda likes a white one. The three of us get in the car and go for a drive. I let Eda take over the wheel in a quiet neighborhood. She likes the car, and Tiffany knows she likes it. While we are in the car, I ask Tiffany, "Why were there so many sales reps out front waiting for us? Is it because they won't let you into the showroom unless you bring a customer with you? Lots of dealerships do that. What about Desert DeSoto?" Weakly, she answers, "Yes. I'm glad you showed up. It's so darn hot outside. And I'm tired of using the portable toilets out in back they make us use."

### **Harry Hardsell, the Close-inator, Shows up Next**

We get back to the dealership. Harry Hardsell, sales manager, mid-thirties, in a dark blue pinstriped suit, red tie, shoes shined so much they sparkle in the desert sun, comes over to us under the awning and starts talking to me, ignoring my wife. I think to myself, "A real hustler, phony Jimmy Carter smile and all. He's trying to ooze sincerity and charm, but I see through it." He is using Cooperative Tactic 24, Ooze Warmth. (See chapter 15.)

I immediately do not trust him. (Even though Tiffany frowns a lot and appears to be pretty dumb, I seem to trust her more since she kept asking me, "Did you read the fine print?" Harry Hardsell never mentions the ad.) I show Harry the letter and addresses and tell him the same thing I told Tiffany. I add, "My home town's Laredo, Texas, as you can see on my jacket. (I'm wearing a black Laredo Boots windbreaker that makes me look like a cool cat from the 1950s.) Pete Viejo, one of my closest friends growing up, owns a Chevy dealership in Laredo. I asked him about six months ago to find me a used Metro hatchback with automatic transmission. He

couldn't find one, even at auctions. Yesterday, I phoned him and said I'm getting ready to buy a DeSoto Waikiki instead. I said I had given up on him finding me a used Geo Metro."

Then I asked Pete to tell me what he knows about the DeSoto Waikiki. Pete surprised the hell out of me when he said he also owns a DeSoto dealership in Laredo. When he told me that, I said, "I'm looking for an excuse to visit my home town and see a lot of the guys we grew up with and show off my trophy wife, Eda, to everybody, since I'm so proud of her. We'll fly down to south Texas, and I'll buy the Waikiki from you for cash, since I know you'll give me a good deal. I'll have fun visiting everybody in the home town, and then Eda and I'll drive back via San Antonio, Corpus, and El Paso, where we can visit other former Laredoans who live there, like Joe Carabaza, Dicky Valls, Johnny Dickinson, Walter Herbeck, Nono Flores, and Lee Ewing."

I pause, but Harry Hardsell says nothing.

"Well, Pete just about convinced me to get a DeSoto Waikiki, but he suggested I buy it from a dealer in Vegas or in St. George instead of from him. Establish a relationship here. Get better after-the-sale service that way. So here I am. What can you do for me? If I buy from you, I lose out on a good excuse to go to Laredo and have fun, so you've got to give me a REALLY good deal. I really want to go to south Texas and buying a car from Pete Viejo's a good excuse."

Once again, I am using the tactic Remind TOP of Competition. In this scenario, Harry's competition is the fun I will have on my trip to Laredo. He can't match that!

### **Out of the Hot Sun, into the Showroom**

Harry Hardsell turns Eda and me over to Tiffany so she can soften me up. The three of us go into the showroom. Eda says, "I'm thirsty." I say, "I'm thirsty, too." Desert DeSoto's a cheapskate dealership. Instead of buying us a soft drink from the vending machine directly behind us, Tiffany says, "There's a vending machine behind you." I don't think she even knew she was supposed to offer to buy us a drink from the machine. After a while, Tiffany writes down \$16,497 on a piece of paper, with the usual "x\_\_\_\_\_" at the bottom for me to initial. I laugh aloud. "\$10,500 more than the ad? You've got to be kidding. You'll have to do better than that." Yes, I am using a tactic with precisely that name, Got to Do Better than That, Defensive Tactic 87. (See chapter 13.)

I tell Tiffany, “I was expecting to pay a little more than \$6,000 today, but not \$10,500 more. That’s ridiculous. What does the car have? Gold-plated door handles? Undercoating? Rustproofing? Fabric protection? Extended warranty? Windshield etching? Expensive stereo? I don’t need any of those things. Automatic windows? I really hate them because they break down too often, and they’re too expensive to fix? All I want is the bare-bones model plus air conditioning, nothing else. I’ll install my own radio. And on top of that, I’m a cheapskate, and I’m proud of being a cheapskate.” Believe it or not, folks, I carry four Uncle \$crooge cards in my wallet. One shows him throwing money in the air and letting it hit him on the head. I pull out all the cards and show them to her. Then, I say, “Did you notice my personalized license plate on my Metro? It reads McDuck. After Uncle \$crooge McDuck.” Tiffany looks confused. Guess she has never heard of Uncle \$crooge. What tactic am I using? Admit Your Shortcomings, Cooperative Tactic 9. (See chapter 15.)

