TRANSPORT & ENVIRONMENT

From Early Adopters to Early Majority: Accelerating the Electrification of Cars

Research Report

SKIM
decision behavior experts

February 2024 | F9582

Contents

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Executive Summary

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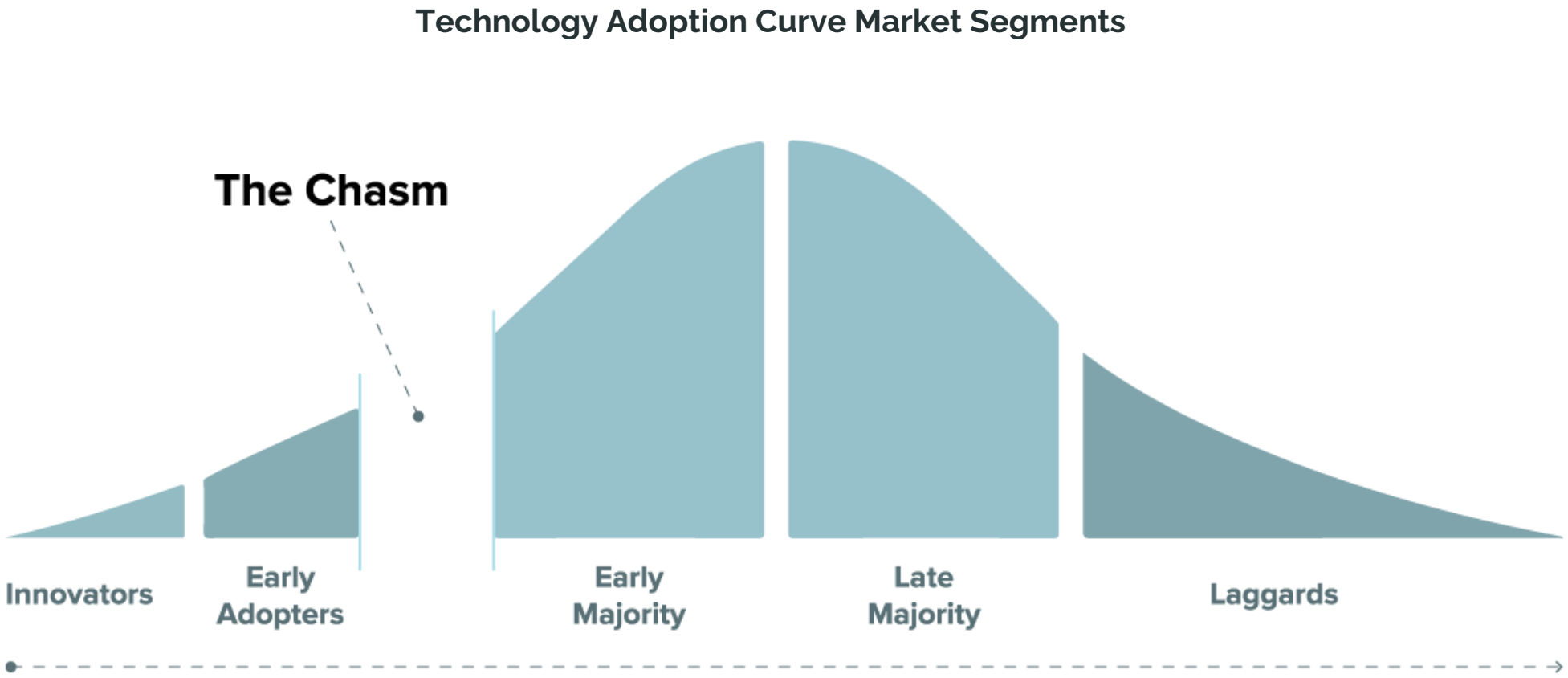
Electric car adoption in the UK is entering the Early Majority stage, which we know from other technologies is a critical stage of market adoption

This move into the mainstream market is sometimes referred to as the “Chasm” since many businesses have historically failed in this transition



Source: Adapted from Geoffrey A. Moore: *Crossing the Chasm: Marketing and Selling High-Tech Products to Mainstream Customers*

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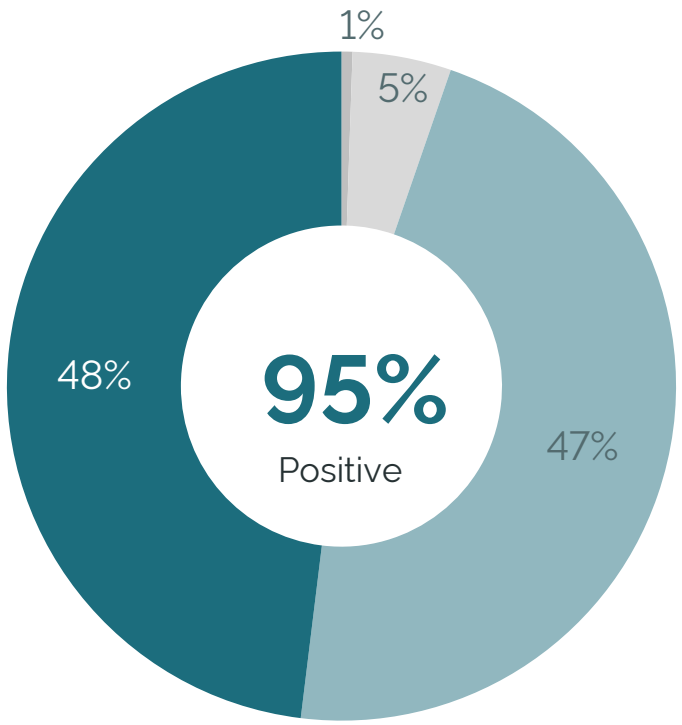
95% of UK consumers who have driven or ridden in an EV had a good experience and the openness to consider an EV is high

Experience of Driving or Riding in Electric Cars



I didn't like it | I neither liked nor disliked it | I liked it | I loved it

Openness to Consider an Electric Car

74%

Definitely open and actively considering

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However, Early Majority consumers still have significant concerns that hinder adoption, most of which are based on *misconceptions*

Top 5 Early Majority Consumer Concerns

36%

Public Charging Availability

31%

Charging Time

30%

Purchase Price

29%

Higher Electric Bills

28%

Batter Longevity

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A tripartite failure has led consumers in the UK to remain sceptical towards electric cars, introducing a risk to achieving the UK's net-zero targets

