

The Evolving Changes of Transportation Habits in America

The Cash for Clunkers program inspired many to get gas guzzlers off the road and many other changes are being made to change Americans' driving habits

New York, N.Y. – October 15, 2009 – The success of the U.S. government's Cash for Clunkers program will be debated for some time. While it gave the auto industry a boost, the impact it had on September vehicle sales has widely been referred to as a "hangover period." However, according to a report from the U.S. Department of Transportation, the facts are that it generated nearly 700,000 sales resulting in a 58% fuel efficiency improvement across the vehicles that were replaced.

So who did the program bring into the showrooms? Among U.S. adults, 8% bought a new car during the Cash for Clunkers program period. Among those who bought during this period, three in five (60%) would not have made a purchase if the program were not in place. This includes 35% who were not in the market and 25% who were in the market, but purchased sooner as a result of the program. There was a small percentage (8%) for which the program was during the time frame they were planning to purchase, and they were able to take advantage of the program. The remaining one-third (32%) did not utilize the program, likely due to not having a vehicle that qualified for it.

These are some of the findings of The Harris Poll, a new nationwide survey of 2,184 U.S. adult vehicle owners surveyed online between September 8 and 15, 2009 by Harris Interactive.

As seen by Cash for Clunkers, the garages of America are beginning to change. They are consisting of slightly more used vehicles, more fuel efficient vehicles, and in some cases, simply fewer vehicles. During the past 6 months, 6% of Americans reduced the number of vehicles in their household, 5% sold a vehicle to buy a smaller more fuel efficient vehicle and 2% sold a vehicle to buy a hybrid or alternative fuel vehicle.

Additionally, the percentage of Americans who will buy a used vehicle is increasing. Currently, 49% of those who intend to purchase or lease a vehicle indicated their next vehicle would be used, up from 44% in April, 2009.

American's driving habits are also changing. In the last 6 months, 71% took steps to change their driving habits, keeping in mind this is well after the gas price shock of 2008. The biggest change was that half (50%) indicated they drove less than usual by taking fewer trips around town. Filling a vehicle with less gasoline (30%) was the next most common change. On average, each person who made a change made 2.1 changes to their driving habits.

The Harris Poll found several other key points of interest related to American's driving habits:

- Americans made cuts into their vacations, likely by either taking vacations closer to home or just taking fewer vacations. Slightly more than one in five (22%) indicated they chose to not take a vacation that involved driving.
- Alternative forms of transportation are also continuing to make gains. Just over one in ten (11%) indicated they took public transportation more than usual, and 8% rode a bicycle more than usual. In a nod to good health along with bicycling, almost one in five (18%) Americans are walking to destinations more often.

- When it comes to getting to and from work, 13% are car-pooling and 8% are telecommuting rather than going to the office.

There are also driving habit differences when American’s level of environmental friendliness is examined. Not surprisingly, those who are conscious about the environment are more likely to make a change to their driving habits than those who are not (77% vs. 52%). Compared to the population in general, though, the environmentally conscious crowd is fairly similar in nature. The only differences are that they are more likely to drive less than usual (58% vs. 50%) and tend to have increased their use of public transportation (14% vs. 11%) and bicycling (11% vs. 8%).

So What?

The results of the Cash for Clunkers program coupled with the findings of this study have obvious implications for automakers, who are already selling more fuel efficient vehicles and in the midst of developing vehicles that rely on even less, or no fuel. It also makes it clear that dealerships must place greater emphasis on selling used vehicles as consumer demand for them continues to increase.

Also, Americans are re-thinking their driving habits and the expenses associated with them. How long will the economic shock of the last two years continue to impact driving habits? Once the recovery sets in will they be back to how they were? Americans will likely never go back to their prior driving habits and the same mix of vehicles they purchased, but how this all will shake out will definitely take time. In the meantime, all companies that rely on Americans’ driving habits must pay close attention to these trends and evolve with them if they wish to foster themselves for success.

**TABLE 1
IMPACT OF CASH FOR CLUNKERS ON NEW SALES**

"Below are a set of statements about the Cash for Clunkers program. Please review each statement and select the one which best describes you."