I get up and tell Eda, “Let’s get out of here.” We head toward the door.

Before we could leave, Tiffany said what I knew she would say, “Wait. Let me see what I can do.” She is using the classic Limited Authority 3, I Have to Ask My Mommy, Dirty Trick 5. (See chapter 16.)

I hang around to see what’s next. She goes to another room, maybe to talk to Harry Hardsell or the finance guy or the owner or somebody. On the other hand, maybe she just wants us to *think* she is going to talk to somebody. Sales reps often use Limited Authority 3. They walk into another room, do not talk to anyone, kill a little time, and then come back with a lower price after they have claimed they talked to the sales manager. Eda and I sit down to wait for Tiffany to come back. I tell Eda, “She and Harry will probably use Rule of 3, Assertive Tactic 25 on us. (See chapter 5.) It works like this: She will come back with a lower price. I will laugh at it. Then she will come back with yet a lower price. I am sure Desert Desoto has noticed that many buyers finally agree after a third price is offered.

As you will read, she and Harry Hardsell lowered the price from \$16,497 to \$15,500 to \$14,500 to finally \$13,500, so the Rule of 3 did happen. I accepted the price of \$13,500. Or did I? Let’s find out.

Sure enough, Tiffany and Harry Hardsell come back to the table where Eda and I are sitting. Harry is deadly serious. No more smile

on his face. Harry pulls the “guilt trip” tactic out of his pocket, “I don’t want you to walk out of here without that car today. I know you don’t want your wife to be disappointed.” Yes, it is the standard Make TOP Feel Guilty, Assertive-Bullying Tactic 80. (See chapter 8.)

From now on, I decide to ignore Tiffany and talk only to Harry, since he is obviously the one who is going to close the sale. Tiffany is starting to look more and more like a trainee on the first day of her new job. Harry lowers the price to \$14,500. I respond, “Harry, that’s still too high.”

Well, his hard-sell tactics intrigue me, and I want to find out what else Harry will try on me before I walk out. Why? Because Harry is good at what he does. Because haggling with an expert is fun. Because I can always learn more about power-play tactics from an expert. Because I want my wife to know what to expect when she starts to buy big-ticket items on her own. And because I know I’m not going to give in to his hard-sell tactics. I’m definitely not buying a car from this dealership—ever! I am just having fun and learning at the same time.

### **The Streets of Laredo**

At this point, I do not walk out. Instead, I decide to put Harry off balance again.

“Harry, that’s still too high. I’m a retired marketing professor. In fact, I used to teach marketing at UNLV [University of Nevada, Las Vegas] right here in town a few years ago. I do a hell of a lot of consulting full time these days. Fly all over the world, especially to Asia. I talked about Pete Viejo before. When I taught at a university in South Texas in the 1970s, I did some consulting for Pete’s Chevrolet dealership in Laredo. Pete and I grew up together. He liked my work. He told me that he may have a consulting job for me when I visit him in Laredo if I decide to buy a DeSoto Waikiki from him. Harry, I don’t know how big or how small the consulting job is or whether Pete’s just blowing smoke, but who knows? I may get the DeSoto Waikiki for free, in return for a few hours work.”

I am using Information Surprise, Assertive-Distraction Tactic 4 (see chapter 4), which is simply introducing new data into the negotiations. Sometimes, this is dangerous, but I thought it would work to my advantage here, and it did. Notice I am using this tactic in combination with Remind TOP of Competition, Defensive Tactic 4. The close-inator obviously does not believe me. “Call your

friend in Laredo. Here's my cell phone. Find out if you'll do the consulting job for him or not. If he doesn't need your consulting now, there's no reason why you can't buy from me." His tone of voice indicates he is giving me an order. Obviously, he thinks he is in charge, but he's not.

Harry is using Call TOP's Bluff, Assertive-Confrontation Tactic 51. (See chapter 6.)

I tell Harry, "Gee, I don't know Pete's phone numbers." I am pretending to not know Pete's number. This is Assertive-Distraction Tactic 11, Who, Me? (See chapter 4.)

