

# **“TEN MYTHS ABOUT MULTICULTURAL NEW CAR BUYERS”**

BY MICHAEL D. LEE

There are over one million people from overseas coming into the United States every year, and many of them want to show friends and family they are successful by buying a new car. In addition, there are nearly 80 million multicultural Americans already here. This is a huge market for new car salespeople all across the country – if you know how to meet the unique needs of people from other cultures.

Understanding the truth behind the following myths will help you better serve this rapidly-growing market and sell more cars as a result:

## **1. “PEOPLE FROM OTHER CULTURES ONLY WANT TO WORK WITH A SALESPERSON FROM THEIR OWN CULTURE.”**

Nothing could be further from the truth. Most of the car salespeople who complain about having difficulty with multicultural people are European American.

In fact, some cultural groups would prefer to work with a salesperson from outside their own culture. Asians, for example, are very private about their financial affairs, and many are afraid that if they use an Asian car salesperson, that person might disclose their income and assets with others in their community.

## **2. “MULTICULTURAL PEOPLE HAVE SUPERSTITIONS AND BELIEFS THAT ARE TOTALLY INCOMPREHENSIBLE TO AMERICANS.”**

Remember that people in the United States have beliefs that often baffle outsiders; for example: black cats walking under ladders, and the number thirteen, are unlucky. Most other cultures have their own beliefs that are just different.

Many cultural beliefs happen to directly affect the purchase of a new car, such as color and kind of upholstery. White is the color of death in many Asian cultures. Hindus abhor anything made of leather since the cow is sacred in their religion.

## **3. “SOME PEOPLE FROM OUTSIDE THE U.S. ARE UNETHICAL BECAUSE THEY INSIST ON RENEGOTIATING A PURCHASE CONTRACT AFTER IT HAS BEEN SIGNED.”**

While it's true that people from other cultures often try to renegotiate a purchase contract for a car after it has been signed, it's not a matter of ethics. America is a “low context” country where everything is spelled out between people either verbally or in contracts. Other countries are “high context,” where much more information is derived from the context of the communication and less is spelled out.

In high context countries, it is understood that contracts are only the beginning of a relationship that can change as the parties get to know each other. The parties are obligated to help each other “adjust” the contract to their needs until it is completed. Savvy car salespeople, sales managers and finance managers recognize this fact during negotiations over price and accessories.

#### **4. “IT’S IMPOSSIBLE TO GET PERSONAL FINANCIAL INFORMATION FROM MULTICULTURAL PEOPLE BECAUSE THEY’RE SO SECRETIVE.”**

This one isn’t actually a myth. Many people who are new to this country are extremely private about their finances. Remember that they are unfamiliar with the banking and legal system in America and do not yet know whom to trust.

In addition, merely asking a question as innocent as, “How much do you have for a down payment?” can actually endanger the lives of your customers. Why is that? Many new immigrants do not believe in banks and keep much of their money hidden in their homes.

Have you ever heard of “home invasion robberies” where the occupants are threatened until they reveal the whereabouts of their valuables? These kinds of crimes are commonly committed against Asians or Hispanics, not because they have nicer furniture or stereos than everyone else, but because that’s where the cash is. I know of one Hispanic family that lost \$75,000 in cash to a home robbery.

The best way to find out how much a new immigrant customer has for a down payment is to give them a “menu” of choices. Show him or her the required investment and resulting monthly payments for 10 percent down, 20 percent down, etc. The buyer may also be interested in a “quick qualifier” or “no document” loan--so be sure to explain the requirements for these as well. Usually, the loan that the customer expresses the most interest in is the one they will likely have saved the down payment for.

#### **5. “PEOPLE FROM OUTSIDE THIS COUNTRY ARE UNREASONABLE WHEN IT COMES TO NEGOTIATING.”**

Remember, there are two types of countries in the world--negotiating and non-negotiating. The United States is a non-negotiating country where you generally pay the price asked by vendors. In most other countries around the world, people haggle on everything from groceries to clothing to homes. To expect someone from a foreign country not to bargain on a car is tantamount to asking him or her not to breathe.

Experienced negotiators know that when they make their first offer on a car it is the lowest they will ever be able to go. They can only go in one direction from there--up. This is why they will start embarrassingly low with their initial offer even if they might be willing to pay full price.

