Younger Automobile Buyers Not As Brand Loyal As Older Counterparts

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During the past decade, automobile manufacturers have experienced a steady decline in customer loyalty for specific brands. This change signals the need for a new approach to marketing automobiles in the future according to a new survey conducted by GfK Automotive.

While the faltering economy, bankruptcies and product safety issues have taken a toll on brand loyalty, these arenâ€™t the reasons consumers do not replace one brand with the same brand.

According to the survey, Generation X (born 1965 â€“ 1980) and Generation Y (1981 â€“ 1994), have yet to demonstrate anywhere near the loyalty of their older counterparts. Consequently, their ever-increasing presence in the automotive marketplace will continue to pull overall brand loyalty downward assuming current allegiance levels remain the same.

These generations are more concerned with their home entertainment systems, smartphones and the internet rather than the car they drive. Automobile marketers must develop a method to reach these consumers and offer them automobiles that may incorporate some of the connectivity technology they consider most important to them.

"Automotive brands need to be aware of the effect of disenfranchisement among both Generation X and Generation Y, and ensure appropriate product and marketing efforts,â€• said Doug Scott, senior vice president of GfK Automotive. "Younger purchasers, Generations X and Y, are least brand loyal, while Boomers and Pre-Boomers remain brand loyal,â€• Scott added.

Automobile marketers now face the challenge of attracting younger generations, who will soon account for over half of all new vehicle "replacersâ€•. Determining the needs of this "mobileâ€• generation will become critical for marketers to understand in the years ahead.Â Â

About the GfK Automotive Intentions and Purchases Study
The GfK Automotive Intentions and Purchases Study (AIP) is the longest-running continuous pre-purchase tracking instrument in the automotive category. Established in the early 1980s, it has become the industry standard for gauging what specific makes and models consumers want, and when they intend to make their purchase.

The AIP Study is a monthly and quarterly tracking study that monitors consumer demand for new cars and trucks in the US market, and it is continuously in the field. It is based on a blended online panel of new US vehicle intenders, balanced according to geography, socio-economic characteristics, and household composition. GfK receives approximately 58,000 completed surveys each month.

About GfK Automotive
For nearly 30 years, GfK Automotive has been the preeminent provider of product, brand and consumer research and consulting to the global automotive industry. Counting most major Asian, European, and North American carmakers among its client base, GfK Automotive research consultants deliver integrated information and insights to the automotive community.

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