Again, he calls my bluff. He looks up the number for Pete's Chevy dealership. I call it on his cell phone. I ask for Pete, and he's not in. I leave a short message on the answering machine. I tell Harry that Pete's probably at his DeSoto dealership a few blocks away. Again, calling my bluff, Harry gets that phone number. I call. They tell me Pete's at his Suzuki dealership. They transfer me to the Suzuki place. Shirley Russell, the receptionist, tells me Pete is in a meeting. I respond, "Please tell Pete I called." Then, I say, "Sorry, Harry."

Why am I giving in to Harry's requests? I know he is using the classic car dealer tactic Get TOP to Invest Time, Assertive Tactic 27. (See chapter 5.) Car dealers love to keep potential buyers around as long as possible. The longer they hang around the dealership, looking at one car after another, the more time they have invested in making a deal. Americans equate time with money. Therefore, they are more motivated to buy a car if they are on the lot for a long time.

However, this time, I am using this same tactic on Harry Hardsell—in reverse. I'm making Harry invest a lot of HIS time in ME, even though he probably suspects by now that he won't make a sale. But he's on an ego trip and really wants to win—at my expense. I'm wondering how far he will go before he gets tired of dealing with me and asks me to leave. I am toying with him. He does not know I am an expert at all this, at least not yet.

I say, "Well, I guess we wasted each other's time, Harry. I've got more important things to do. Bye-bye." Eda and I get up to leave.

### **Wow, the Dealer Invoice!**

Harry says, "Wait a minute," goes out of the room walking backwards to keep an eye on me, and then comes back with a copy of the dealer invoice. Sure enough, he's using Lay All Cards

on Table, Cooperative Tactic 8. (See chapter 15.) I walk back to the table and sit down, just to see what it is. The price reads \$13,200. Hardsell obviously wants me to believe this is the price the manufacturer of DeSoto cars charged his dealership for that particular Waikiki model. Even though the MSRP in the ad claimed the car cost \$10,995. So Harry came in over \$2,000 higher than the MSRP. I did not call him on it. Why bother, I thought. Let's see what he comes up with next.

Well, I've got to give the close-inator credit. He is trying to look sincere. His body language sucks, though, obviously phony! I have a feeling this guy really thinks I believe this is the price his dealership paid for the car, but I know it's not. Dealers get all kinds of incentives from the manufacturer and other middlemen—otherwise, Desert DeSoto wouldn't have advertised the car for \$5,989 in the first place. *Consumer Reports* magazine offers a service, costing about \$100 to \$200, that promises to tell you the actual price the dealership paid for the car. Essentially, it only tells you the cash incentives paid by the factory to the dealer to help the dealer move its inventory of unsold cars. It doesn't tell you the dealer holdback, the percentage of the dealer invoice paid up front by the dealer and "held back" by the manufacturer until the car is sold. Then, it is refunded to the dealer. The holdback is a subterfuge designed to help the dealer. It lowers the cost the dealer finally pays. The dealer pays no commission to its salesmen on this. Ultimately, these holdbacks are extra profit that the customer never knows about. Dealers usually use it to pay for their overhead expenses.

Some people in the car-selling business have told me *Consumer Reports'* service is accurate, others have said it was not. There are a few other services, such as [www.checkbook.com](http://www.checkbook.com), that give you the same information for a comparable price.

Anyway, Harry Hardsell thinks he's using Lay All Cards on Table on me, but he's really using Dirty Trick 55, Liar, Liar Your Pants Are on Fire—Big Talk, No Action. (See chapter 16.) I pretend to believe him and employ Assertive-Distraction Tactic 14, Pretend: Believe TOP. (See chapter 4.) I let him think I believe that Desert DeSoto actually paid \$13,200 for the car although I know the price the dealership paid was far below that.

Sure enough, just as I had predicted, Harry Hardsell decides to use Rule of 3 and make me his last and final offer, which I call Take It or Leave It, Assertive-Borderline Aggressive Tactic 68. (See

chapter 7.) He adds another \$300 to the invoice and says, “You can have the car for \$13,500.” Harry’s quickly switching to Dirty Trick 3, Escalation (see chapter 16) because he figures he can get more money out of me as he does with most of his customers. So he writes down on another sheet of paper \$13,500, with the “x\_\_\_\_\_” at the bottom. He hands me a cheap ballpoint pen, not a high-quality one. Again, this tells me the type of car dealer I am negotiating with. Both of us know that my signature on that paper does not mean anything, but it makes potential buyers think they’re now committed to the purchase. If potential buyers back out after initialing the form, they feel guilty. Once again, Harry is pulling out one of his favorite tactics, Make TOP Feel Guilty.