Base: Drives a vehicle

	Total
	%
I was not thinking about buying a new vehicle but ended up buying a new vehicle because of the Cash for Clunkers program.	3
I bought a new vehicle in the past month but did not qualify for the Cash for Clunkers program.	2
I was thinking about buying a new vehicle and I ended up buying sooner to take advantage of the Cash for Clunkers program.	2
I was in the market to buy a new vehicle and bought a new vehicle through the Cash for Clunkers program	1
None of these	92

Note: Percentages may not add up to 100% due to rounding

TABLE 2
IMPACT OF CASH FOR CLUNKERS ON NEW SALES

"Below are a set of statements about the Cash for Clunkers program. Please review each statement and select the one which best describes you."

Base: Purchased a Vehicle During Cash for Clunkers Time Period

	Total
	%
I was not thinking about buying a new vehicle and but ended up buying a new vehicle because of the Cash for Clunkers program.	35
I was thinking about buying a new vehicle and I ended up buying sooner to take advantage of the Cash for Clunkers program.	25
I was in the market to buy a new vehicle and bought a new vehicle through the Cash for Clunkers program.	8
I bought a new vehicle in the past month but did not qualify for the Cash for Clunkers program.	31

Note: Percentages may not add up to 100% due to rounding

TABLE 3
PURCHASE METHOD OF NEXT VEHICLE

"Thinking about the next time you are in the market to buy a vehicle, would your vehicle probably be...."

Base: Drives a vehicle

	April 2009	Sept. 2009
	%	%
Purchased new	50	46
Leased New	4	3
Purchased used (not certified pre-owned)	11	15
Purchased used (certified pre-owned)	33	34
Leased used	1	1
Obtained another way	1	1

Note: Percentages may not add up to 100% due to rounding

TABLE 4
CHANGES IN DRIVING HABITS IN PAST 6 MONTHS

"When it comes to your driving habits, please indicate if you have done any of the following items in the last 6 months.
Please select all that apply"

Base: Drives a vehicle

	Total	Environmental Consciousness		
		Conscious Effort	Occasionally Conscious	Not Conscious
	%	%	%	%
Drove less than usual, took fewer trips within town	50	58	48	32
Filled car with less gas than usual	30	30	32	21
Chose not to take a vacation that involved driving	22	26	20	15
Walked to destinations more than usual	18	20	17	13
Carpooled with others	13	14	13	12
Took public transportation (bus, train, subway, etc.) more than usual	11	14	10	6
Bicycled more than usual	8	11	7	3
Tele-commuted (e.g. worked from home instead of commuting to the office)	8	9	7	3
Reduced the number of vehicles in my household	6	7	5	4
Sold vehicle to buy smaller, more fuel-efficient vehicle	5	7	5	1
Sold vehicle to buy more fuel-efficient hybrid, electric of alternative fuel vehicle	2	2	2	2
Used a car sharing service (e.g. ZipCar)	1	1	2	3
Used a Moped or Scooter more than usual	1	1	2	1
Other	4	4	4	3
I did not make any changes to my driving habits	29	23	30	48

Note: Multiple responses accepted

Methodology

This Harris Poll was conducted online within the United States September 8 and 19, 2009 among 2,334 adults (aged 18 and over). Figures for age, sex, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online.

All sample surveys and polls, whether or not they use probability sampling, are subject to multiple sources of error which are most often not possible to quantify or estimate, including sampling error, coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments. Therefore, Harris Interactive avoids the words "margin of error" as they are misleading. All that can be calculated are different possible sampling errors with different probabilities for pure, unweighted, random samples with 100% response rates. These are only theoretical because no published polls come close to this ideal.

Respondents for this survey were selected from among those who have agreed to participate in Harris Interactive surveys. The data have been weighted to reflect the composition of the adult population. Because the sample is based on those who agreed to participate in the Harris Interactive panel, no estimates of theoretical sampling error can be calculated.

These statements conform to the principles of disclosure of the National Council on Public Polls.

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