

AutoTrader.com Study Reveals Deep Insights into how Millennials Relate to Cars

"The Next Generation Car Buyer" study uncovers what millennials think about automotive brands, what they want in a car and how they want to shop for it

ATLANTA, Aug. 23, 2013 [PRNewswire](#)/ -- A new study from [AutoTrader.com](#)® reveals that when it comes to cars, Millennials are highly aspirational and image-conscious, are more open to import brands and actually do have an interest in vehicles and driving. These insights and much more are discussed in "The Next Generation Car Buyer" study: a deep look at the attitudes and behaviors of Millennials when it comes to cars and car shopping.

(Photo: <http://photos.prnewswire.com/prnh/20130823/CL68741-INFO-a>)

(Photo: <http://photos.prnewswire.com/prnh/20130823/CL68741-INFO-b>)

(Photo: <http://photos.prnewswire.com/prnh/20130823/CL68741-INFO-c>)

(Logo: <http://photos.prnewswire.com/prnh/20110425/CL88097LOGO>)

The study explores how Millennials think and behave across the entire automotive shopping decision journey: awareness, trigger event, consideration, evaluation and purchase. In addition to examining how Millennials compare to Generation X and Baby Boomers, "The Next Generation Car Buyer" examines the behaviors and attitudes of younger (aged 16-24) and older (aged 25-32) cohorts of the Millennial Generation, noting areas of difference.

"This generation represents the future of our industry, so it's essential to have a deep understanding of their wants and needs," shared Isabelle Helms, senior director of Research and Marketing Analytics, [AutoTrader.com](#). "By looking at differences between older and younger Millennials, we gain an understanding of how their attitudes and behaviors could change over time as they enter the next phases of their lives."

Highlights of the study include:

Automotive Brand Perception

Millennials say the brands that fit them best mirror the image they have for themselves: stylish, sophisticated and innovative. Luxury brands scored highly in these areas, with BMW, Mercedes, Lexus and Audi said to be the most stylish brands, Mercedes, Lexus and Audi seen as the most sophisticated and BMW, Mercedes, Audi, Honda and Ford seen as the most innovative. When it came to overall brand fit, Millennials surveyed said that in order, Audi, Honda, Mercedes, Toyota, BMW and Chevrolet were most reflective of their personality.

"While Millennials may not be able to afford many of these brands now, the brand fit metric is a good way to look at where the market is headed," said Rick Wainschel, Vice President of Automotive Insights, [AutoTrader.com](#). "Lower price point vehicles like the Mercedes CLA, BMW 1-series and Audi A3 are making luxury cars more attainable for Millennials earlier in life, which could help these brands establish long-term consideration and loyalty."

While Millennials may identify with luxury manufacturers, those surveyed say they're still most likely to purchase mainstream brands - in order, Honda, Chevrolet, Toyota and Ford - even when price isn't an object. Millennials

rated these brands highly for practicality – an indication of what's driving their purchase decision.

"Life stage, economic situation and brand awareness are the primary factors determining which vehicles millennials are currently placing on their shopping lists," Helms said.

The study also revealed that "American-made" doesn't hold the same meaning for Millennials as it does for Baby Boomers, and that Millennials are much more familiar than Baby Boomers with import brands and are more likely to consider them. For example, millennials surveyed were much more familiar with, in order, brands like Lexus, Honda, Kia, Nissan and Hyundai than Baby Boomers, and said they're much more likely than Baby Boomers to consider Audi, Nissan, Kia, BMW and Mazda.

"Millennials have grown up in a world where import brands are well-established in the market, so there's much more of a level playing field in their minds," Helms said. "Millennials are more focused on which brands have the features and attributes they want, less on where a car may have been manufactured."

Car Shopping

When it comes to car shopping, Millennials depend heavily on research to help drive their purchase decisions. Millennials rely more on word-of-mouth when shopping for a car than other generations¹ (Millennials: 43%; Gen X: 28%; Baby Boomers: 32%), and most of that is face-to-face (face-to-face: 90%; blogs/forums: 41%; e-mail: 36%)². They're also most likely to be first introduced to their car of choice through a family member or friend, as opposed to Baby Boomers who are most likely to be first introduced to their car on the dealership lot.