And putting initials next to an “x” is also a ritual. Hardsell will use a much stronger version of Miscellaneous Assertive Tactic 114, Rituals, Symbols, immediately after this. (See chapter 9.)

Before he comes up with his next ritual, I look at innocent, sincere, sweet Eda, who has absolutely no clue what’s going on in my mind. She is very passive by nature and relying on me since she does not know the English language that well. “Do you want the car, baby?” She says, “Yes.” I reply, “OK,” to her (not to Harry), and I initial Harry’s paper. Right away, Harry and Tiffany get up and ask Eda and me to ring the gong they have in the showroom. (Again, he is using Rituals, Symbols.) I feel ridiculous, but I play the game and ring the gong. Eda does not. The other sales representatives at the dealership applaud. The applause is yet another ritual at Desert DeSoto, I guess. Another sucker!

Harry is a good salesman, and I bet he closes most of the deals himself. I know Tiffany is not a closer. She has a lot to learn, but Harry is much too obvious and obnoxious, in my opinion. I’m sure he’s able to fool lots of potential buyers, though, with his act. He told me he used to work for a Chevy dealership and that Metro buyers were very unusual. They would buy it, drive it until it had 150,000 or 200,000 miles on it, and get another Metro. He said it was hard to sell a new car to somebody who was driving a Metro. He was surprised my Metro had only 88,000 miles on it. He called the Metro buyers he had dealt with in the past rational buyers. I would call them cheapskates, but then, as I tell Eda, “There are two kinds of cheap people in the world—those who are proud of it, and those who are ashamed of it. I’m proud of it.” So when she calls me *kuripot* (cheap) to her Filipino friends, I beam with pride. She takes it in stride.

### **The Close-inator Makes a Rare Mistake, and So Do I**

We go back to the table, and Harry makes a rare mistake. Forgetting I had told him I wanted to keep my Metro, he asks, “Do you want to trade in your Metro?” I answer, “Hell, no. Why would I want to do that? I love my Metro. If I could find another one with automatic transmission, I wouldn’t be here today. But Chevy stopped making the Metro in 2002 or 2003. You know that. You used to work for a Chevy dealership. Or *did* you?”

Hardsell realizes that I know he has forgotten how much I like my Metro and that I know he’s not thinking about my needs. This puts him off balance and at a slight disadvantage. Therefore, this is the right time to pull out the first of two *coups de grâce*. First, I reveal my expertise. I tell him about my 365 power-influencing tactics, that I have given my seminars in thirty-six nations on six continents, and about my books. Then, I tell him what I think will be a deal-breaker, allowing him to keep his dignity when I finally back out of the deal. I am about to use Let TOP Save Face, Cooperative Tactic 17. (See chapter 15).

“Harry, I signed on the ‘x,’ but we both know that’s meaningless. I’m not prepared to buy today. Hell, I didn’t even bring my checkbook with me. I’ve got to fly to Denver for a consulting job on Sunday, and I’ll be back Wednesday. I’ll come back Thursday of next week with my checkbook, and we’ll sign the deal then. You can deliver the car to me in Mesquite sometime on Thursday, March 6.”

I’m lying to Harry about going out of town. (For the second time, I am employing Liar, Liar Your Pants Are on Fire.) However, I left my checkbook on purpose. I didn’t want to have the power to make the deal. This is Defensive-Delaying Tactic 29, Forget on Purpose. (See chapter 12.)

The close-inator takes the missing checkbook in stride. He quickly escalates the rhetoric by saying, “There’s no way I’m going to let you walk out of here today without that car for Eda. What’s the name of your bank?”

Harry’s using a combination of two tactics here: Embarrass TOP on Purpose, Dirty Trick 77 (see chapter 16) and Make TOP Feel Guilty (Assertive-Bullying Tactic 80, chapter 8).

Without thinking, I mistakenly reply, “Wells Fargo.” (I should have named Central Bank Utah in Springville since I still have an account there.) Harry says, “No problem. There’s a Wells Fargo bank about a block away in the shopping center. Go there with

Tiffany, get a counter check, and we'll close the deal right now."

### **Finance Guy Shows up—but Not for Long**

Harry's comment throws me off guard. So I think, OK, let's continue going through the motions. Let Harry Hardsell think I am going to give him a check right then and there. My next step is to visit the office of Jose Manuel Solis, the finance guy.

I get into Finance Guy's extremely small office. He jokes, "This used to be a toilet." (You can tell the dealership is small time, definitely not at all like Pete Viejo's "Taj Mahal" in Laredo.) Finance Guy asks me questions and shoves papers at me.

