Parents More Likely To Purchase Child's First Car

According to the latest AutoTrader.com Shopper Insights Report, the primary motivating factors for parents making the purchase are a desire to control the vehicle choice and a feeling of obligation to help their children.

ATLANTA, Aug. 30, 2012 /PRNewswire/ -- As students head back to school this year, their parents will likely be footing the bill for far more than school supplies and new clothes. A recent summer survey conducted by AutoTrader.com revealed that more parents today are purchasing their child's first car—a sharp contrast from who paid the bill when those parents were young.

Among adults who have children of driving age, 53 percent said that they had to buy their own first car, versus 14 percent who said that their parents purchased it for them. Today that trend has almost totally reversed: 41 percent of those same adults bought their child's first car for them, and only 17 percent of their children purchased their first car for themselves.

"Having personally experienced this shift, I expected to see an uptick in the percentage of parents who purchased their child's first vehicle, but it was surprising to see how much the pendulum had swung," said Rick Wainschel, vice president of automotive insights at AutoTrader.com

Parents surveyed said their primary motivation for making the purchase was to give them more control over what their children are driving. The secondary reason was because they felt an obligation to help their children.

"These motivating factors highlight two interesting hypotheses regarding the role of vehicle purchases among today's first-time car buyers," Wainschel continued. "First, the desire to 'control' the purchase may speak to the inclusion of car purchases in our society's overall move toward so-called 'helicopter parenting.' And second, the 'obligation' that parents feel may be related to the financial situation that their children face in today's economy.

"Whatever the motivating factors are, that first sense of autonomy and independence that buying a car represented may be diminished just a little by the parent's involvement in the purchase decision."

10 Great Cars for First-Time Drivers

With more parents footing the bill for their young drivers' first cars, AutoTrader.com polled them to find out what vehicle characteristics were most important to them. The top three characteristics were Reliability (cited by 76 percent), Safety (cited by 74 percent) and Price (cited by 63 percent). Keeping these in mind, AutoTrader.com's expert editorial team recommended the following 10 vehicles:

- 2013 Chevrolet Sonic. For less than \$15,000, the Sonic is remarkably fun and good looking. Available high-end features like OnStar (free for 6 months) and satellite radio make it feel much more expensive. And it doesn't cheap out on the safety front, either. With the largest number of standard airbags of any vehicle on this list (10 total front, front side, front knee, rear side and side-curtain), the Sonic also comes with stability control and front disc/rear drum ABS.
- 2013 Ford Fiesta. Like the Chevy Sonic, the Ford Fiesta offers a lot of car for its low price. The hatchback is the most useful, but the sedan has a base price of less than \$14,000. The Fiesta plays it safe with seven standard airbags (front, front side, driver knee and side-curtain), stability control and front disc/rear drum ABS.

- 2013 Kia Forte Koup. Despite its \$17,000 price, the Forte is remarkably peppy and fun to drive. A 100,000-mile powertrain warranty is nice, too, in addition to six standard airbags (front, front side and side-curtain), stability control and four-wheel disc ABS.
- 2013 Kia Rio. First time car buyers likely have little money to spend but still want plenty of style, options and safety features. That's where the Rio comes in. Six standard airbags (front, front side and sidecurtain), stability control and four-wheel disc ABS contribute to the vehicle's high marks for safety. And, since the Rio was recently redesigned, it may feel more contemporary than other cars in its class.
- 2013 Subaru Impreza. At about \$18,000, the Impreza isn't the least expensive small car, but it does have the foul-weather and performance benefits of all-wheel drive, as well as high safety marks across the board thanks to its seven standard airbags (front, front side, driver knee and side-curtain), stability control and four-wheel disc ABS. Our editors particularly like the practical 5-door hatch version.
- 2013 Jeep Compass. In general, SUVs are not great for first time car buyers, but the Compass has that great combination of a low price and a go-anywhere attitude that will appeal to young buyers. Though safety ratings aren't available yet for this particular model, it does come with four standard airbags (front and side-curtain), two optional airbags (front side), stability control and four-wheel disc ABS.
- 2013 Toyota Corolla. Those who just want a good, reliable car they can drive for the better part of a decade without worry will be drawn to the Corolla. Other cars may be flashier, but the Corolla and its high-resale value are perfect the more grounded-first time buyer. And its six standard airbags (front, front side and side-curtain), stability control and front disc/rear drum ABS helped it earn good safety ratings from both the NHTSA and IIHS.
- 2012 Nissan Versa. Those who want a big car but have a small car budget will like the Versa due to its roomy interior and standard safety equipment. Six standard airbags (front, front side and side-curtain), stability control and front disc/rear drum ABS can help keep new drivers safe on the road, and pricing starts at a remarkably low \$10,990.
- 2012 Nissan Cube. The Nissan Cube is all about attracting attention.
 With a \$15,000 base price, even first time car buyers can afford to get
 noticed. Sporting six standard airbags (front, front side and sidecurtain), stability control and front disc/rear drum ABS, the Cube
 comes with enough standard safety equipment to ease parents'
 nerves.
- 2013 Scion tC. Like the Kia Forte Koup, the tC is an affordable option
 for those who really want a sports car, but just can't swing the cash.
 Lots of features and a sleek look make the tC compelling at just
 \$19,000. And with eight standard airbags (front, front side, front knee
 and side-curtain), stability control and four-wheel disc ABS, the tC rates
 high for safety as well.

Click <u>here</u> to view a snapshot of these Shopper Insights from the AutoTrader.com Trend Engine.

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For further information: Julie Shipp, +1-404-568-7914 (o), +1-404-558-7837 (m), julie.shipp@autotrader.com

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