

What's driving Gen Z's stick shift renaissance?

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The popularity of manual transmission cars is on the rise among Gen Z, with several manufacturers adding new stick shift models to their line-ups. This trend may seem counterintuitive, but are we seeing a cultural shift in car preferences, and what impact will this have on the future of technology?

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HIGHLIGHTS

- 01** Gen Zers are looking for tactile experiences in an effort to escape remote ways of life and communication post-pandemic
- 02** Retro and vintage items are growing in popularity among this cohort, with their longevity feeding into their interest in the circular economy
- 03** Manual cars require the mastery of a novel skillset, which taps into Gen Z's ongoing desire to develop their abilities throughout their careers and social lives

DATA

- Over 50% of Gen Zers are concerned about the use of AI and 'non-conscious data collection'
- 76% of Gen Zers want more opportunities to learn or practise new skills at work
- In the US, manual cars represent 1.7% of new vehicle sales in 2023 so far, up from 1.2% in 2022 and 0.9% in 2021

SCOPE

In March 2023, The Wall Street Journal highlighted a surprising shift in car culture. Despite the rise of autonomous vehicles and advanced driving technologies, a growing number of Gen Zers appeared to have a soft spot for stick shift – or manual – cars. In fact, manuals represent 1.7% of new vehicle sales in 2023 so far, up from 1.2% last year, and 0.9% in 2021. Autotrader has also reported a 13% increase in page views for new manual cars in 2023 compared to the same time last year. [1] Manufacturers are taking note of this burgeoning trend. [Mini](#) and [Mazda](#) have added new manual models to their line-ups, while Acura has reintroduced the manual option to the [Integra](#). According to the latter's reports, more than half of those who bought manual Integras are aged between 18 and 46, while about a quarter of those who purchased manual Miatas in 2022 were 18-35. [1] In general, manual transmission sales are up 41.7% this year, and remain popular outside of the Americas. [2][3]

The return to stick shift driving isn't entirely unprecedented. In the European Union, manual cars are more popular than automatics. [4]Transportation Research, meanwhile, found that up to 55% of people prefer driving with highly automated control, and 30% prefer partially automated control – however, those who welcome the new technologies are the ones who usually prefer highly automated control. [5] Gen Zers are a sceptical bunch, especially when it comes to big corporations like [Tesla](#), and so it shouldn't be surprising to learn of their reluctance to embrace driverless cars. Less than half of Zers

say they trust multinational conglomerates, and Gen Z internet users in the US have the lowest level of trust in brands when it comes to safeguarding their data. [6]

Money matters could be playing into this change in car attitudes. As the cost of living crisis bites, the fact that it's 20% more expensive to insure an automatic than a manual car in the UK is not insignificant. [7] British Zers are spending less on goods while older generations continue to indulge in post-pandemic splurges. [8] For Jenk Oz, the founder and CEO of [Thred Media](#), a global Gen Z consulting agency with a focus on social change, growing economic pressures will only deepen prevailing commitments to repurposing, upcycling, and sharing among Gen Zers. "For Gen Z, buying second-hand not only contributes to the circular economy but can also help save money as the cost-of-living crisis worsens," he Oz. "Vintage items offer Gen Zers a penny-saving alternative while keeping true to their social and environmental principles." [9]

HUMAN INTERACTION OVER FACELESS AI

In a post-pandemic world where remote work and more isolated ways of life have taken over, it's no wonder that Gen Zers are pushing back. They reportedly spend nearly seven hours a day on their phone, and "with consistent digital engagement, Gen Zers crave what I refer to as HI, human interaction," says Mark Beal, author of (2023). [10] "It aligns with their passion for items and activities that are retro and nostalgic. Human interaction also offers Gen Zers a shared experience with one or more people and, in the process, the opportunity to extend the depth of their relationships with others in their personal and professional networks." [11]

At the coalface of technological advancement, it's perhaps unsurprising that Gen Zers are an altogether more sceptical generation when it comes to artificial intelligence (AI) and nonconscious data collection (NCDC) models. Over 50% of Gen Zers are concerned about the use of AI and NCDC. [12] "It should be noted that young people are no monolith in this regard, but the general shift towards [nihilism](#) has to be considered in conjunction with the noticeable pushback against AI technology, art, and self-driving cars," says Oz. [9] Though Gen Zers recognise the enormous potential of technological advancements to contribute to social or environmental causes, they remain sceptical that those who possess the power to utilise such technologies for the betterment of society will actually do so. According to one survey, just 51% of Gen Zers believe AI will bring positive change to the world. [13]