I ask Finance Guy about item three in the paperwork, which states, "No reconsideration period in Nevada: When you take possession, you don't have the usual three days to reconsider and have the dealer take the car back. The deal's final upon possession." I tell him, "I'm not going to take possession till next Thursday. Tiffany'll drive the car to Mesquite on Thursday. Also, I know I don't have \$13,500 in my Wells Fargo bank account. I'll have to transfer some funds from my Central Bank Utah account to Wells Fargo, or my check'll bounce." Finance Guy, taken aback, starts to sweat. He says, "Let me get Harry in here," and leaves. Once again, the tactic I Have to Ask Mommy (Limited Authority 3, Dirty Trick 5, chapter 16) is put into action.

Harry walks in. He frowns, worried that the deal is going to slip away. "No problem about taking possession. Tiffany's going to deliver the car to you this afternoon instead of Thursday." He announces this knowing I don't want the car delivered to my house until Thursday. He's using Power of Assumptions, Defensive Information Tactic 23 (see chapter 11); however, he's using it the wrong way. He is taking a chance on me not minding an immediate same-day-Friday delivery date instead of a Thursday-next-week delivery date.

"Harry, you can't deliver the car to me in Mesquite today because Eda and I won't be home till after 10:00 P.M. This is our first stop today in our shopping trip. We've got a few malls to hit. I want to be there when Tiffany drops off the car. I want to inspect it for damage. And I want to do it in daylight."

Hardsell ignores me. "No problem, Tiffany'll drive the car to Mesquite this afternoon, park your car in your driveway, and put your keys under the front seat. She'll go down with another sales

rep and drive back with him.” This is the powerful tactic, Deaf Ear, Assertive-Bullying Tactic 100. (See chapter 8.)

“What did I just tell you? Eda and I won’t be home till 10:00 or 11:00 P.M. tonight. We’re in Vegas shopping all day. I just told you I want to be there when Tiffany drops off the car.”

Harry continues to ignore me. He says, “No problem. You take one set of keys. Tiffany’ll leave the other set under the front seat. It’ll be parked in your driveway.”

Talk about overcoming objections—Harry’s a master of that, huh? A fast thinker. A fast talker. I don’t like him or anything he stands for, but I admire him for being good at what he’s paid to do, which is to get as much money out of me as quickly as he can. It’s fun matching wits with him.

I am not falling for his tactics. I know that taking the keys means taking possession. I tell him very slowly, “Hey, buddy! Read my lips. I don’t want the car till I get back from Denver. That’s Thursday, March 6. I want to be there when the car’s delivered so I can inspect it. Plus, I’ve got to move some money from Central Bank Utah to my Wells Fargo account.”

Harry keeps ignoring me, continuing to use the Deaf Ear tactic. He confidently says, “We’ll deliver the DeSoto to you on Saturday.” Fortunately for me, the big NASCAR race was in Vegas that weekend, and the race track’s directly on Interstate 15 about twenty miles north of Vegas. “You’ve got to drive by the track in order to get from Vegas to Mesquite. Terrible traffic on Saturdays and Sundays during NASCAR weekends.” Only then does Harry agree it would be bad to deliver the car to me on Saturday, saying he would deliver it on Thursday. He finally decides to Use Logic, Assertive Tactic 33. (See chapter 5.)

Logic finally worked. If it had not, I was simply going to walk out. Harry was starting to get on my nerves.

Now that he has given up on changing my mind about the delivery day, Harry decides to question me about transferring the \$13,500. I start the ball rolling by telling him, “I’ll have to transfer some funds from my Central Bank Utah account to Wells Fargo, or my check’ll bounce.” He overcomes my latest objection, “You can transfer money on the Internet using our computer. What’s Central Bank’s phone number?”

“I don’t know their number.” I’m using Get Lost/Stall for Time, Defensive-Delaying Tactic 27. (See chapter 12.) Again, Harry uses

Call TOP'S Bluff and finds their number in Springville, Utah.

I call Central Bank on his cell phone and ask for Robin Ringold, who services my account. "How much do I have in my account, and how can I transfer money from my account using the Internet to Wells Fargo today? I don't know my password," I say. I know Robin can't help me with my password, but Harry doesn't know that.

After Robin hangs up, I pretend I'm still talking to her, making up stuff about the difficulty of getting my password. Once again, I'm lying, which is Liar, Liar, Your Pants Are on Fire. Harry is listening to me talk. I hang up and state, "Can't transfer money today. Will do it Saturday morning when I'm in Mesquite. Guess we'll have to sign the papers on Thursday. I'll be back Thursday. I've got to run now. Got a lot of shopping to do. This was just our first stop today, actually."