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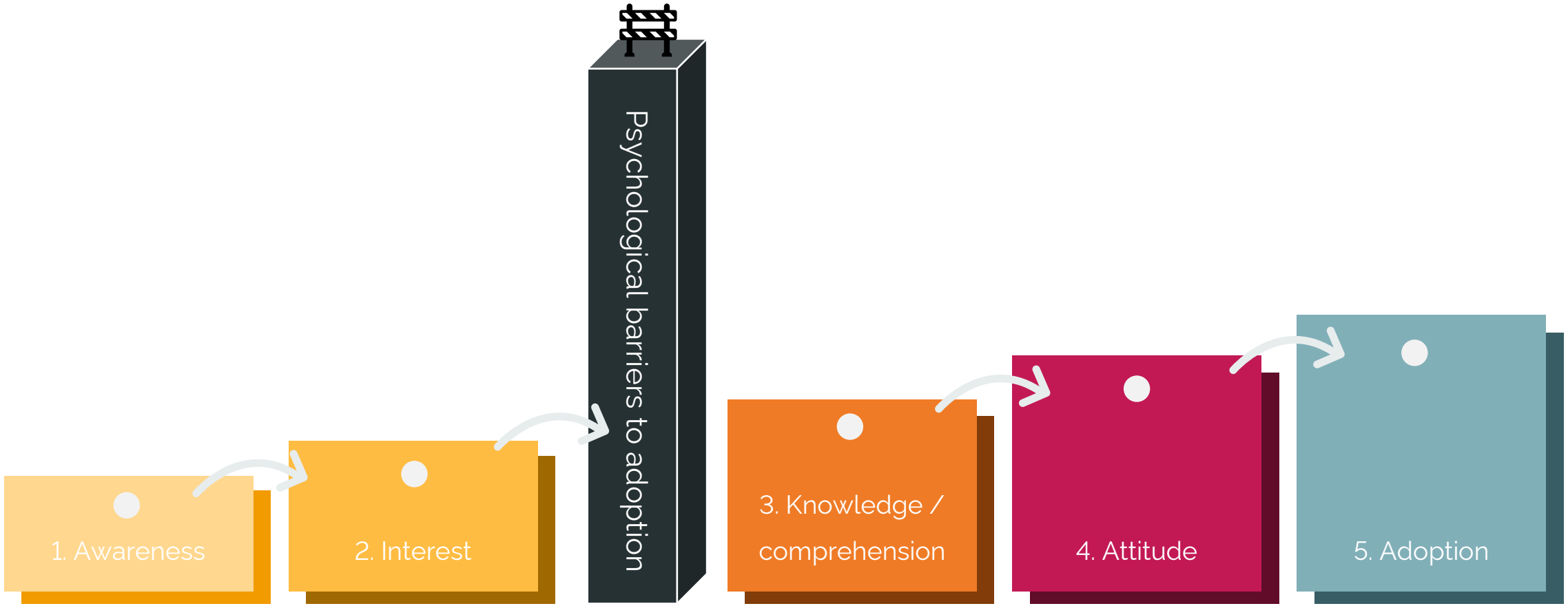
The most effective lever of behaviour change is to educate consumers and update their knowledge of electric cars

Misconceptions about electric cars currently make up the most significant *psychological* barriers



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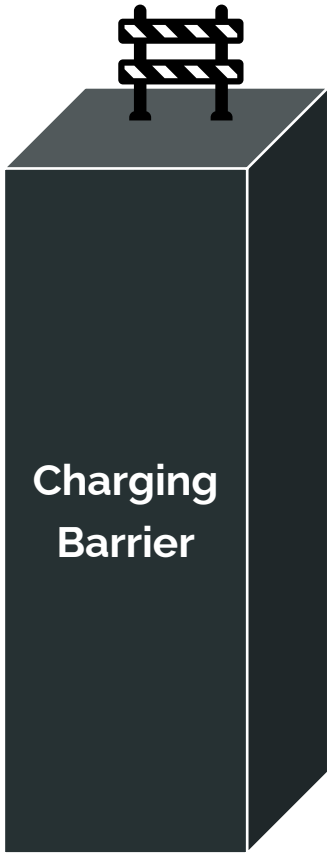
Stronger awareness and new policy is also needed to remove the most important remaining *physical* barriers: charging and financial risk

Inability to charge at home -

Lack of public chargers -

Reliability of chargers -

Cost of charging -



- High upfront cost

- Lack of affordable financing

- High insurance costs

- Unknown cost of ownership

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Early Majority consumers are unaware that the incentives they find most motivating are often already available in practice

Government thus has a strong opportunity to increase adoption in a cost-effective way

Top 3 Early Majority Consumer Preferred Incentives

1st **8-year extended warranty for the car**

Why? Alleviates concerns surrounding reliability and battery

New? Already in place for batteries and many manufacturers offer extended warranties for the car

2nd **Charging always at least 50% cheaper than petrol per mile**

Why? Alleviates concerns around long-term costs and cost-of-living crisis

New? In practice this is already the case for a vast majority of use-cases but consumer are unaware and policy is lacking.

3rd **Free home charger installed**

Why? Convenient charging at home for electric car owners

New? Many automotive brands already offer this but consumers are unaware. Government grant now restricted to renters and unavailable to homeowners.

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An Electric Car Communications Primer

WHAT TO SAY

- Focus on **increasing electric car knowledge** and reliability in messaging
- Emphasise **availability and reliability** of **public charging** network
- Ensure **messaging on the lived experience** with electric cars is more common-place

HOW TO SAY IT

- **Simple, clear and memorable information** on the lifetime and reliability of the car
- **Simplify charging routine** with ease of access, payment, and wayfinding, through industry partnerships
- **More human, story-driven communication** using social proof from trusted public figures, influencers on social media etc.

Breaking down the problem

What's stopping consumers from buying an electric car?

