

Press release

Six Out of Ten Young Drivers Intend to Buy Cars with Alternative Powertrains within the Next Five Years

Detroit/Prague, 21 August 2014 – Most Gen Y consumers (born between 1977 and 1994), whether they currently own a vehicle or not, demonstrate a clear affinity for cars and trucks with alternative powertrains. More than half (59%) think they will be driving an alternative engine vehicle five years from now, with more than a quarter (27%) naming hybrid electrics as their single most preferred type of alternative engine. These are the most important findings of the new Deloitte automotive consumer survey called [Global Automotive Consumer Study – The changing nature of mobility](#), in which over 23 thousand respondents from 19 countries around the world, including the Czech Republic, took part.

While only 8% of the respondents would choose a plug-in hybrid, 7 % would go for an all-battery electric vehicle, and only 4% would prefer a fuel-cell vehicle. What is more, these consumers would like the government to help defray the higher costs of alternative powertrains, with 58% saying they would support government programs that reward customers for choosing alternative/high-efficiency engines.

“Contrary to the older generation of drivers, Gen Y consumers are very enthusiastic about affordable vehicles equipped with modern technology, especially about hybrid electrics. The key aspect for Gen Y consumers is affordability. When questioned about what criteria played the most important role when buying a vehicle, most of them stated the costs and the related aspects such as the actual purchase price of the vehicle, its fuel consumption, and the funding possibilities, and adds: “The younger generation is showing new patterns of selecting cars. This will put a high pressure on car manufacturers and automotive suppliers to adjust and meet evolving new client needs,” says Christoph Greving, Consulting partner of Deloitte Central Europe and specialised in the automotive industry.

Only 29% of Gen Y consumers would be willing to give up their personal cars, even as non-traditional mobility options like car-sharing or car-pooling services proliferate.

Among Gen Y consumers who do not currently own or lease a vehicle, cost seems to be the main barrier – with most (80%) saying it is because they cannot afford it and three quarters citing high operational and maintenance costs. In addition, 67% said their lifestyle needs are met by walking or public transportation, while 40% said their lifestyle needs are met by car borrowing and car sharing.

Based on the survey, 42% of Gen Y consumers claim they would be willing to use car-sharing, car-pooling or similar services if they were readily available and convenient. A similar amount of respondents (39%) say they would be willing to try a car-sharing app that was recommended by a friend or relative. Yet they also have concerns, with 57% worrying about safety, security or privacy when ride-sharing.

Using Modern Technologies

Gen Y consumers also require safety technology, especially features that mitigate the risks of distracted driving.

“Almost three quarters (72%) of these consumers want technology that recognises the presence of another vehicle on the road and 63% want technology that lets them know when they have exceeded the speed limit”, added Ivan Chmelik, a manager at the Deloitte ICT advisory department.

More than half (56%) of the survey respondents want technology that entertains them while they are driving and 57% wish it were easier to customise a vehicle’s technology after purchase or lease. And more than half would like to connect their smart phone to use all its applications from the vehicle’s dashboard interface.

“While Gen Y may not necessarily scrutinise horsepower, acceleration times or engine size, they do have clear needs, wants and desires, especially when it comes to remaining connected to all of their lifestyle technology while on the road,” concluded Ivan Chmelik.

The complete wording of [Global Automotive Consumer Study – The changing nature of mobility](https://www.deloitte.com/manufacturing) is available at www.deloitte.com/manufacturing.

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