When it comes time to head to the dealership, Millennials actually enjoy browsing the lot more than older generations and are more dependent on the salesperson for information. However, they're also more likely than older generations to go out of their way to avoid interacting with dealership staff.

"Millennials view the dealership as a key piece of their research process – they're looking for experts to help answer their questions and to touch and test out the physical car before making a purchase," Helms said. "That said, Millennials want time and space to make the right decision, and will value the salespeople who provide the information they seek in a no-pressure way."

Relationship with Cars

According to the study, younger Millennials are delaying getting their driver's license at a higher rate than older generations (36% of younger Millennials, older Millennials: 27%, Generation X: 28%, Baby Boomers: 24%), but this has very little to do with lack of a need to drive (9%), lack of an interest in driving (6%) or lack of access to a car (5%). Younger Millennials are "too busy with other things" (23%), are "afraid of driving" (19%), find it to be "too expensive" (15%) and "want more time to train" (14%).

"While today's teens may not view a car as the key to social freedom like baby boomers did, it's still an important tool to keep them connected to the things that matter," Helms said. "Our research shows they want to drive, they just aren't making it as much of a priority."

When it comes to what they want in a car, more than 70% of younger Millennials said infotainment features are "must-haves." Nearly 50% of Millennials surveyed said it's important that their car reflects their personality, and nearly 40% said it's important their car reflects their

accomplishments.

But, as Millennials age and mature into different phases of their lives, they become more pragmatic in what keeps them happy about their vehicle. For younger Millennials, style and features drive vehicle satisfaction, while older Millennials are more focused on safety and performance.

"Products that include millennial must-haves – unique design, the latest technology - at a price they can afford will win," Wainschel said.

Many additional insights from the Next Generation Car Buyer Study are available in the executive summary of the results at Press.AutoTrader.com.

About "The Next Generation Car Buyer" Study

The primary piece of research driving this study is the AutoTrader.com Millennial Survey, administered online by Harris Interactive among 1,657 Millennials, 993 Generation Xers, and 1,062 baby boomers between January 7 and January 25, 2013. For purposes of this study, younger Millennials were defined as those aged 16-24, older Millennials were 25-32, Generation Xers were 33-47 and Baby Boomers were 46-66 at the time of the survey. The survey included an oversample among those who purchased a vehicle within the past 3 months. In addition, 75 Millennials who were actively shopping for a vehicle during the study period participated in a month-long online community, providing real-time feedback on their experiences.

Additional sources include: ¹ AutoTrader.com Polk Buyer Influence Study, 2013; ²AutoTrader.com Audience Segmentation Study, 2013

About AutoTrader.com

Created in 1997, Atlanta-based AutoTrader.com is the Internet's ultimate automotive marketplace. As a leading resource for car shoppers and sellers, AutoTrader.com aggregates millions of new, used and certified pre-owned cars from thousands of dealers and private sellers and provides expert articles and reviews. AutoTrader.com, which also operates the AutoTraderClassics.com® auto marketing brand, is wholly owned by AutoTrader Group™. Additionally, AutoTrader Group owns Kelley Blue Book® (KBB.com) as well as three other companies that provide a full suite of software tools that help dealers and manufacturers manage their inventory and advertising online: vAuto®, HomeNet Automotive® and VinSolutions®. AutoTrader Group is a majority-owned subsidiary of Cox Enterprises. Providence Equity Partners is a 25 percent owner of the company. For more information, please visit <http://press.autotrader.com>.

SOURCE AutoTrader.com

For further information: Nicole Carriere, 404-568-7822 (o), 770-547-7950 (m), Nicole.carriere@autotrader.com

<https://press.autotrader.com/2013-08-23-AutoTrader-com-Study-Reveals-Deep-Insights-into-how-Millennials-Relate-to-Cars>