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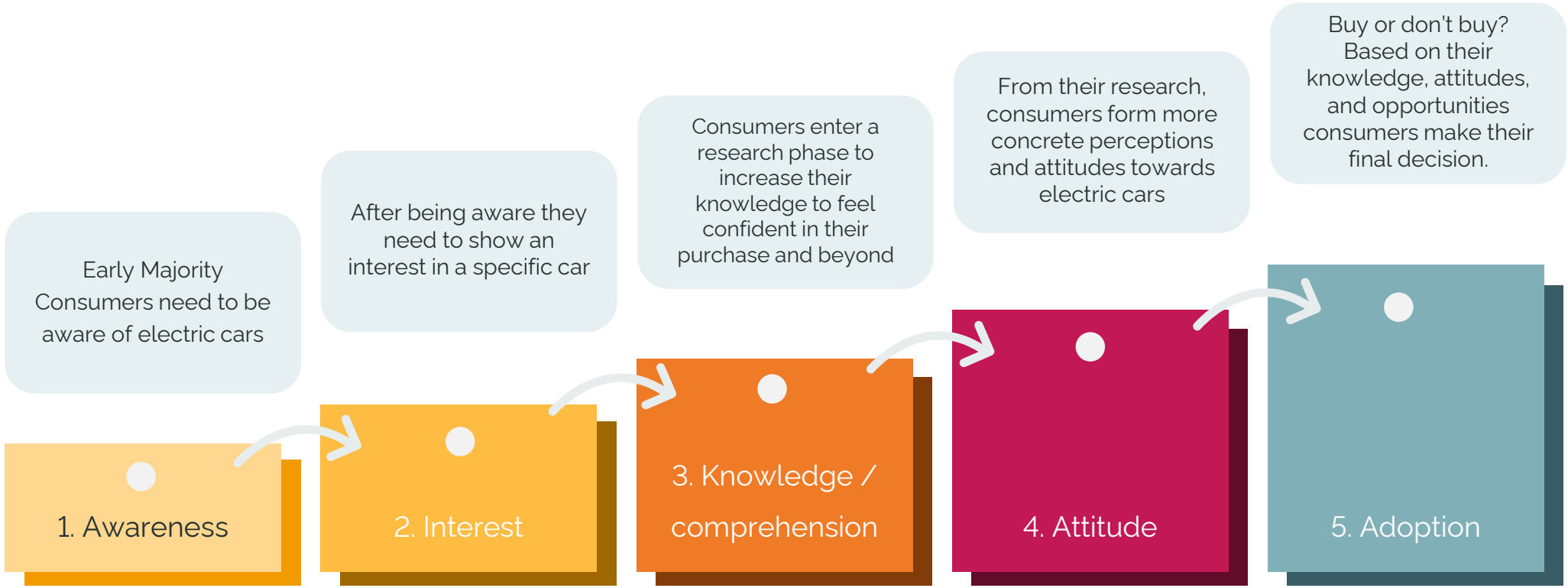
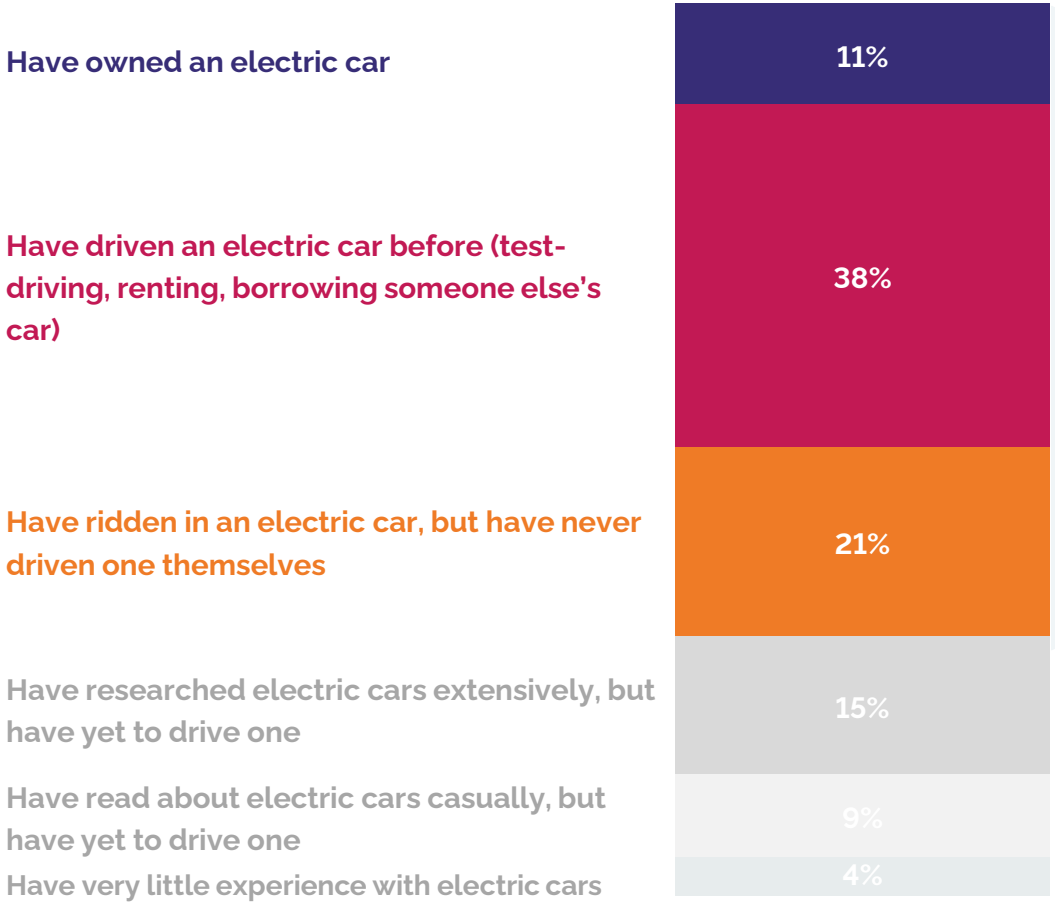
The adoption ladder provides an overview of the steps these Early Majority Consumers take in their electric car purchase

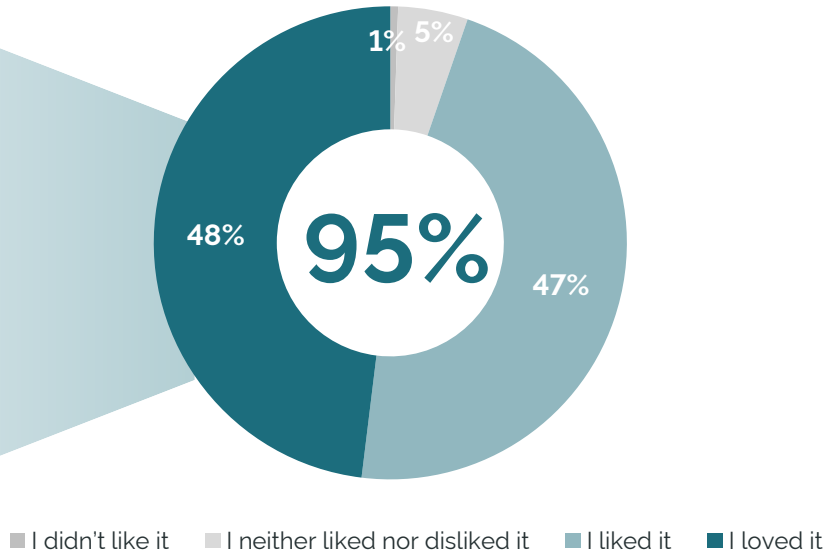


UK consumers are aware of electric cars and have had positive experiences

Consumers' experience with electric cars



95% had a positive experience, either liking it or loving it



A1Experience - Which of the following statements best describes your experience with electric cars? Please select one that is most applicable | N = 1605
A2ExperienceRating - How was your experience [owning/driving/riding in] an electric car? | N = 1134

