

THE ULTIMATE GUIDE

TO BUYING A CAR IN KENYA



Why You Should Read This Guide

64%

of online car shoppers dedicate time to compare different models of cars before buying.

For most people, buying a car is a major financial undertaking. As a matter of fact, 64% of online car shoppers dedicate substantial time to comparing different models of cars before making a choice.

Clearly, it is important that you are well informed before making the major financial move of acquiring a car. However, what you might notice in Kenya's growing car market is a lack of quality information backed by adequate data. This can increase your chances of making a wrong choice or at the very least, settling for only what you are offered.

To enable you to make correct car-buying decisions, we have put together this 25-page guide. It will provide guidance on the available options that will help you to buy a car, price negotiation, financing and more.

If you're currently shopping for a car, the professional advice, data and tips in this guide will greatly ease the process for you, save you a lot of money, and help you get the best deal.

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1. Why Are You Buying A Car?

Did you know that

83%

of car shoppers expect that online buying technology would help with their purchasing decision?

This brings us to crucial questions you need to ask yourself before you get to the point of paying for a car. You need to establish precisely what you intend to use this car for.



Things like your job, office location, hobbies, lifestyle as well as your preference between petrol and diesel engine will play a prominent part in the type of car you need.

- Are you buying it for status?
- Are you buying it for fun?
- Are you buying it for work?
- Are you buying it for family?

To make the best car buying decision, you need to answer the questions above as sincerely as you can. Keep your answers realistic.

2. What Type Of Car Do You Need?



- A fuel-efficient car?
- An easy to maintain car?
- A car with little or large space?
- A sturdy car?

You need to have a checklist of features that you consider most important in a car to guide you as you shop.

Car buyers in Kenya often forget that buying a car does not necessarily mean that it will run on petrol. Some cars run on diesel. As at the time of writing this, about 14% of cars in Kenya run on diesel.

3. What Is Your Budget?



It's important to ensure that you are not committing **more than**

40%

of your monthly income towards the repayment of the car loan

Budgeting is vital. To underscore the importance of car pricing, a recent study showed that 71% of online car shoppers revealed that they spend most of their time conducting research on prices.

It is possible that you have set aside enough money to pay for the car you want to buy. However, if you haven't set money aside, consider getting a car loan.

As you apply for a car loan, think about how much you can comfortably set aside each month until you complete repayment. It's important to ensure that you are not committing more than 40% of your monthly income towards the repayment of the car loan.

4. Where to Find Cars For Sale

60%

of shoppers are **unsure of which car to buy** when starting research on their next vehicle

This brings us to the four major ways to find cars that are for sale in Kenya. We will highlight them and then take a quick look at the pros and cons of each one. Below are places where you can find cars for sale in Kenya.



1. Physical Car Dealership



2. Online Marketplace



3. Auction Sales



4. Private Sellers

5. Pros And Cons Of Buying A Car At A Dealership

A physical car dealership is a showroom space where car dealers have various cars available for sale. Let's examine the pros and cons of buying a car directly from a physical dealership:



Pros Of Buying A Car From A Physical Car Dealership

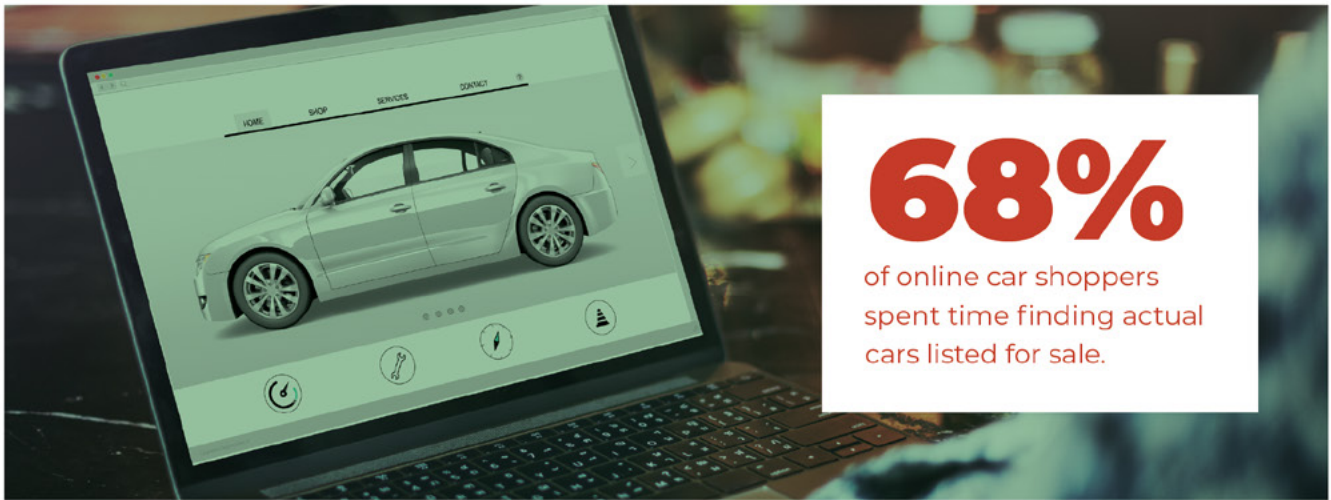
- Vehicles are of higher quality
- Risk of getting scammed is extremely low
- You get to see a variety of cars in person as the dealership has a physical presence
- You get to test-drive the cars that you are interested in
- You get the opportunity to negotiate directly with the dealer
- You can get help with car loans options to finance your car
- You get options to protect your car through warranty options available (for new cars)
- You can return to the dealership if you notice any problems with the car (for used cars)

Cons Of Buying A Car From A Physical Car Dealership

- You might get stuck and find yourself paying hidden dealership fees
- You risk haggling with a professional salesperson
- Falling for 'Bait and Switch' - This is when you ask about a car. You are told it is available only to be told later on that it has been sold but that there are other (often more expensive) models that you can look at instead
- The process of buying the car can become tedious and time-consuming
- You could end up getting driven all-around other dealerships looking for a specific brand and model you want

6. Pros And Cons Of Buying A Car Online

Shopping for a car online is a wholesome experience. According to Tubular Insights, 22% of buyers purchase the make and model of the car they first searched. Here's a look at the pros and cons of buying a car online.



Pros Of Buying A Car Online

- It helps you avoid haggling with professional salespeople
- It helps you compare different and numerous types of cars until you find what you want
- It helps you avoid the 'Bait and Switch' trick - This is when you ask about a car. You are told it is available only to be told later on that it has been sold and you are encouraged to look at other models (often more expensive) instead
- It offers a convenient car-shopping experience 24 hours of the day
- When shopping for a car online, there is no physical travelling involved until you are ready to inspect and buy the car
- It offers a wide selection of cars as it displays listings from multiple dealers
- It offers you reviews from previous buyers

Cons Of Buying A Car Online

- Some car sellers might not use good quality pictures to showcase their cars
- It does not offer face-to-face interaction with the salesperson until you request for an inspection
- In some cases, the websites are not user-friendly
- Some car sellers might not be fully honest about the condition of the cars they're selling. This is why physical inspection is very important.

7. Pros And Cons Of Buying A Car At An Auction

Auto auctions are a method of selling vehicles based on an auction system, which is a public sale in which a car is sold to the highest bidder. Let's take a quick look at the pros and cons of buying cars at an auction:



Pros Of Buying A Car At An Auction

- A reasonably wide selection of cars to choose from
- Some very good price bargains
- Fast turnaround
- Cheaper compared to cars sold at conventional dealerships
- Access to vintage cars and collectors' items

Cons Of Buying A Car At An Auction

- You can't test-drive a public auction vehicle before you bid on it
- Zero warranty on cars
- Sketchy background and history of cars
- No insurance cover
- Risk of acquiring cars that have been smuggled into the country
- Risk of buying cars that are in very bad health

8. Pros And Cons Of Buying A Car From Private Sellers

Private seller refer to car sellers who are not car dealers. In other words, a private seller is not a business. Rather, such sellers sell their own cars. In such cases, the car owner probably wants to sell off the car to buy a new one or is just looking to raise some money from a sale. Take a look at the advantages and disadvantages below:



Pros Of Buying Cars From Private Sellers

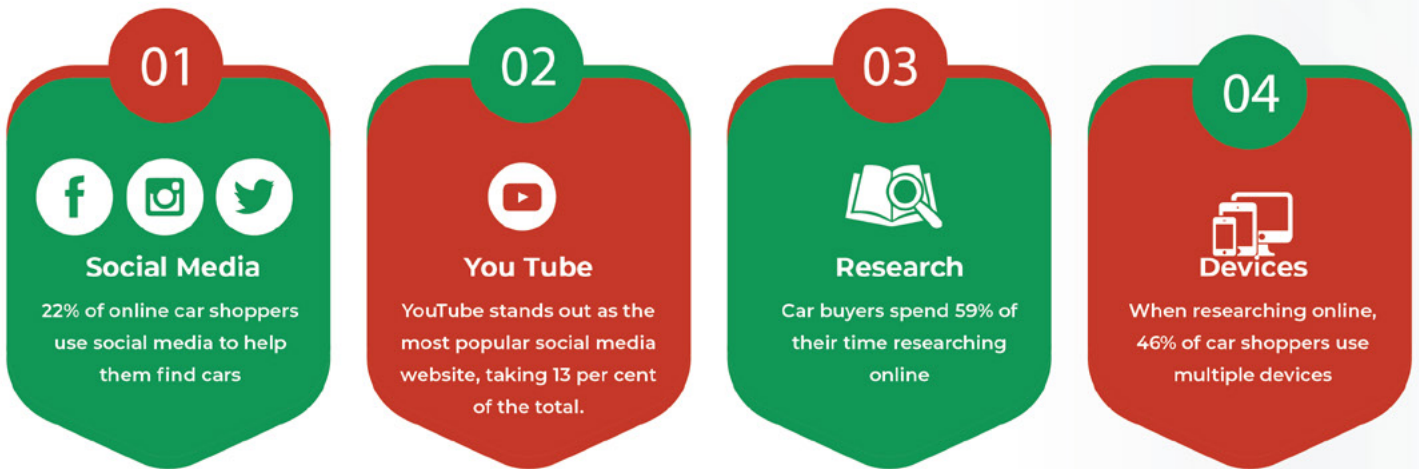
- You don't have to pay hidden car dealership fees
- They offer better deals, especially in cases of distress sales
- They are less expensive when compared to buying from a dealer
- Offers an opportunity to save money if you can point out flaws in the car
- It eliminates the middleman in car deals

Cons Of Buying Cars From Private Sellers

- Cars bought do not come with a warranty
- You are buying 'as is,' which protects the seller from legal recourse should your car turn out to be in bad condition
- It can be time-consuming if the car is in a far location or a different state

9. Statistics: Experiences and Decisions of Car Buyers

Here's a quick look at statistics on where people like you are searching for cars and buying them.



Car Price

From the top five activities conducted by car shoppers online, 71% of shoppers spent significant time researching car prices

Purchase Decision

Among automotive internet shoppers who use social media, only 13% indicate that the information posted on social media sites influenced their purchase decision

Mobile Devices

53% of automotive internet shoppers use a mobile device in their quest for automotive information

Actual Cars

68% of online car shoppers spent time finding actual cars listed for sale

Comparing Car Models

64% of online car shoppers dedicated time to compare different models of cars

Car Value

63% of car shoppers online were interested in finding out the current worth of their preferred cars

Dealerships

52% of car shoppers feel anxious or uncomfortable at dealerships

Millennials Dislike Dealerships

Millennials lead the pack in their dislike for dealerships, with 56% saying they'd rather clean their homes than negotiate with a car dealer

Feeling Tricked

Among millennial women, 62% feel pressured to buy right away and 49% said they felt tricked into buying features they didn't need

Car-Buying Alternatives

When asked about newer car buying alternatives, 54% said they would "love" to be able to sell or buy a car from home

Buying Without a test-Drive

42% were fine buying a car without a test drive, as long as there was some form of guarantee

Preferred Experience

54% of car shoppers would buy from a dealership that offers their preferred experience, even if it didn't have the lowest price

Car-buying Process

72% of automotive shoppers would visit dealerships more often if the buying process was improved

Cars and Social Life

72% of younger millennials indicated that a car is important to their social life

Car Features

More than 70% of younger millennials cite technology and infotainment features as "must-haves" when purchasing a car

Locating a Dealer

46% of online car shoppers spent time locating a dealer or getting dealer info

Imported Cars

According to the Kenya National Bureau of Statistics 650,463 vehicles landed at the port of Mombasa between 2013 and 2017. Kenyans spent KSh 47.4 billion in tax, importing both used and new cars.