### **The Close-inator Finally Lays Most of His Cards on the Table**

Once more, a worried look appears on Harry's face. "I don't want you to leave here today without making a deal." He looks vulnerable now, very vulnerable. And that's good for me. If Harry felt like he was in charge, he would have said, "I won't let you leave here today without making a deal." The words "don't want" mean I'm in charge, and the words "won't let" mean Harry's in charge.

"Why is it so important to you to sell to me? You're losing money at \$13,500. Your invoice is about \$13,200, and you've got overhead expenses on top of that. Since you're the sales managers here, you want higher volume, and every sale counts, even if you lose money on a sale. You'll look good with higher volume. Probably get a bonus if you exceed your quota. Am I right?"

The two tactics I am using are: Pretend: Believe TOP, Assertive-Distraction Tactic 14 (see chapter 4) and Assertive Tactic 32, Sun Tzu—Knowledge (see chapter 5). First, I am pretending to believe his lie about \$13,200 being the actual price Desert DeSoto paid for the car. Second, I'm probing for more information.

Hardsell tries something else on me now. Using Information Surprise, Assertive-Distraction Tactic 4 (see chapter 4), he finally gives me an important piece of information, but I don't know if he's lying. He announces, "We've got a bonus period on Friday and Saturday only this week, based on volume. As sales manager, I make more money the more cars the dealership sells. I don't care if I lose money on you. I can make it up on somebody else. But the more times that gong rings out there, the more money going into my pocket."

My mindset changes. I feel more in power than I've felt during the two hours I've been in the showroom. I know what I suspected is true; he's just greedy for a bonus based on volume and making a sale to me will help him get his bonus.

I heard the gong ring twice during the twenty-five minutes I was in Finance Guy's toilet-sized office. And when I left his office and went to the main showroom floor, I was amazed to see about twenty couples crowded around twenty small tables. The misleading ads obviously brought in lots of gullible people. "Suckers" is too strong a word. Or is it? What do you think?

To Harry, I reply, "Well, there's no way I can pay \$13,500 today. As I told you before, I don't have that much money in my Wells Fargo account." The ever-curious, ever-greedy Harry asks, "How much do you have?" I think he's grasping at straws.

Hell, if I had told him I had five credit cards with me, each with a \$15,000 limit, he'd probably ask me to go to an ATM and withdraw the entire \$75,000 in cash. Talk about a hard-sell guy! So I withheld this information from him, Defensive-Delaying Tactic 42, Withhold Important Information. (See chapter 12.)

You can tell that Harry Hardsell's being EXTREMELY aggressive now. He's even starting to sweat a little on his forehead. Reading his body language, I think he's desperate. I am using Watch TOP, Defensive-Body Language Tactic 15. (See chapter 11.)

I feel as if I have all the power now since I know he wants a big bonus weekend. Looking at his expensive suit, I figure he is living beyond his means, which is an easy trap to fall into, especially in Vegas. I say, "I've got about \$5,000 at Wells Fargo right now. I keep a lot more money in my Central Bank Utah account," which is the truth. I'm using Dry Well 1—Financial Restraints, Defensive-Delaying Tactic 32. (See chapter 12.)

Even though he knows he's lost a lot of power in our short relationship, Harry acts as if he's still in charge by issuing me this order: "Go with Tiffany to Wells Fargo, get a check for \$2,000, bring it back here as a down payment, and we'll deliver the car to you on Thursday next week. I want that bonus, and you're going to help me get it."

He's using Dominator, Defensive-Protective Defense Mechanism Tactic 72 (see chapter 12) on me now, but I can see through him. He was using phony body language to show sincerity before, Manipulate TOP with Your Body Language, Defensive-Body Language Tactic

16 (see chapter 11), but now I can see the desperation in his body language. I am still employing Watch TOP's Body Language.

### **Wells Fargo and Uncle \$crooge**

Instead of walking out, I agree; I want to know how far the close-inator will go to make the sale. However, I don't want Tiffany with me when I go to Wells Fargo. I am not going to come out with a check for \$2,000—for that matter, with any check. And I know when she walks with me to my small car, she won't be able to get in since the back seat is full of framed Uncle \$crooge and Donald Duck wall hangings. I'm taking them to a print shop for enlargement.

As Eda, Tiffany, and I are walking out the door, Harry Hardsell rings the gong himself, and the other sales reps applaud on cue. (Again, he is using Rituals, Symbols.)