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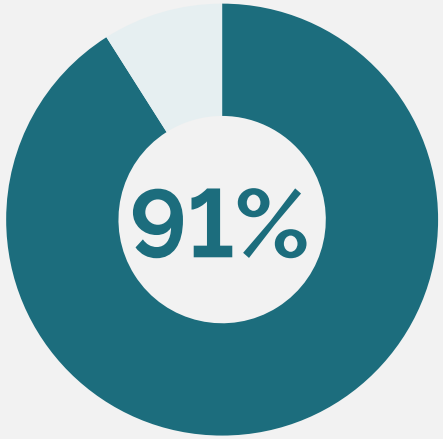
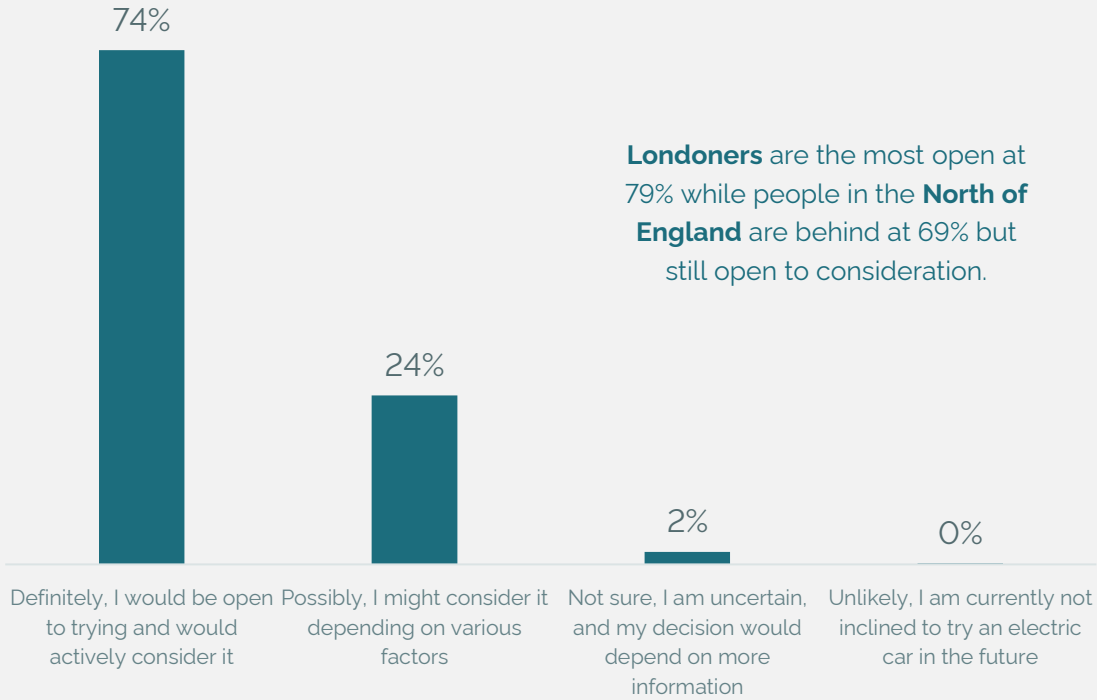
Experience with electric cars positively influences the likelihood of purchase and openness to try an electric car

Purchase Likelihood



More likely to purchase an electric car after the experience (T2B%)

Openness to try



Londoners are the most open at 79% while people in the **North of England** are behind at 69% but still open to consideration.

A3PurchaseLikelihood - Overall, does your experience change the likelihood of purchasing an electric car? Where 1 is less likely, and 5 more likely | N = 1134
A4OpennesstoTry - Would you consider trying an electric car in the future? | N = 1502

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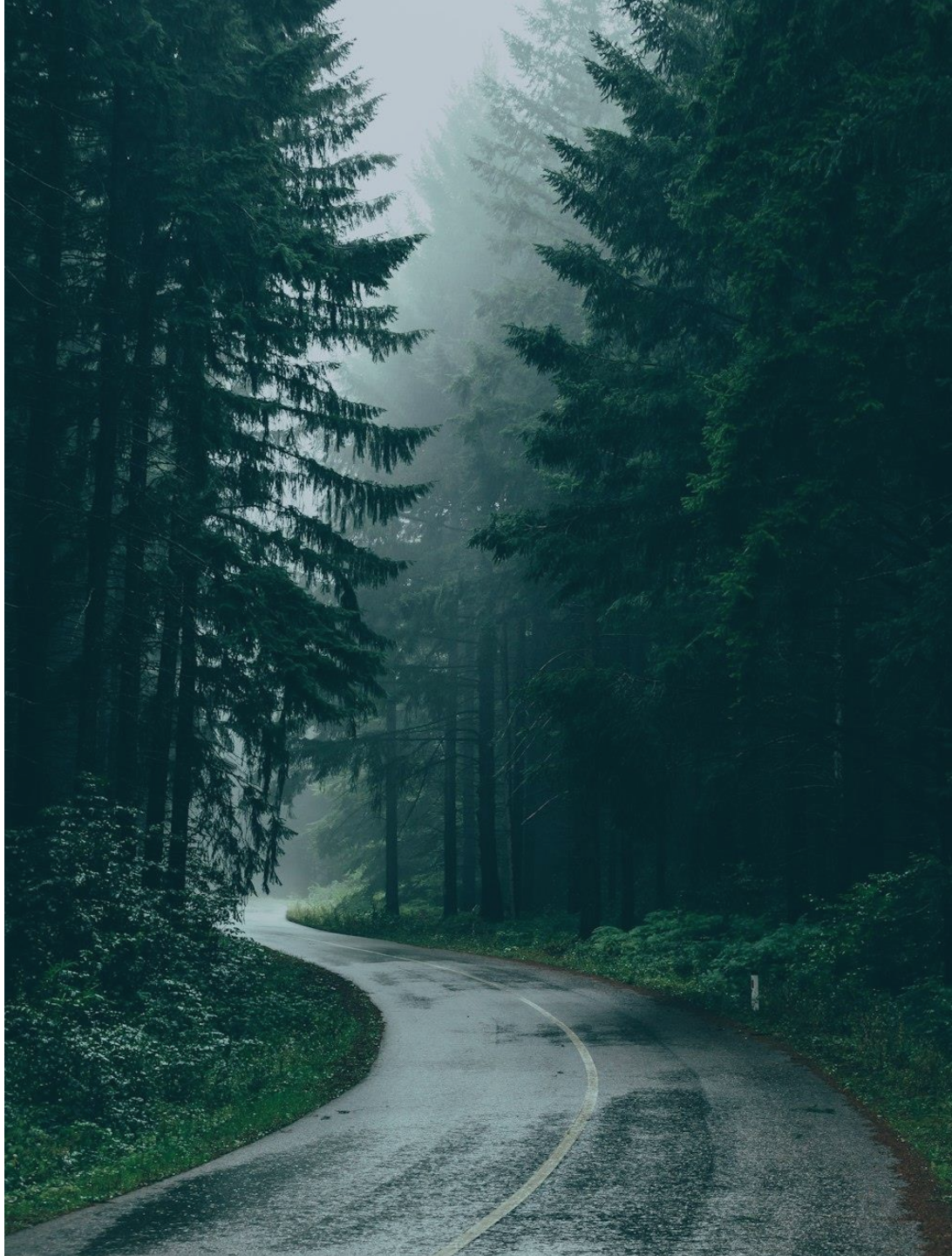
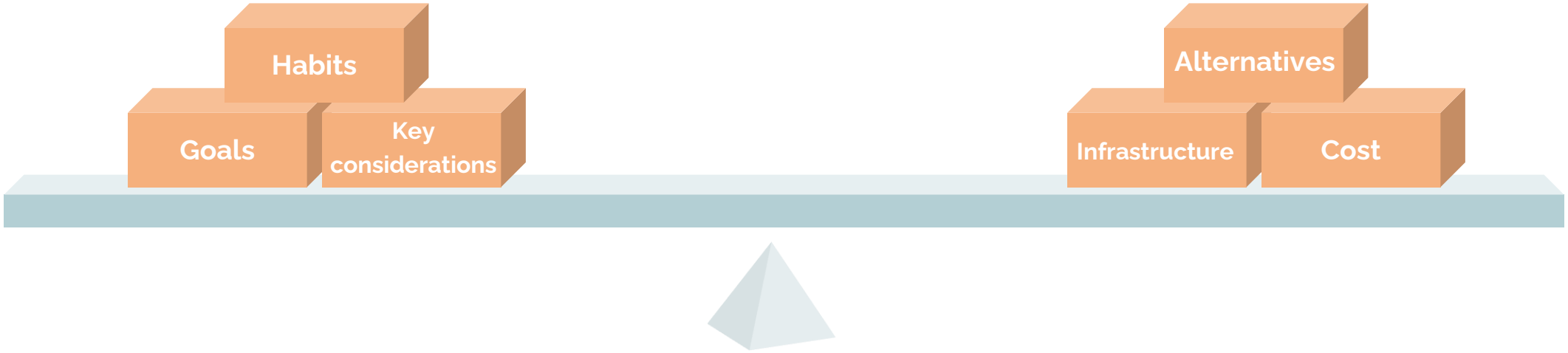
However, this positive experience is not always translated to purchase.