Sources: Autotrader , D. Power New Autosshopper Study , Beepi Consumer Automotive Index, Kenya National Bureau of Statistics and add Africa Check and Revenue Authority

10. Things To Look Out For Before You Buy A Used Car

Before you buy a car, you need to check things like mileage, rust or paint damage, vehicle history and a host of other details.



Mileage: The average car should have about 20,000 km each year. To know the mileage of a car, divide the number on the odometer by the car's age.

Vehicle History: Ask questions from the seller and don't forget the Vehicle Identification Number (VIN)

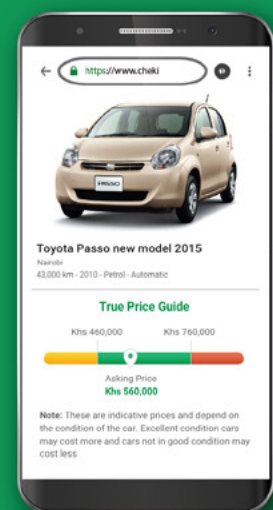
Rust or Paint Damage: Walk around the car to check for paint chips or rusty spots. You can always fix them when you spot them but in cases where the rust eats through the metal, you should reconsider buying the car

Price Comparison Using the Cheki True Price Tool

It's important to compare prizes before you eventually settle for a car. Dont rush into buying from the first dealer.

The **CHEKI TRUE PRICE** tool on [cheki.co.ke](https://www.cheki.co.ke) helps car shoppers like you with accurate information on the prices of cars in Kenya.

The TRUE PRICE feature shows the price range that a car falls within. This will help you negotiate with car sellers from an informed position. **Find Out More!**





Car Frame: Walk around the car. If you notice that the car is not sitting level on the ground, it's not a good sign. Check to see if there is anything hanging from the car's undercarriage.

Beneath the Hood: Don't forget to check the oil discolouration. Remember that oil ideally has light brown colouration while transmission fluid should be red or pink.

Tyre Condition: Ensure that thread of all four tyres should match and should be evenly worn. Failure to do this leads to poor wheel alignment, which can lead to suspension, frame and steering issues.

Interior Electronics: Push the buttons on the dashboard to be sure the speakers, audio system, radio and other buttons are functional.

Air Condition: It's not enough to be told that the air conditioning system of a car is working. Don't take the seller's word for it. Put it on as you go for a test drive and be sure it works.

Upholstery: Pay attention! If your car comes with leather seats, look closely to be sure that they are not cracked as they can be costly to replace.

Test-Drive: Some experts have pointed out that the test-drive is the most important stage of shopping for a car. Your test should cover braking, manoeuvrability, suspension and acceleration.

Mechanical Inspection: Never forget to inspect a car for mechanical faults and this responsibility should be shouldered by a competent and trusted mechanic. The inspection is not free but it will save you from acquiring a liability.

11. Foreign Used Cars vs Locally Used Cars vs Brand New Cars



There are broadly three categories of cars to choose from when you go car shopping. You have foreign used cars, the Kenyan used cars as well as new cars.

Your choice is largely dependent on your budget and preferences. New cars are typically more expensive than used cars. It is on this premise that we will take a quick look at the pros and cons of each one.

12. Pros And Cons Of Buying A Foreign Used Car

These are the used cars that are brought into a country from another country. For Kenya, they would, therefore, refer to used cars imported from different countries all over the world.



Pros Of Buying A Foreign Used Car

- They offer value for money
- They are in a better mechanical condition when compared to locally used cars
- They are usually of good quality
- They come in a wide variety

Cons Of Buying A Foreign Used Car

- The steering wheel might be on the wrong side of the road
- If you're buying directly from a foreign country, you cannot test-drive the car
- Too much extensive administrative clearance and paperwork need to be completed
- Risk of getting scammed
- Cumbersome importation process
- You cannot inspect the car

13. Pros And Cons Of Buying A Locally Used Car

A locally used car has been registered to an owner within the country. Such cars have previously had one or more owners and have been used within the country. Below are the pros and cons of buying a used car:



Pros Of Buying A Locally Used Car

- Costs less than a foreign used or brand new car
- Smaller car loan amounts
- Insurance premiums are lower than what is charged for new cars
- A quicker payoff in cases of loans
- You are not prone to the huge hit of depreciation that new car buyers experience