Elon Musk has said it's a "good standard for social behaviour to ignore anything a person [says] before age 25." As comments go, this one encapsulates the schism between an older generation of technocratic pioneers keen to champion the possibilities of an artificially intelligent future and a more hesitant younger cohort searching for something altogether more human, with greater capacity for 'feels'. [14]



Retro and vintage items are growing in popularity among Gen Zers

Zac Harris (2019)

SUSTAINABLE VOICES, SUSTAINABLE CHOICES

A particularly nostalgic generation, 15% of Gen Zers prefer to think about the past to the future. [15] “Gen Zers have a passion and interest for all things retro. It offers them the opportunity to take a much-needed break from a 24/7 world that is moving quickly and also to experience a past that existed before they were born and before the arrival of social media,” Beal says. “Brands such as [Converse](#) and [McDonald's](#) recognise Gen Zers' affinity for nostalgia and have leaned into it in a way that effectively engages them.” [11] Manual cars are relics of a time that was pre-automatic and hark back to a golden age of analogue technology. In this light, it makes sense that a generation of young people are flocking to the type of vehicle that's routinely being phased out of their driving classes.

The nostalgia for analogue is more than a merely aesthetic affectation, however, according to Oz. “To assume that Gen Zers' penchant for ‘vintage’ and ‘older’ things is somehow shallow or singularly self-indulgent is mistaken,” he says. “As leaders in climate movements with a genuine concern for the future wellbeing of their peers and the planet, there is a growing surge in young people becoming champions of circular and ethical consumption.” [9]

Younger people are leading the way when it comes to sustainability. A significant majority of Gen Zers have a preference for sustainable brands when making purchases, and are willing to allocate an additional 10% of their budget to sustainable products. [16] For Oz, “the mechanical involvement of a gear stick represents resistance to the trend of automation.” [9] Even the number of Gen Zers using the internet to find information decreased by 9% between 2021 and 2022, meaning it may be more likely for Gen Zers to purchase manual cars from second-hand dealerships. [17]



Buying a second-hand manual can be seen as both cost- and eco-conscious

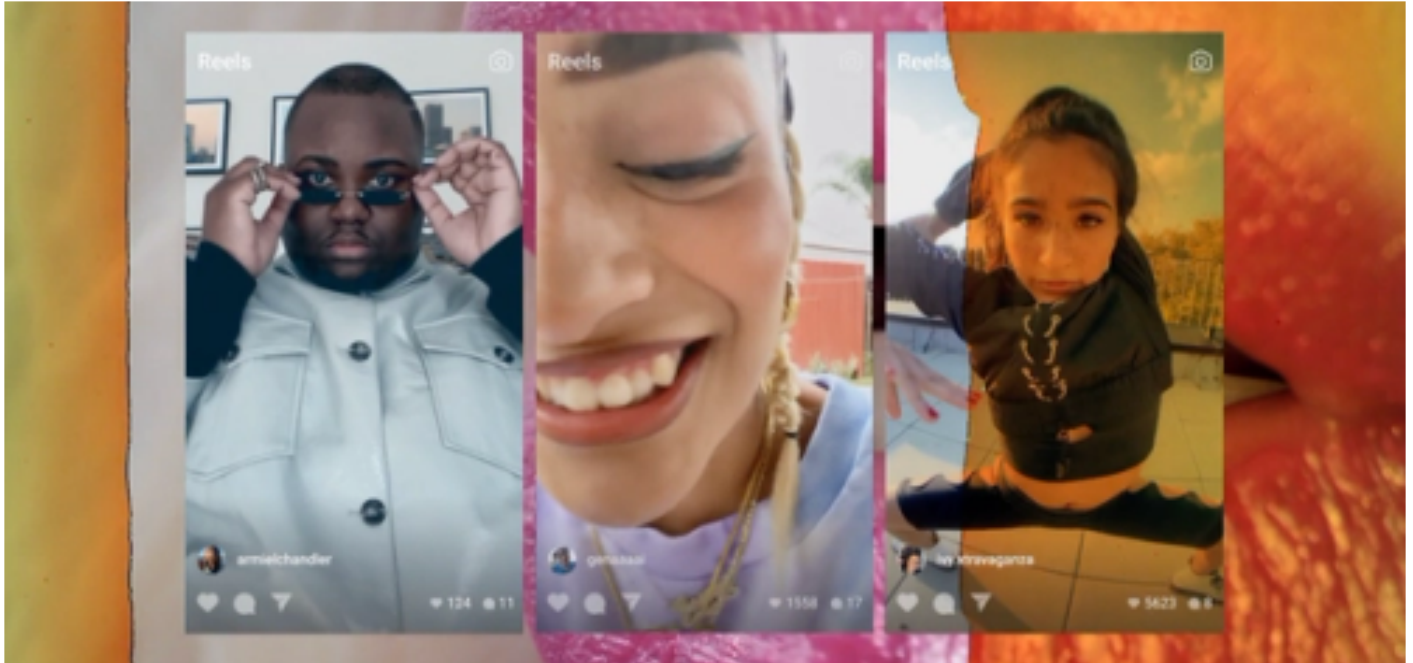
Jorge Saavedra (2018)

SKILL DEVELOPMENT AND ANTIFRAGILITY

Manual transmission cars require the mastery of an entire skillset, which contributes to the network of capabilities Gen Zers can bring to their future careers or social lives. The growing popularity of manual cars is indicative of a much broader desire among Gen Zers to diversify their skillsets.