We can influence that by better understanding electric car purchase behaviour.



Buying a car can be a big decision

Consumers often conduct a cost benefit analysis to balance their needs and constraints



Needs

Goals	• What do consumers **use their car for?**
Key considerations	• What **factors do they consider** when choosing a car?
Habits	• How do they normally **use and maintain their car?**

vs.

Constraints

Cost	• How much are they **willing to spend** on their car? Upfront? Lifetime?
Infrastructure	• What **infrastructure and maintenance facilities** are available in their area?
Alternatives	• What **other transportation methods** are available?

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The COM-B Model

A framework for effective behaviour change

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Big ticket purchases are layered with risks and uncertainties

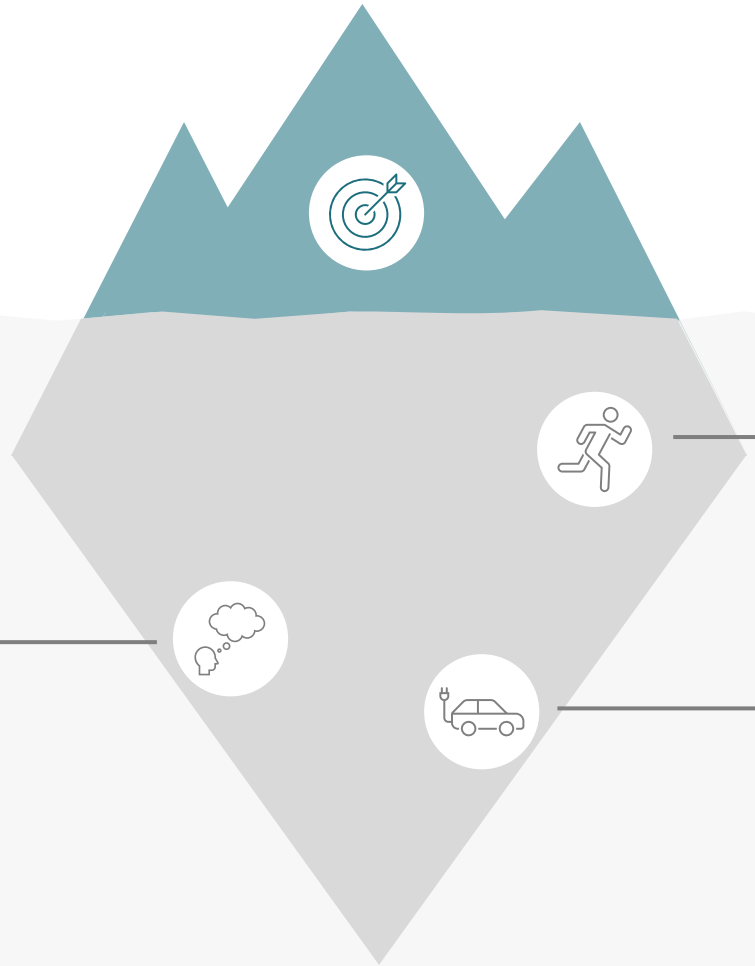
Looking beyond the tip of the electric car purchase helps us uncover drivers and barriers

Tipping electric car adoption

How can we influence and incentivise electric car purchasing behaviour?

Uncover drivers and barriers

Overcome barriers and optimise messaging by addressing needs behind the purchasing behaviour



Capability
Can this behaviour be accomplished in principle?

Motivation
How might we create sufficient motivation for purchase?

Opportunity
Is there sufficient opportunity for behaviour to occur?

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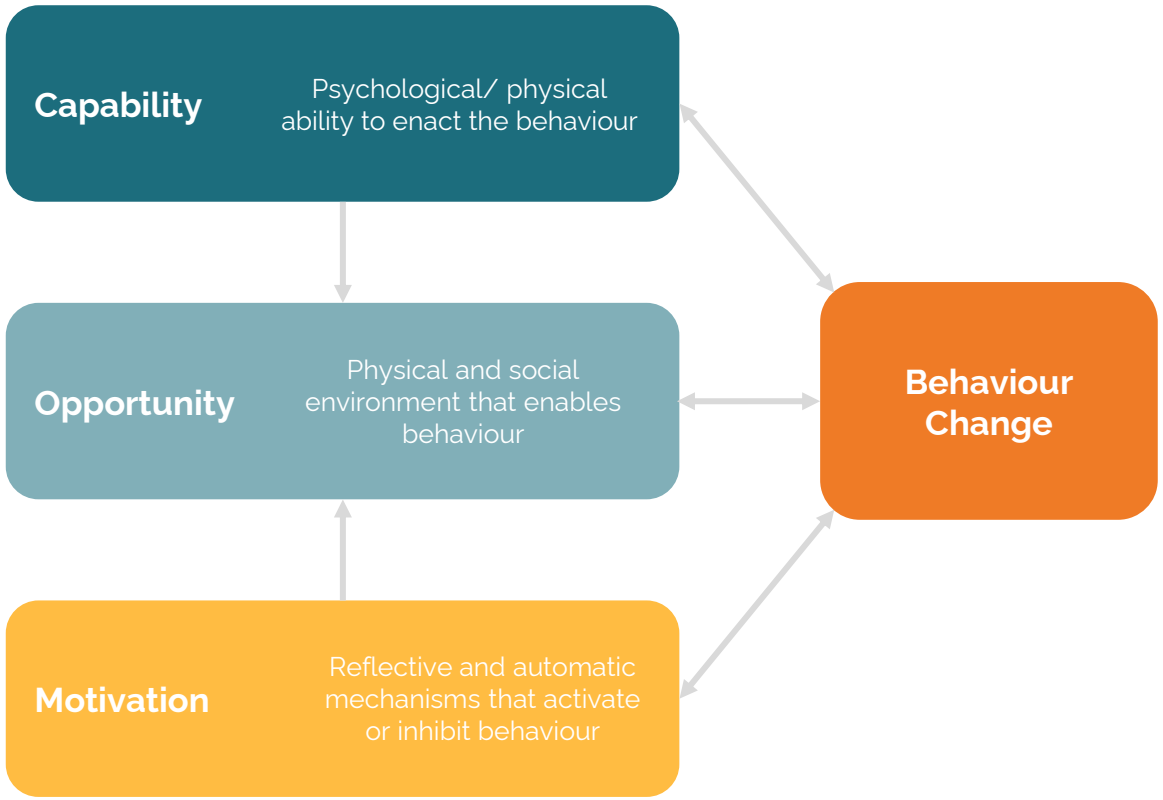
The COM-B model helps us to understand key factors triggering behaviour change



The COM-B model

The COM-B model for behaviour change is a framework that creates change by modifying at least one of these 3 key factors:

1. **C**apability : Can this behaviour be accomplished in general?
2. **O**pportunity: Is there sufficient opportunity for it to occur?
3. **M**otivation: Is there sufficient motivation?