Cons Of Buying A Locally Used Car

- You can end up buying cars that become a burden to repair and maintain
- Does not come with a warranty
- Less reliable than brand new cars
- Your options are limited to what the seller says is available
- Despite inspections, quality and reliability are not guaranteed

14. Pros And Cons Of Buying A Brand New Car

A new car is a car that has never been recorded as being sold and does not have a title issued. The only documentation that a new car is expected to have is the manufacturer's statement of origin. Below are the pros and cons of buying a new car:



Pros Of Buying A New Car

- Comes with a warranty
- You don't have to worry about the repair cost for a while
- Gives you access to the newest and most advanced technologies
- Considered more reliable as you are the car's first driver
- Reliability is also guaranteed by new car factory warranties
- You know the car's complete history
- Lower maintenance cost
- Customisation is fun

Cons Of Buying A New Car

- It is way more expensive than a used car
- You pay more in sales tax
- A new car loses as much as 20% of its value the moment you drive off in it

15. Top 10 Questions To Ask Car Sellers

A study by Oppomax has revealed that 62% of purchasers would rather spend time online researching, compared to 29% that would prefer to speak to a sales person. We have highlighted 10 questions to help you ascertain the condition of a car:

1. Why are you selling the car? (especially for private sellers)

2. How long have you had this car for?

3. What's the condition of the car?

4. What mileage is quoted on the car?

5. Who did you buy the car from and where did you buy it?

6. Can I see the maintenance records or receipts?

7. Has the car ever been involved in an accident?

8. Can I take the car for an inspection with my mechanic?

9. How many keys and remotes do you have for the car?

10. Has the car ever been involved in a police case or ever gotten impounded?



16. Car Price Negotiation



To avoid overpaying for your next car, you need to do some research, get market information and negotiate well with sellers.

You can find the real market price of a car before you approach a dealer by simply using the Cheki True Price tool. This is a tool on [Cheki.co.ke](https://cheki.co.ke) that is designed to provide car shoppers like you with accurate information on the prices of cars in Kenya.

Other Negotiation Tips Are:

- Don't be rude to the dealer. This can hinder you from getting proper advice or guidance
- Ask for the car's maintenance records
- Do the 'silent walk around.' This is a technique used by many buyers to devalue a car. It is called the 'silent walk around' because they walk around the car, looking for dents, stains, scratches, and occasionally shaking their heads whenever they spot one
- Find out the lowest price the seller is willing to sell the car to you

Be patient! Buying a car is a big investment. Don't make hasty decisions. If the deal/offer does not look or feel right, you can always consider other cars.

17. Things To Consider Before Taking A Car Loan



All car loans have some similar ground-rules, which mostly revolves around your ability to pay back. Basic car loan application requirements include your minimum salary, employment type and statement of account.

As a salary earner or entrepreneur, you can apply for a car loan as long as you can repay the loan. Some car loans restrict you to brand new cars while some are also open to foreign and/or locally used cars e.g Cheki Finance.

Cheki Finance

Cheki finance provides affordable car loans to car buyers in Kenya

- Cheki finance allows you to take possession of your car within 3 days
- Your monthly repayment is less than 40% of monthly salary
- No collateral needed
- You get access to thousands of cars to choose from



There is a limit on vehicle financing. Before you take a car loan, you should ask for what the limit is. For a car loan in Kenya, you are not going to get a 100% financing from your loan provider. You will be expected to make a deposit to cover a percentage of the cost of the car.

18. Vehicle Insurance

The purpose of an insurance policy for your car is to ensure that your car is protected at all times, especially in the case of an unfortunate incident. Failure to insure your car deprives you of the protection you should have from a wide array of situations including vandalism, fire and much more. Insurance policies you should consider include:



Third-Party: This is the 'Act Only' car insurance cover; popularly known as the Motor third-party insurance or third-party liability cover. It is a statutory requirement under the Motor Vehicles Act. The policy covers the insured's legal liability for death/disability of third-party loss or damage to third-party property.

Comprehensive Car Insurance Cover: This insurance policy protects your car against damages, a collision and even from theft. It covers a wide array of situations that can damage your car, including vandalism, fire and much more.

Third-Party Only: Under the third-party only car insurance policy, if you get into an accident that was your fault, your insurance will cover losses to any third party vehicles or property, but damage to your own car will not be covered. That's not all - If your car is stolen or damaged in a fire, your insurer will not pay out to replace or repair it.