“The desire to explore newly-awarded agency in their decision-making and movements, and the impulse to express developing personality markers, are key factors for Gen Z,” Oz says, noting that they demonstrate a significantly higher level of interest in exploring all available options before making a car purchase when compared to other demographics. [9] [18] Keen to prioritise their futures when it comes to making decisions, Gen Zers often explore all options to find out what’s right for them and what is going to boost their skillset in the future. Indeed, 76% of Gen Zers want more opportunities to learn or practise new skills at work. [19]

The pandemic has left its scars, and Oz says that “Gen Zers are more concerned about the future of human interaction than any other age group.” [9] A significant proportion of Gen Zers – approximately 24% – feel apprehensive about the potential shortage of educational and employment opportunities, while 34% express concerns more generally about their future. [20] This may go some way to explaining why 86% of Zers have enrolled in online courses to build the hard and soft skills that can broaden their skill portfolios and best prepare them for the future. [21] Testament to this trend is the fact that as much as 84.2% of driving test candidates in the UK still prefer to take the manual test. [22]



Instagram's 'We Make Today' campaign focuses on real-life Gen Z users

Instagram (2021)

INSIGHTS AND OPPORTUNITIES

PROVIDE GREATER AUTONOMY

When it comes to technological developments and their accompanying products, more choice is the way forward. A one-size-fits-all approach won't work for Gen Zers, the eldest of whom turn 26 in 2023 and are now at the beginning of their careers. They also tend to be more entrepreneurial than their forebears too when it comes to work – 51% of Gen Zers undertake independent work as freelancers, compared to 36% in all other generations. [23] The emergence of popular 'neobanks' like [Starling](#), [Monzo](#), and [Revolut](#) are testament to the importance of allowing young people to customise the way they manage their personal lives, and the same should go for technological innovations elsewhere. A generation that tends towards scepticism when it comes to AI and NCDC, Gen Zers value the idea of being in complete control of the major decisions in their lives – which goes for purchases as well. The rising popularity of manual transmission cars among Gen Zers indicates the extent to which they are a generation conscious of spending habits, too, while carefully measuring the impact of their purchases on wider society when it comes to environmental friendliness and sustainability.

THINK AHEAD

It's best for brands to re-examine how they can attend to the immediate concerns of Gen Z to lay the foundations of future loyalty. An emphasis on luxury tech might not appeal to a generation in the thick of a cost of living crisis and who may not be able to afford such stuff for many years. Indeed, Gen Z shoppers are more likely to be financially insecure than older groups. [24] "While most Gen Zers may not be able to afford luxury goods at the moment, marketers in the area should be in the early stages of building relationships with Gen Z via creative content and experiential marketing. Gen Zers will become customers and advocates of brands – including luxury brands – that have effectively engaged them," Beal says. "Luxury is more aspirational than affordable at this point for Gen Z." [11] Instagram's '[We Make Today](#)' campaign eschewed glamorous Instagram influencers and celebrities for real-life content creators on the platform, choosing to focus on the online habits Gen Z users practise in the now.

CENTRE THE EXPERIENCE

Immersive experiences are becoming increasingly popular among brands since they offer an opportunity to establish stronger connections with audiences. Yahoo Ryot Lab's [The Fabric of Reality](#) project is a prime example of how such experiences can be leveraged to great effect. Featuring a fully immersive digital fashion show which combined designers and XR artists, the project took audiences on a one-of-a-kind journey to explore the stories behind each collection – 90% of those attending said this immersion in the genesis of the collections made them understand the designers even better. [25] A technologically immersive experience can pave the way for brands who want to connect with Gen Zers. Verizon Media found that 54% of 18– to 24-year-olds say they appreciate it when brands 'connect with them in new and innovative ways', and 75% of Gen Zers said they were more likely to engage with a product if it was customisable. [25] The physical 'experience' of manual cars, with the space they provide for tactile pleasure, should be understood within this very context. [1] The distinction between analogue and digital technologies dissolves when experience comes to the fore.

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