



It's Not All About Millennials; Gen Z Drivers Help Make Subcompact Utility the Fastest-Growing Auto Segment

- U.S. sales of subcompact SUVs among 18- to 24-year-olds are projected to surpass sales of subcompact cars as early as 2019
- Gen Z drivers discover fast-growing subcompact SUVs are an affordable first-car option; 2,840 18- to 24-year-olds in the U.S. bought a subcompact SUV in 2017 – a 541 percent increase in just four years
- More than 11 percent of 18- to 24-year-olds who bought an SUV last year opted to choose from the smallest SUV segment in the U.S. – up from 2 percent in 2012

DEARBORN, Mich., May 22, 2018 – The music is different and fashion senses change. But when it comes to driving, the young adults who make up Gen Z – people born after 1995 – share plenty with their parents and grandparents. They love SUVs.

Gen Z makes up more than one-quarter of the U.S. population. Nearly one-third have reached driving age and are already having an impact on the auto industry. Despite their reputation for being a ride-share-loving generation, 92 percent own or plan to own a vehicle – according to a 2016 study by KBB/Autotrader.

As to what type of vehicle today's youngest drivers covet, many are already shifting away from once-popular subcompact cars and gravitating toward the still-young subcompact SUV segment. Erich Merkle, Ford U.S. sales analyst, projects that U.S. sales of subcompact SUVs among 18- to 24-year-olds will surpass those of subcompact cars by as early as next year.

“Baby Boomers, Gen Xers, Millennials – everybody wants their SUV, and Gen Z is no different,” Merkle said. “As more new small SUVs like Ford EcoSport become available, you’ll see the subcompact SUV segment continue to climb as a popular new car of choice for first-time buyers.”

Just four years ago, 18- to 24-year-olds in the United States purchased 8,121 subcompact cars and only 443 subcompact SUVs. In 2017, that same age group purchased 3,981 subcompact cars and 2,840 subcompact SUVs – a 541 percent spike for subcompact SUVs.

Ford EcoSport, which reached North American showrooms earlier this year as the newest entry in the field, is now one of nine vehicles competing in the fast-growing subcompact SUV space. Fuel-efficient and with the cargo space young drivers desire, EcoSport comes at a price many Gen Z consumers can consider over the traditional used-car route for their first ride. Available for a starting price under \$20,000*, EcoSport is equipped with a 1.0-liter EcoBoost® engine and returns an EPA-estimated 28 mpg combined rating and a range of up to 381 miles per tankful.

“I’d never heard of EcoSport, but I loved it the minute I saw it,” said Kelly Oswald, 19, one of the first EcoSport owners in the United States. “I went in looking to buy a used car. I didn’t expect there to be an affordable option to buy a new car.”

Oswald, a suburban Baltimore college student, represents Gen Z drivers who have discovered the growing number of subcompact SUV offerings. In 2017, 11.3 percent of 18- to 24-year-olds who purchased a new SUV purchased a subcompact one – up from 2 percent five years earlier.

Subcompact SUV designers and engineers strive to include more features Gen Z drivers not only want but expect. Nearly every subcompact SUV makes available in-vehicle Wi-Fi, multiple charging ports and smartphone app-compatible entertainment systems.

EcoSport is available with those and other features such as compatibility with popular tech products like Amazon Alexa[®], Apple CarPlay[®] and Android Auto[®]. Available FordPass[™] provides remote access through a smartphone app, plus an 8-inch capacitive touch screen is offered. EcoSport is also available with a B&O Play[®] premium audio system and SiriusXM[®] satellite radio.

“To Gen Z buyers, connectivity is everything,” said Karen Sullivan, Ford EcoSport brand marketing manager. “Their car serves as an extension of their phone and their home, and we’re seeing an exciting response from these young customers to our all-new EcoSport.”

Boasting the cargo space Gen Z drivers can’t get in subcompact and compact cars, EcoSport delivers 50 cubic feet behind the front row – nearly double the 25.4 cubic feet of a Fiesta hatchback. EcoSport offers 20.9 cubic feet of cargo space behind the second row – much greater than the 13.2 cubic feet of trunk space in a Focus sedan, the 12.8 cubic feet of trunk space in a Fiesta sedan and the 14.9 cubic feet of cargo space in a Fiesta hatchback.

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*MSRP of 2018 EcoSport starts at \$19,995. Destination and delivery charges excluded, as well as government fees and taxes, finance charges, dealer processing charges, electronic filing charges and emission testing charges.

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