Third-Party, Fire and Theft Car Insurance Cover: This policy gives you the same cover for any third party and their property in the event of an accident where you are deemed liable. It also comes with an insurance cover for your own car if it's stolen or damaged by fire. Plus, you would also be able to make a claim should your car be damaged by attempted theft.

19. The Top 5 Breakdown

Finally, in order to assist you in your car purchasing journey, here are 5 tables with the 5 most demanded vehicles in 5 relevant categories.

City Cars

The following 5 models are the most demanded city cars in Kenya according to Cheki. The Toyota Vitz leads the way.

	Brand	Model	Year	Average Price
1.	Toyota	Vitz	2011-2013	KES 760, 000
2.	Mazda	Demio	2011-2013	KES 1, 100, 000
3.	Nissan	Note	2011-2013	KES 890, 000
4.	Honda	Fit	2011-2015	KES 1, 150, 000
5.	Toyota	Passo	2011-2013	KES 1, 400, 000

Toyota Vitz 2011



By Lucy Kamuti

Very lovely blown and comfortable seats. Power steering with automatic brake locks convenient for use with children. Smart key/keyless entry, and a generally beautiful model.

Reliability



Performance



Drive comfort



Maintenance cost)



Style



Saloons & Sedans

The following 5 models are the most demanded Saloons and Sedans in Kenya according to Cheki. Toyota cars clearly dominate this category.

	Brand	Model	Year	Average Price
1.	Toyota	Premio	2011-2013	KES 1, 500, 000
2.	Mercedes	C200	2011-2013	KES 2, 250, 000
3.	Toyota	Mark X	2011-2013	KES 1, 510, 000
4.	Toyota	Axio	2011-2013	KES 1, 080, 000
5.	Toyota	Allion	2011-2013	KES 1, 300, 000

Toyota Premio 2011



By Koech Kip

Nice shape, excellent interior, comfortable seats, admirable reverse camera, stylist body shape The body shape looks good and has a stylist appearance The interior of the car look cool and presentable with comfortable seats and nice AC The reverse camera is so clear to date

Reliability



Performance



Drive comfort



Maintenance cost)



Style



4x4 and SUVs

The following 5 models are the most demanded 4x4 and SUVs in Kenya according to Cheki. 2 Toyota Land Cruiser Model make it in the top 5.

	Brand	Model	Year	Average Price
1.	Toyota	Prado	2011-2013	KES 4, 500, 000
2.	Toyota	Vanguard	2011-2013	KES 2, 200, 000
3.	Honda	CR-V	2011-2013	KES 2, 200, 000
4.	Toyota	Prado	2013-2015	KES 4, 880, 000
5.	Subaru	Forester	2011-2013	KES 2, 400, 000

Toyota Prado 2011



By David

Very comfortable on the road. Reliable for all terrains. Relatively affordable cost of fuel and maintenance. Amazing performance in all terrains; never disappoints. The vehicle commands class and the style is authentic. One can never go wrong with a Prado tx.

Reliability



Performance



Drive comfort



Maintenance cost)



Style



Pickups And Trucks

The following 5 models are the most demanded pickups and trucks according to Cheki. The Hilux model completely dominates in this category.

	Brand	Model	Year	Average Price
1.	Toyota	Hilux	2011-2013	KES 2,750,000
2.	Toyota	Hilux	2013-2015	KES 3,800,000
3.	Isuzu	EFL Truck	2011-2013	KES 2,400,000
4.	Toyota	Hilux	2015-2017	KES 3,900,000
5.	Isuzu	D-MAX	2013-2015	KES 2,100,000

Motorbikes

The following 5 models are the most demanded Motorbikes in Kenya according to Cheki. The Kingbird brand clearly dominates the motorbike landscape in Kenya.

	Brand	Model	Year	Average Price
1.	Kingbird	KB 150	2017-2019	KES 105,000
2.	Kingbird	KB 100	2017-2019	KES 84,000
3.	Royal	Enfield	2013-2015	KES 550,000
4.	TVS	Star hlx	2017-2019	KES 350,000
5.	Kingbird	KB 150GY	2017-2019	KES 395,000

ABOUT CHEKI

Cheki Kenya is the No.1 Car marketplace for the widest range of quality vehicles. We offer a state-of-the-art platform for users to buy and sell their cars, vans, bikes, trucks and other vehicles.

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