



NEWS RELEASE

75% of Gen Z View Their Vehicle as a Third Space, Xperi Reports

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- Safety, comfort, and radio/audio rank highest as vehicle third space design priorities
- 69% of drivers are interested in receiving health and diagnostic updates from their vehicle
- 91% of Millennials and Gen Z are interested in mood-sensing technology to adjust in-vehicle audio content

SAN JOSE, Calif.--(BUSINESS WIRE)-- **DTS**, Inc., a global leader in next-generation audio, imaging and sensing technology and a wholly owned subsidiary of Xperi, Inc (NYSE: XPER), today released a new report, "The Vehicle as a Third Space." The report discusses the increasing importance of the vehicle as a third space, as well as uncovers drivers' preferred in-cabin features and functionality.

The Vehicle as a Third Space Report (Graphic: Business Wire)

Based on results from a national consumer CARAVAN® survey

conducted by Big Village, the report finds that 75% of Gen Z drivers (ages 18 to 25 years), and 49% of drivers overall, are more likely to view their vehicle as a third space today, compared to pre-Covid. A third space was defined to survey respondents as a place outside of work and the house, a place to relax, enjoy hobbies, escape the stresses of work – a coffee shop, library, park, or vehicle; the first space as home; and the second space as workplace.

"Automotive has conquered the vehicle exterior, but the next evolution is all about solving the vehicle interior, especially its role as a third space," said Jeff Jury, Xperi senior vice president and general manager, Connected Car. "Consumers, especially younger drivers, are moving from viewing their vehicle as simple transportation toward seeing it as a space where they can relax and escape. This demands technology that can merge safety with a vehicle cockpit that meets their entertainment, comfort, personalization and wellness needs. It is the future of the connected car industry."

Key Survey Takeaways:

- Using their vehicle as a third space is the top reason drivers say their personal vehicle is more important today (52%), followed by discomfort with public transportation or ride-sharing (48%), and the vehicle's ability to offer a place of refuge (41%) during these challenging times.
- Drivers want increased safety and peace of mind (82%) design choices in their vehicle, followed by comfort (80%), and audio/radio entertainment (79%). Convenience, personalization and health features also rank highly.
- 69% of drivers say advanced personalization (vehicle "knows" you and your occupants, and can adjust/personalize music choices, lighting, temperature, etc.) is important in enhancing the third space experience
- One in four would like a radio in-dash experience that is more robust, immersive, visual and informative.
- 67% of respondents are interested in vehicle sensors that can assess health and illness - from heart rate to respiratory rate to facial changes.
- 91% of Gen Z and Millennial drivers are interested in responsive mood-sensing technologies such as a sound bath or music activated by sensed state of mind.
- 38% of drivers rank vehicle seat massage functionality that energizes or soothes, depending on detected mood, as one of the top three personalization features of interest to them. Additionally, film/TV streaming, lighting, aromatherapy, and interactive video games are a top three feature of interest for at least one in four respondents.
- Among those who do not think of their vehicle as a third space, nearly one in three would if it was completely self-driving.

"The increase in drivers viewing their vehicle as a third space is driving an increased desire for smart, intuitive technology that provides safety, comfort, a highly personalized driving experience, and advanced wellness/medical diagnostic features," said Richard Tomasco, Vice President, Big Village. "As the survey makes clear, interest in a more immersive, customized experience among drivers suggests exciting new possibilities for the future of the vehicle as a third space."

Methodology

The CARAVAN® survey was conducted online in Q3 2022 by Big Village among 844 U.S. adults who currently own or lease a vehicle. To access The Vehicle as a Third Space Report, [click here](#).

About Xperi Inc.

Xperi invents, develops, and delivers technologies that enable extraordinary experiences. Xperi technologies, delivered via its brands and partnerships (DTS®, HD Radio™, IMAX® Enhanced, TiVo®), and by its startup, Perceive, are integrated into billions of consumer devices and media platforms worldwide, powering smart devices,

connected cars and entertainment experiences. Xperi has created a unified ecosystem that reaches highly engaged consumers, driving increased value for partners, customers and consumers.

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About DTS, Inc.

Since 1993, DTS has been dedicated to making the world sound better. Through its pioneering audio solutions for mobile devices, home theater systems, cinema and beyond, DTS provides incredibly high-quality, immersive and engaging audio experiences to listeners everywhere. Now, DTS is also powering imaging and sensing technologies as well. For more information, please visit www.dts.com.

About Big Village

Big Village is a global advertising, technology, and data company. Driven by our diverse group of experts, we provide a new way of working by bringing programmatic solutions, media, insights, and creative all under one roof. Big Village is headquartered in New York and has 12 offices across North America, Europe, and Australia. Find out more at <https://big-village.com/>.

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