Sure enough, trainee Tiffany knows enough to try to give me one set of car keys, so I will have "taken possession." She also tries to give me an envelope with the copies of the paperwork I've signed. I brush her off by saying, "Give them to me when we get to the bank." I walk over to my Metro with Eda, with Tiffany following behind us like a dog in heat. When I get to the car, I act surprised (as I use Alzheimer's: Forget on Purpose, Defensive-Delay Tactic 29, chapter 12) and tell her, "Tiffany, I forgot about my Uncle \$crooge and Donald Duck stuff. Our next stop's a print shop on Sahara Avenue to get them enlarged. I want to hang up the enlarged reproductions on my walls. Since there's no room in the back seat for you, Eda and I'll go to Wells Fargo ourselves, get the \$2,000 check, and come back." She answers, "Let's go in your new blue DeSoto Waikiki instead." I reply, "No, I don't want to leave all these valuable Uncle \$crooge and Donald Duck wall hangings in the car, even if it's locked."

So we drive in our Metro to the shopping center without Tiffany. Eda and I sit in the car, talking about what happened. She agrees with me that the car is too expensive and says she'll wait until I find a used car. I go into Wells Fargo bank, ask them if I can write a counter check there even though my account is in Mesquite, eighty miles away. They say, "No problem." I say, "My account number's in my car. By the way, give me a big envelope." The teller gives me an envelope with the Wells Fargo logo on it.

I leave, walk to the car, write Tiffany a note, put it in the big envelope, seal it, don't go back into the bank, and drive back to

the DeSoto dealership immediately. Tiffany is out front waiting for me, along with about eight other sales reps—vultures waiting for other marks to take advantage of. I don't get out. I keep my motor running. She walks up to my car with a worried expression on her face. I give her the Wells Fargo envelope with my note. I start to drive away; Tiffany protests, "I want to give you your receipt and keys. Here they are." I say, "No thanks." I drive away immediately. I wish I had seen the expressions on their faces when she and Harry read the note I put inside the envelope.

"No deal. Talked to Pete Viejo on my cell phone when I was at the bank. I've decided to buy the car from him instead. MUCH lower price—almost nothing, if I do a three-hour sales negotiating seminar for his sales staff. And I REALLY want to go to Laredo, show my beautiful new wife off to all my old friends, and have a lot of fun. —Don Hendon"

Of course, all this was a lie. I didn't call Pete at all. Once again, I used Liar, Liar, Your Pants Are on Fire.

### **Why I Hung Around the Showroom So Long**

Why did I string the close-inator along instead of just walking out when Tiffany came up with that ridiculous \$16,497, which was \$10,500 higher than the advertised price? Three reasons:

**First**, the whole thing was a lot of fun for me. I just LOVE to negotiate, to haggle. I hadn't haggled with a car dealer since I bought my Metro in New Orleans in February 2000 for \$7,000 cash. (The list price was \$11,000.)

**Second**, I wanted to expose Eda to negotiating American-style. Americans are notoriously bad negotiators. Take an American and a Mexican. An American will go into a store, look at the price, and will assume that's the LOWEST price the seller will accept. So the American doesn't haggle. A Mexican (and a Filipino) will go into the same store, look at the same price, and will assume that's the HIGHEST price the seller will accept. Haggling is second nature to Mexicans and Filipinos. And second nature to folks like Pete Viejo and me who were born and raised on the Mexican border in good old Laredo. I think—and haggle—like a Mexican!

**Third**, I wanted to write down the moves and countermoves to use as an introduction to my book, which is exactly what I did.

What was the most important reason? The first one. It was fun to manipulate the close-inator when he thought he was manipulating

me. All in all, it was an interesting morning. I spent three hours there and at Wells Fargo bank. It was time well spent, but I wasn't finished visiting auto dealers yet.

### **The Phony “Certified Car” Gimmick**

Right after our visit to Desert DeSoto and before hitting the malls, we went to a Mazda dealership and looked at an overpriced 1995 Mazda hatchback in its used car department. They wanted \$3,950 for it. The car, which had 115,000 miles on it, looked like it was in bad shape, and I told this to the salesman. He said Mazda would “certify” it. He said “certifying” it was guaranteeing it against defects, and the dealership would issue me the certificate after the car passed a “rigorous inspection.” If I discovered any defects within one month after purchase, the dealership would fix them at no cost to me. The certification would cost me “only an additional \$500.”