How we can use the COM-B model

Understanding behaviour and preferences of the electric car Early Majority is key. The COM-B model allows us to tangibly identify factors that will and likely will not contribute to behaviour change and why.

This allows us to transform our insights to provide tailored, actionable recommendations.

The COM-B framework helps us to prioritise the complex, interlinked decision factors and effectively address barriers

Internal personality traits

Do I know electric cars well-enough?

Do I know enough about electric cars?
Do I know what to expect in the long-run (maintenance and repairs)?
Do I have the time to search for information?

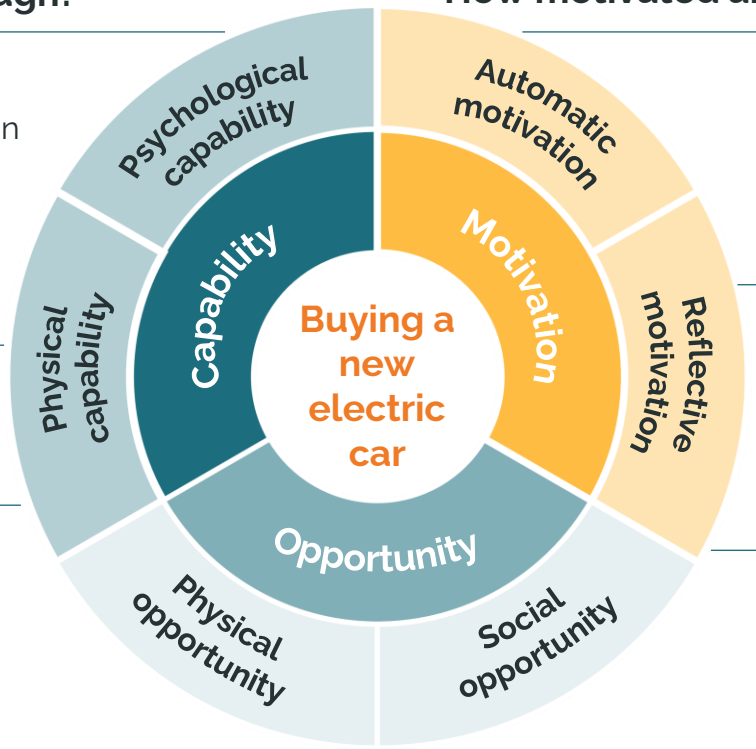
Practical factors

Do I have everything in place?

Do I have enough money?
Am I able to install a home charger?

Can I maintain an electric car?

Do I have sufficient public charging infrastructure around me?
Are there garages I can trust for repairs and maintenance?
Do the available car models satisfy my needs?



How motivated am I in general to try an electric car?

How much do I lean on my habits and knowledge of petrol cars?
How risk averse am I?
How skeptical am I of new technology?

Has the electric car convinced me?

Do I think this electric car is worth it?
Is this car better than others / what I usually would do?
Can I achieve my goal with this car?

Do my peers have an electric car?

What is the attitude of my peers about electric car?
Can I the use experience of others?

External motivators

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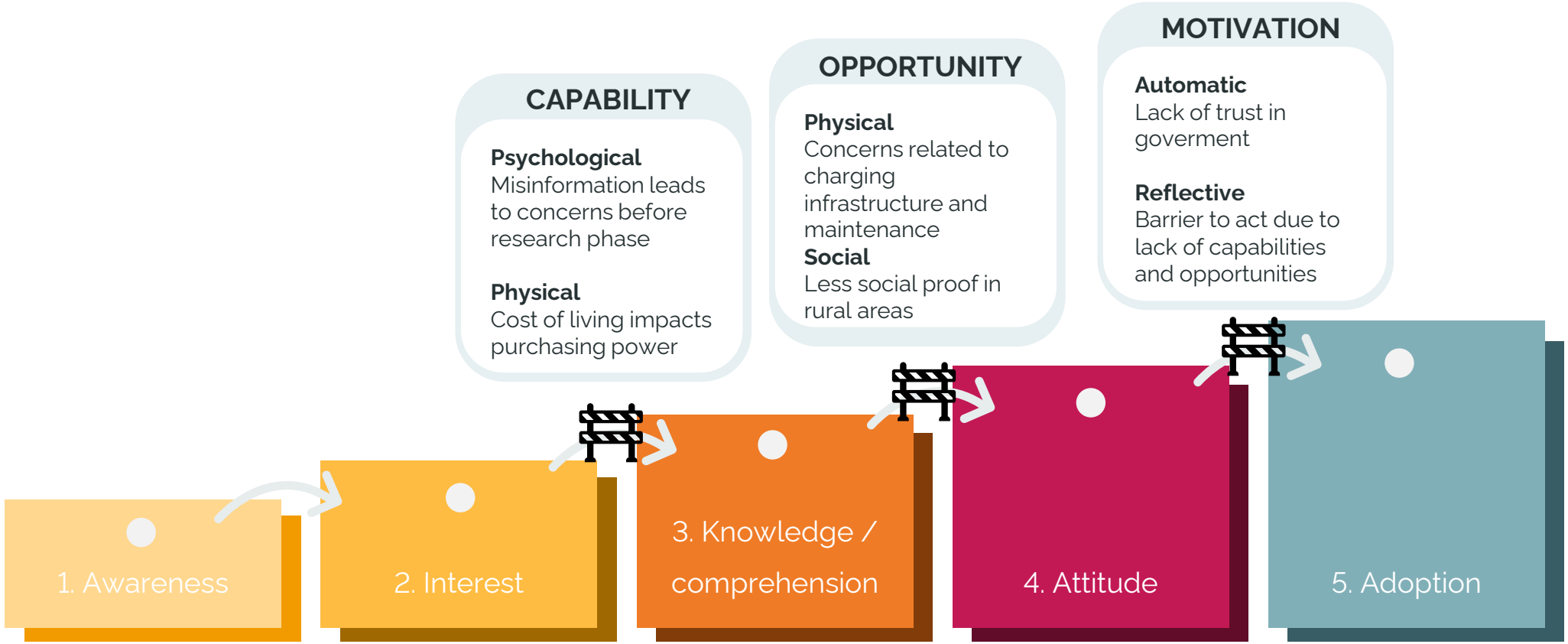
The complexity of the decision leads to barriers appearing

Barriers due to communication failures and misconceptions actively harm consumer confidence



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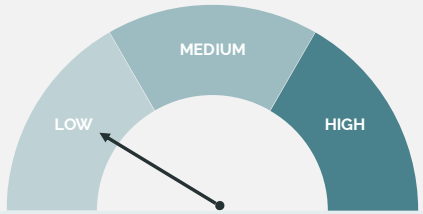
While there is significant motivation for adopting electric cars, ensuring that people have both the capability and opportunity to embrace electric cars will be crucial

C
Capability



- People are relatively experienced with electric cars, yet the overall **knowledge is still low.**
- The scarcity of charging infrastructure is particularly concerning for long journeys, as individuals want to **avoid the stress of searching for available stations.**
- The **overall cost of living** is a source of worry, with a focus on the **initial cost of acquiring an electric car** and the potential impact on **household electricity bills**.

