

## **Generation Z Offers Resounding “Yes” to Car Ownership**

**Nancy Lesinski**

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*It seems automakers can stop worrying about the greatly-exaggerated lack of interest in vehicles by the younger generations. A new study focused on [Generation Z \(those born mid 1990s – 2010\)](#) shows that 92 percent of this group owns or plans to own a vehicle, but on their terms in their own way.*

My family (comprised of a 28-year-old daughter and two sons, aged 26 and 19) has been somewhat confounded by the behavior of my youngest during his teenage years. Whereas most teens can't wait to leave home for the exciting university pastures, my son seems quite content living at home, driving a 22-year-old Volvo, and spending spare time immersed in video games whilst in continual textual relationship with his girlfriend. I have often bemoaned his “oddities” to my friends only to discover their teens behave in the exact same way.

Welcome to Generation Z, which exhibits a significantly different number of traits as compared to the Millennial generation (born 1977 – 1994), encompassing my older two children. Amazing that such a short time span can give way to such different behaviors.

### **Looking for Trust, Tradition and Technology**

A recent study from Cox Automotive, [“What’s Driving Gen Z”](#), focused on future car shopping habits, has proven to me that my son actually falls right in line with his peers. Compared to Millennials, Gen Z is not as materialistic and not as interested in ‘saving the environment’. Although this group definitely wants to own their own vehicle, they have specific expectations. This is a value-conscious group totally focused on safety -- actually regarding safety over infotainment (a surprise given their young age). And, they are not particularly brand conscious -- although they identified Ford, Chevrolet and Honda as their preferred automotive brands, describing them as traditional, practical and trusted.

A big surprise (at least to me) was that 72 percent said they would give up social media for a year to own a car. And, 65 percent have a lack of trust in the technology behind autonomous vehicles despite the fact that they have lived in a digital world since the day they were born. At the same time, most of them think that roads would be safer with full self-driving vehicles.

### **Value-Driven**

Nearly 60 percent of Gen Z consumers surveyed prefer to save money over spending it, and they're concerned about student loan debt, the economy, unemployment and poverty. These findings helped me understand my son's willingness to drive an old, yet reliable, vehicle which he was able to buy for a song as well as his patience in living at home in order to save money. Debt is an evil four-letter word to him.

Gen Zs aren't just frugal – they are looking for the best value. It goes beyond just price into what other services come along with the purchase. A car represents freedom and convenience to Gen Z respondents rather than a reflection of who they are.

### **Combining Virtual with Reality**

In terms of shopping behaviors, Gen Z prefers a digital shopping experience because it's easier and often more cost effective (appealing to their practical side). However, this is not so when it comes to car shopping. Only 26 percent would buy a car online and 68 percent said they believe face-to-face interactions are important with 52 percent citing they would need to test drive a vehicle multiple times before making a buying decision.

To gain this audience, automakers and dealerships will need to focus on practicality and emphasize cost savings and safety features. To an extent, Gen Zers see no distinction between the real and virtual worlds so appealing to them requires a seamless user experience when they go online before in-store. Making the shopping experience and enjoyable one is vital.

To me the good news is the idea that this generation does still want in-person interaction. It's not that they are living in a digital world, but that they know how to leverage the digital to enhance all their experiences within the real world.

### **Creating a Seamless Mobility Experience**

"The car is the gateway to experiences for this generation," says Isabelle Helms, Cox Automotive vice president of research and market intelligence. "Experiences matter to them far more than materialistic things, which differentiates them from millennials."

To appeal to the Gen Z group, automakers have to offer not just a good vehicle, but a holistic mobility experience that starts from the moment the consumer considers a purchase throughout the lifecycle of the vehicle. Today, appealing to consumers and securing their loyalty requires much more than creating a product loaded with features and benefits. Through its **3DEXperience** platform, this is exactly what Dassault Systèmes endeavors to help automakers achieve.

Shaping the right experience to engage the consumer requires involvement and collaboration between all the roles within a company – from marketing and manufacturing to sales and engineering. Through a single- easy to use interface, the 3DEXperience allows everyone within a company to play an active role in the experience development. It also enables social listening beyond the enterprise walls, so that automakers can see in real-time what consumers are talking about and looking for.

*For information on availability Transportation & Mobility solutions available on the 3DEXperience platform, visit <http://www.3ds.com/industries/transportation-mobility/>*