I didn't want the dealer to “certify” it. *Consumer Reports* doesn't recommend it, alleging, “The only guarantee with a certified used vehicle is that the dealer and the automaker make more money.” Instead, I wanted to take it to a good auto shop I know in Vegas and have them inspect it for me, at my expense, before deciding to buy. If it was in good shape, I would have bought it as a “starter car” for Eda. If she wrecked it, I'd only lose \$3,000 (after haggling) plus taxes and license fees. However, the sales manager said no. So I said no, too. If he had let me take it out for inspection and if my mechanic said it was OK, I would have bought it—but definitely not for \$3,950.

### **Train Yourself by Doing What I Did**

If this chapter has helped rid you of your fear of haggling, great! What should you do now? Well, you can read books on how to haggle with car dealers. Look at the Web sites listed in the selected bibliography at the end of this book. Here are nine helpful “ways to win” to remember:

1. Don't get excited about a car in front of the salesman.
2. Talk to inexperienced salesmen, not to hard-selling old-timers.
3. Let dealer think you'll finance the new car through them. Get price on written, signed contract. Then, say, “I'll pay cash.” Don't let dealer raise price on you.
4. Get all the info you need while giving salesman none of the info he needs.

5. Salesman is in a sell-it-now-or-never mode and you're in a don't-buy-it-now mode. You're less committed to the "relationship," and this gives you more power than the salesman. Never forget that! (See Power of Apathy-Indifference, Defensive Tactic 9, chapter 10.)

6. Don't fall for obviously phony sales events that try to create a sense of urgency in you. Dealer will have the same sale under a new name next week or next month.

7. Visit at least four dealers—make each one aware you're doing this.

8. Forget about the sticker price (MRSP). Don't get excited about the "secret" dealer invoice price. Try to find out the factory-to-dealer incentives (easy if you buy *Consumer Reports* and other services) and the dealer holdback (almost impossible). Those two are important.

9. After both of you have agreed on a price and the paperwork is being prepared, watch out! Dealers will surprise you with their "documentary service fee," which can be anything they say. It's just a way of gouging a few extra hundred dollars out of you. Dealers do not perform any service here. They just want a higher profit, and this is an easy way to get it! Before agreeing on a price, ask to see the "contract of sale" and go through each item with the dealer, including the phony documentary service fee. Beware of blank lines, too. Dealers like to add extra profit items here, especially after both of you have agreed on the price of the car.

Best of all, do what I did. Find the car dealer with the hardest-sell reputation in your area. Go there and pretend you want to buy a car. Use a small hidden audio tape recorder but only if it's legal where you are. Do not use a camera phone. And don't go to the extremes that James O'Keefe and Hannah Giles did in their 2009 sting of ACORN (Association of Community Organizations for Reform Now). Play hard to get. Get exposed to the tactics they use on you. In addition, on them, use some of the 365 tactics you'll learn about in this book. Walk out before you sign a contract. Transcribe your tape. Write down which tactics they used and which tactics you used, just like I did here. Learn from the experience. It'll be good practice for you. If you can outwit a car dealer, you will probably be able to get most people to do what you want them to do. Good luck. (By the way, I'll continue to do this from time to time, just to practice my skills.)

### **Essentials: The Least You Need to Know, Three Smart Moves and Eleven Dumb Mistakes**

Many people like to skip ahead to the end of the chapter to find out the most important points in the summary. Then, they either read the chapter or skip on to the next summary. For everyone who likes a summary at the end of each chapter, I won't disappoint you. I call my end-of-chapter summaries "Essentials: The Least You Need to Know." There will be two parts to each summary: (1) Winners—Smart Moves and (2) Losers—Dumb Mistakes.

Now, here are the three smart moves made by winners and eleven dumb mistakes made by losers I'd like you to take away from this chapter. This is the *least* you need to know.

#### **Winners—Smart Moves**

- Practice and refine your techniques by going to hard-sell car dealers and pretend you want to buy a car. Do this once a year, different dealer each time
- Learn and try out the thirty-three tactics you were introduced to in this chapter. This is a good way to get started. Each tactic is a smart move if done correctly and at the right time
- Matching wits with TOP is fun—especially if TOP's an overly aggressive hard-sell person

#### **Losers—Dumb Mistakes**

By buyer:

- Tell car dealer at the beginning, "I'll pay cash. I have no car to trade in"
- Believe dealer's invoice
- Believe bait and switch ads
- Let dealer know you REALLY like the car

By seller:

- Lousy ambience—gong-ringing, buy your own water, cheap balloons, toilet-sized offices, too many over-eager vultures waiting outside, ready to ambush the buyer
- Start off with ridiculously high price
- Being TOO hard-sell and aggressive
- Forgetting important details
- Talk first, think later
- Ignoring what's important to TOP—over and over
- Too greedy