Also, veteran hagglers are aware that they have the most bargaining power just before the vehicle is delivered. This is when they will usually ask for an extra concession such as free floor mats, air conditioning or CD players to show their skill. Smart managers will tell their salespeople to set something aside for this time; otherwise it will likely come out of the salesperson’s commission. If you normally include floor mats, a full tank of gas or a car wash before delivery, it’s best not to

include this in the initial purchase contract. At delivery, this bonus can be thrown in to “sweeten the deal” as long as the buyer agrees to stop negotiating.

## **6. PEOPLE FROM OTHER CULTURES ARE JUST TOO MUCH TROUBLE TO BOTHER WITH.”**

I hear this statement from new car salespeople throughout the country. Too bad for them--if they knew how to meet the special needs of multicultural customers, they could build a loyal and interesting client base. In addition, people from other cultures are very good about referring their friends and family if you serve them with sensitivity and patience.

An added bonus when working with people from outside the United States is the opportunity to learn about other cultures. Just think of it. By taking an interest in the language and culture of others, you can take a round-the-world trip without getting seasick or losing a single piece of luggage.

## **7. “PEOPLE SHOULD DO AS AMERICANS DO WHEN THEY’RE IN THIS COUNTRY.”**

Did you ever wonder why we are called the “Ugly Americans” when we travel outside our borders? We will fly to Germany, France or China and expect the people there to accommodate us by speaking English as well as providing food and other amenities we are comfortable with. For instance, we expect to be served pizza in Asia and to speak English in France.

Just as it’s difficult for us to leave our 200-year-old American culture at the gate when we travel abroad, it’s even harder for those coming here with cultures that are thousands of years old to do as we do here. While they do try, it is hard.

Also, if you want to sell to the fastest-growing segment of the new car market, it is you who will have to adjust--a little. Take the time to learn about other cultures, languages and foods. As a bonus, you will become a much more interesting conversationalist during the sales process.

## **8. “CAR BUYERS FROM OTHER COUNTRIES ARE DISLOYAL AND OFTEN END UP BUYING FROM A FRIEND OR RELATIVE IN THE BUSINESS.”**

Multicultural people who are buying new cars don’t understand how new car salespeople earn their money in this country. If you educate your customers on how hard you work and the fact that they must buy from you in order for you to get paid, you will get more loyalty. If there’s one thing that people from diverse cultures respect it’s hard work.

It’s a sad fact that almost everyone in America thinks that all new car salespeople do very little to earn an awful lot of money. If this were the case, why should anyone be loyal to a new car professional? You must educate buyers from all cultures on what you do for a living and how valuable it is to help them own the cars of their dreams.

## **9. “YOU SHOULD TREAT EVERYONE EQUALLY, REGARDLESS OF CULTURE.”**

Yes, it's true that you should treat every customer fairly, but this does not necessarily mean equally. For instance, if a potential buyer who obviously has difficulty understanding English comes into your dealership, would you simply hand him a brochure in English to "read"? This is equal, but is it fair? Hardly. Wouldn't you try to treat him equally by offering information in his own language or finding someone to translate for him?

Similarly, by taking into account the unique needs of every customer, aren't you serving them better? This is also true for being culturally sensitive.

#### **10. "PEOPLE DON'T WANT TO TALK ABOUT THEIR CULTURE. THEY JUST WANT TO BE TREATED LIKE EVERYONE ELSE."**

This is probably the biggest myth when dealing with people from other cultures. Minorities know that you are different, and unless something is mentioned early in your relationship with a multicultural customer, it will always stand as a barrier to building true rapport.

Once you take a sincere interest in your customer's cultural background, they are usually more than happy to tell you about their language, food and even beliefs. Get into the habit of asking every customer, "Where do your ancestors come from?" Notice, this can get the conversation started with someone from Ireland just as easily as Thailand.

Try asking customers from outside the country how to say "hello" or even your name in their native tongue. You may be slightly embarrassed as you struggle with their language, but they'll love you for it because you are now learning how they feel trying to speak English.

If you want to be truly successful with people from other cultures, you must make an agreement with each and every one of them. Say the following: "I will teach you about American new cars, contracts and financing. In exchange, I want you to teach me about your cultural background." This way, you develop a mutually beneficial relationship that will hopefully last a lifetime.

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