

How to make your money go further when buying used cars

- **Demand for used vehicles is at an all-time high right now, fuelled by the shortage of new cars as a result of the pandemic, supply chain bottlenecks and the global semiconductor shortage**
- **Mike Todd, CEO at Volkswagen Financial Services UK, says the used car market will remain very buoyant in 2022**
- **With customers still experiencing significant wait times for new vehicles, pent-up demand for used cars is unlikely to subside any time soon**

Research has shown that demand for used vehicles is at an unprecedented high, exacerbated by the shortage of new cars as a result of the pandemic, supply chain bottlenecks and the global semiconductor shortage.

This has redirected consumer spending to used vehicles and, in many cases, used vehicle prices are rivalling their new vehicle counterparts – something that was unimaginable just a few months ago.

While the used car market is in overdrive, there is growing caution and apprehension amongst buyers to get a suitable car at the right price. Volkswagen Financial Services UK has compiled ten top tips for people considering buying a used car in the current automotive climate.

TIPS:

- 1) Prices may vary between large retailers and private sellers, so it's important to also consider the reputation of the seller to determine if they are a reliable party. Always spend time doing your research.
- 2) When searching for a vehicle online, the quality of the images, and quantity, can say a lot about the car and seller without seeing it in the flesh. Very few images might suggest something is trying to be hidden.
- 3) Take precautions rather than assume a car is in top condition. Be sure to get a good overall feel for the state of a vehicle by closely examining its history report. Key indicators of a top model are low mileage, a full-service history, a low number of previous owners and having passed all HPI checks. Always find out if the vehicle has been in any past accidents or had any prior modifications in terms of car parts.
- 4) Some used vehicles come with an extended warranty, which can help save on future repairs. If not, it is important to consider whether the extra cost is worth it should a problem arise.
- 5) Do your research and think about comparing prices before visiting a retailer or private seller. Current prices can be attained via retailers' online portals and other websites. Also make use of online finance calculators, and once you know a rough figure, you'll be in a better place to negotiate a good deal.
- 6) Check your credit score. Your credit score is an assessment by a particular lender or credit reference company of how good a credit risk you are, based on its own criteria. However, a good score is no

guarantee you'll be able to borrow money, as different lenders have different criteria for choosing customers.

- 7) Attention to detail is paramount and should be front and centre of the buyer's mind when checking hidden signs of repair. Indicators can come in all shapes and sizes, from doors that are difficult to open and close, to imperfections or mismatching paintwork.
- 8) Before test driving a potential suitable vehicle, take a close look at its tyres. Disproportionate tyre tread may suggest the tracking isn't straight and needs correcting. You will also be able to notice this when driving as the car may drift to the left or right. Other signs of neglect or wear and tear may include cracked, bald, or dry rubber on the tyres.
- 9) It can never hurt to have a second pair of eyes check over a vehicle with you before purchasing. If you have a friend or family member that's a mechanic, perhaps ask their advice. It's always wise to raise the bonnet and have someone take a look, even if you're unsure what you're looking at yourself.
- 10) How readily available a vehicle is to view or be test driven may also be a reason for further investigation. A car that isn't almost immediately available to see may raise suspicions if no explanation is given.

Volkswagen Financial Services UK, alongside its Volkswagen Group brands, offers an approved used car programme to give customers added security and reassurance when purchasing a used car.

The benefit of the approved used programme to finance a car means customers can rest assured their vehicle has been thoroughly checked over, is covered by warranty, and has been through all the independent vehicle history and mileage screenings.

For more information, watch this explainer video on car finance: <https://www.youtube.com/watch?v=R9K40JVeS1o>

Mike Todd, CEO at Volkswagen Financial Services UK, said: *"There has never been a demand for used cars quite like what we're witnessing in today's market. The used car sector is expected to remain very buoyant in 2022 as we continue to feel the impact of the pandemic and global semiconductor shortage, meaning pent-up demand for used cars is unlikely to subside any time soon. It's therefore really important that customers feel not only supported but protected in their vehicle purchase and financing journey. Volkswagen Financial Services UK's approved used car programme is designed to fit around our customers' varying support requirements. With a fantastic range of models, and a great choice of finance options, our job as a finance provider is to make stressful searching a thing of the past."*

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Information for editors:

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