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As Young Lose Interest in Cars, G.M. Turns to MTV for Help

By **AMY CHOZICK**

DETROIT — Ross Martin, 37, is a published poet and a former drummer in an alternative rock band. Wearing Nike high tops and loosefitting jeans, he is the kind of figure who wouldn't attract a second glance on the streets of Brooklyn, where he lives.

But on a chilly afternoon here last month he managed to attract a few odd looks as he walked across the 24th floor of [General Motors'](#) global headquarters. Mr. Martin is the executive vice president of [MTV Scratch](#), a unit of the giant media company Viacom that consults with brands about connecting with consumers.

He and his team are trying to help General Motors solve one of the most vexing problems facing the car industry: many young consumers today just do not care that much about cars.

That is a major shift from the days when the car stood at the center of youth culture and wheels served as the ultimate gateway to freedom and independence. Young drivers proudly parked Impalas at a drive-in movie theater, lusted over cherry red Camaros as the ultimate sign of rebellion or saved up for a Volkswagen Beetle on which to splash bumper stickers and peace signs. Today Facebook, Twitter and text messaging allow teenagers and 20-somethings to connect without wheels. High gas prices and environmental concerns don't help matters.

"They think of a car as a giant bumper," said Mr. Martin. "Think about your dashboard. It's filled with nothing but bad news."

There is data to support Mr. Martin's observations. In 2008, 46.3 percent of potential drivers 19 years old and younger had drivers' licenses, compared with 64.4 percent in 1998, according to the Federal Highway Administration, and drivers ages 21 to 30 drove 12 percent fewer miles in 2009 than they did in 1995.

Forty-six percent of drivers aged 18 to 24 said they would choose Internet access over owning a car, according to the research firm Gartner.

Cars are still essential to drivers of all ages, and car cultures still endure in swaths of suburban

and rural areas. But automobiles have fallen in the public estimation of younger people. In a survey of 3,000 consumers born from 1981 to 2000 — a generation marketers call “millennials”— Scratch asked which of 31 brands they preferred. Not one car brand ranked in the top 10, lagging far behind companies like Google and Nike.

The five-year strategic vision that Scratch has developed for Chevrolet, kept quiet until now, stretches beyond marketing to a rethinking of the company’s corporate culture. The strategy is to infuse General Motors with the same insights that made MTV reality shows like “Jersey Shore” and “Teen Mom” breakout hits.

Mr. Martin calls the G.M. headquarters the “Death Star,” after the Star Wars headquarters of Darth Vader. He says he understands the unlikely melding of cultures he is trying. “We know we’re people who don’t fit in here,” he said.

The partnership is intended to transform things as diverse as the milieu at the company’s steel-and-glass headquarters, the look of its Chevrolet cars, the dealership structure and the dashboard technology. Even the test drive is being reimaged, since young consumers find riding in a car with a stranger creepy, Scratch said.

Automakers are realizing that if they do not adjust to changing youth tastes, they “risk becoming the dad at the middle school dance,” said Anne Hubert, senior vice president at Scratch, who leads its consulting practice and works closely with G.M.

Last summer, Mr. Martin and his team temporarily transformed part of the G.M. lobby into a loftlike space reminiscent of a coffee shop in Austin or Seattle, with graffiti on the walls and skateboards and throw pillows scattered around. As part of its “Millennial-Con,” Scratch brought in viral video stars like Sergio Flores, known as the Sexy Sax Man, a musician with a mullet and a denim jacket.

Mr. Martin has recruited what he calls “insurgents,” young Chevrolet employees who are willing to change things from the inside and report to him on skeptical executives.

“How do you embed the voice of a generation in a company the size of G.M.?” Mr. Martin said, sinking into an armchair near a communal coffee maker. “It’s like moving a crater.”

But G.M. was determined to be moved. “It was the early days after bankruptcy, and we said, ‘What are we really going to do differently in the next five or 10 years?’” said Mark L. Reuss, president of General Motors North America.

He lined up meetings with Viacom. He asked executives how the company could apply MTV’s research and programming strategy to Chevrolet, which makes up 70 percent of G.M.’s sales

in the United States and was, in the halcyon days of the car, a youth brand. The companies homed in on several of Chevy's small and more [fuel-efficient](#) models like the Sonic, Cruze and Spark.

Founded in 2010 as part of MTV, Scratch now taps into audiences that watch other Viacom cable channels like Comedy Central, Spike and VH1. It is a new source of revenue for the media company outside traditional advertising.

"We used to use research in a very proprietary way, but it became clear advertisers were hungry for our insights," said Philippe Dauman, Viacom's president and chief executive.

G.M. hired John McFarland, a 31-year-old marketing executive who previously worked at Procter & Gamble, to oversee the company's MTV-ification. Mr. McFarland said it had been a challenge to prove to his bosses that young consumers had money to spend (\$170 billion in buying power, according to the market research firm comScore), and did not just rely on their parents.

"There's been a lot of pessimism in the auto industry towards this generation," said Mr. McFarland over a plate of brisket at Slows Bar BQ in Detroit's Corktown district.

But signs of change are there. On a recent Tuesday morning in the General Motors Technical Center, which was designed by Eero Saarinen, a couple of car executives huddled around a "persona board" in the color and trim laboratory.

They studied a collage loaded with images of hip products like headphones created by Dr. Dre, a tablet computer and a chunky watch. The board inspired new Chevrolet colors, like "techno pink," "lemonade" and "denim," aimed at "a 23-year-old who shops at H&M and Target and listens to Wale with Beats headphones," said Rebecca Waldmeir, a color and trim designer for Chevrolet. This rainbow of youthful hues will be available on the Spark this summer.

Still, any turnaround will not be quick. Car designs have around a three-year lead time. The paint has to dry (colors are baked in the Arizona desert for a year before they are approved and introduced to consumers). And the car industry, from assembly line to union to smooth-talking dealer, revolves around a powerful and entrenched culture.

It is also unlikely that G.M. will adopt some of Scratch's advice. After installing "secret shoppers" at select nationwide Chevrolet dealerships, Scratch recommended that salespeople abandon the hard sell and that the traditional system, based on commissions, be reimaged. Young buyers, they realized, are used to the Apple store, where salespeople do not push products. (Joel Ewanick, G.M.'s global chief marketing officer, said the automaker was training dealers on how to adapt to young car buyers.)

“We tried to teach dealers how to calibrate conversations,” Mr. Martin said. “Stop trying to be cool and give them the fist pump. They can tell you don’t get it.”