Conclusion:
Although people have had a **positive experience** with electric cars, there are still significant concerns related to the **need for safety and reassurance**. The high **initial and insurance costs** create more risk and uncertainty in these times of a **high cost of living,** hindering motivation towards adoption.

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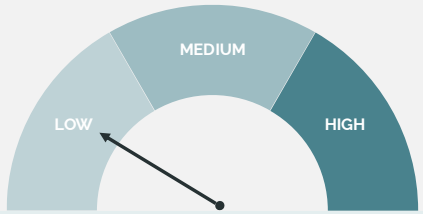

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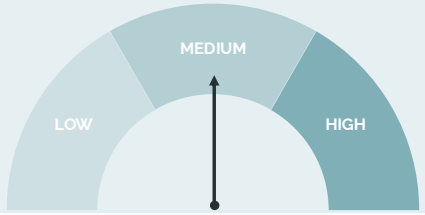
O
Opportunity



- **Limited access to public charging stations** raises concerns about extended wait times, especially in rural areas.
- Concerns about maintenance, such as **the availability of garages to repair electric cars,** need to be addressed for widespread adoption.
- Opportunities exist in enhancing **education and awareness** about the benefits and features of electric cars to **address misconceptions and encourage adoption.**
- While people may think there are **enough electric car models** in the market, it's crucial to **ensure inclusivity**, catering to diverse needs, including those of disabled individuals.

Conclusion:
Although there is an interest in the adoption of electric cars, the primary challenges lie in the **limited availability of repair facilities for electric cars in garages** and **the insufficient infrastructure of public charging stations.** Addressing these issues, along with dispelling misconceptions, is crucial to fostering widespread acceptance and usage of electric cars.

SKIM

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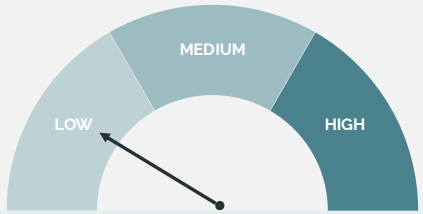
C Capability



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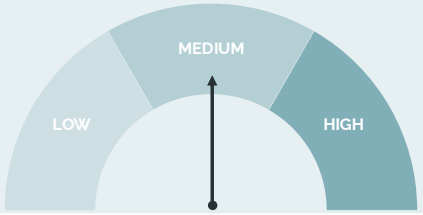

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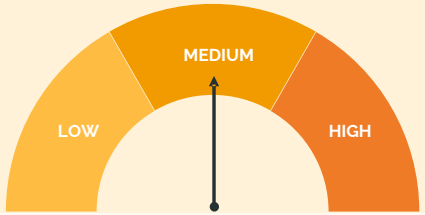
M Motivation



- While individuals express an openness to explore electric cars, the primary concern centers around the perceived high costs, portraying electric cars as a **potentially risky investment.**
- As a result, doubts linger about whether the upfront financial investment will translate into **long-term advantages** and whether it justifies the shift from conventional petrol cars electric cars.
- A crucial factor contributing to this hesitancy is the **lack of trust in governmental** initiatives to facilitate electric car purchases.

Conclusion:
While there is a general willingness to consider electric cars, lingering concerns about **perceived high costs** and **skepticism about the long-term benefits** of this investment persist. A major contributing factor is the **lack of trust in government** initiatives aimed at facilitating electric car purchases, which may **hinder individuals from making the switch.**

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Capability

Psychological

Lack of knowledge about existing charging infrastructure and network creates barriers to adoption

Physical

Cost of living crisis increases monetary pressure on households and purchasing power

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CAPABILITY

Can this behaviour be accomplished in principle?

PSYCHOLOGICAL

What is it?

- Our knowledge and our psychological and information processing skills (e.g. attention, memory, mental models…)

Example considerations

- Do I know enough about electric cars to purchase them?
- Do I know what to expect in the long-run (maintenance and repairs)?
- Do I know any reasons to buy an electric car over ICE?
- Do I have the time to search for information?

PHYSICAL

What is it?

- Physical strength and skills (e.g., money, control over our direct environment, etc.,)

Example considerations

- Do I have enough money?
- Am I able to install a home charger?

The high barriers for Early Majority consumers to adopt an electric car stem from the need to increase psychological and physical capabilities

C
Capability

CAPABILITY		KEY FINDINGS
Psychological		• There is limited knowledge on electric cars, their reliability, and maintenance in the long run • Myths and misinformation about infrastructure surrounding electric cars are aplenty • Consumers may find it difficult to find accurate and reliable information about their electric car purchase
Physical		• High initial cost and uncertainty surrounding lifetime maintenance costs seem increasingly unmanageable due to inflation and cost of living crisis • Seemingly high initial price and upkeep compared to ICE makes investing in an electric car riskier for the electric everyday consumer

KEY TAKEAWAY

- Focus on building consumer knowledge of electric cars
- Create digestible, easy to find and relevant information on reliability, charging, and warranties
- Make long-term ROI of electric cars more attractive compared to petrol

Legend: Very high · High · Medium · Low capability

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Capability

Psychological

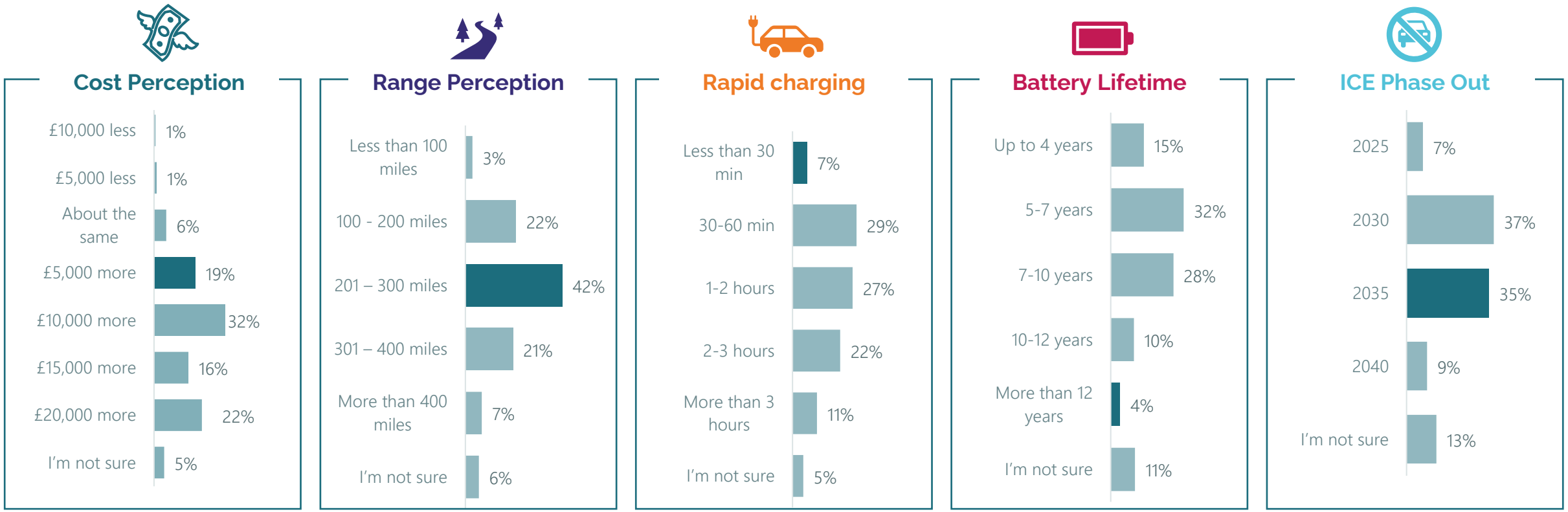
Lack of knowledge about existing charging infrastructure and network creates barriers to adoption

Few consumers are currently aware of the facts related to electric cars, highlighting the importance of better communication and education

This also underscores the prevalence of misinformation as many of these misconceptions continue to be reported in UK media today.

Perceptions of Electric Car Facts

Bars in **dark blue** denote the factually correct answer.



A5 - How much do you think a new electric car costs compared to the exact same brand and model with a petrol engine ? **A7** - How far do you think the average new electric car sold in 2022 can travel in the real world on a full charge? **A8** - For a new electric car sold today, how long do you think it typically takes to charge the battery f rom 20-80% full using a rapid/fast charger? **A9** - How long do you think the battery of an electric car will last before it loses capacity? **A10** - In what year has the UK government set the target for all new cars that are sold to be fully electric (without a petrol or diesel engine)? | N = 1605 | Bars in dark blue denote the factually correct answer.

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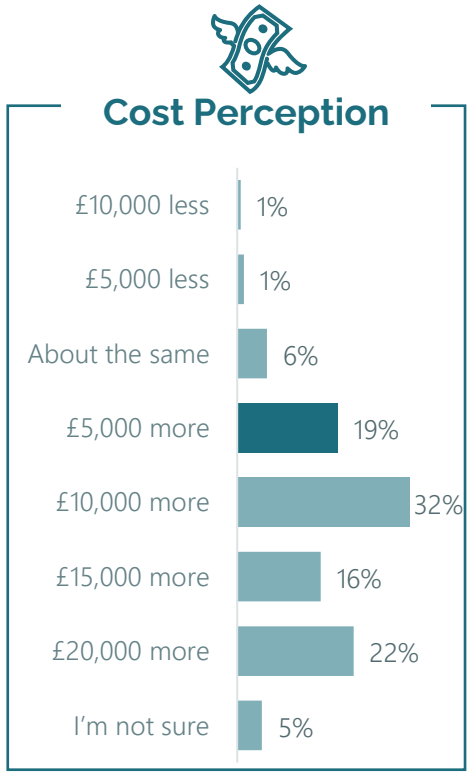
Many assume electric cars are pricier upfront than petrol ones. Yet, it's crucial to convey that despite the initial cost, going electric pays off in the long term



No significant differences across different ages, gender

People earning **over £100,000** think it will cost **£20,000 more compared to petrol,** while **lower earners** believe it will be **£5,000 to £10,000 more.**

People who live **in London** think that a new electric car will cost **£20,000 more** compared to the same model with petrol.

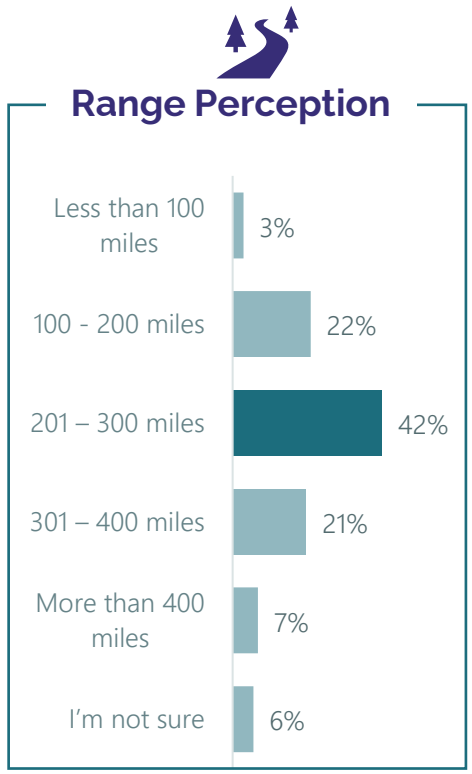
"electric cars are significantly more expensive right now and it's hard to find the extra cash"

"I believe they're at least 5k-10k more expensive and in this economy that isn't viable for myself."

"Expensive to buy and then to charge. I think they are at least £10k more."

A5 - How much do you think a new electric car costs compared to the exact same brand and model with a petrol engine ? | N = 1605
Bars in dark blue denote the factually correct answer.

Although most people have a good understanding of average range, some still feel like it is not enough



An average new electric car sold in 2022 can travel around **200-300 miles** in the real world on a full charge with many longer-range models available at a slight price premium.

People earning **over £100,000** see the range as **over 301 miles,** while those with **lower incomes perceive** it as **less than 300 miles.**

People over 50 estimate it around **200-300 miles**, while those aged **30-39 think it's over 300 miles. Females** tend to believe it's under **200 miles**, while **males** think it falls between **200-400 miles.**

"On a full tank of petrol I currently get about 450 miles which puts most of the UK within reach. An electric car is half of that range"

"I love to explore and drive to Wales often, it's nearly 200 miles there and back and the cars I've looked at have no way near that that range."

"The maintenance of electric cars can really cost a lot. Also, the range at which the electric car can go as the max is just 100-200 miles."

No significant differences across different regions

Source: Electric car Database, NimbleFins

A7 - How far do you think the average new electric car sold in 2022 can travel in the real world on a full charge? | N = 1605
Bars in dark blue denote the factually correct answer.

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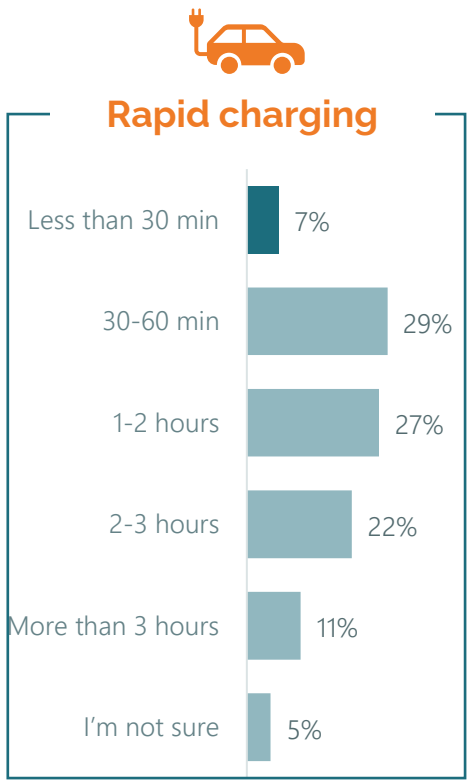
Many believe care that charging the battery from 20-80% using a rapid charger take over an hour



It typically takes **20-30 mins** to charge the battery from 20-80% full using a rapid charger.

Females expect **over 2 hours** for rapid charging from 20-80%, males anticipate **under an hour**. **Those above 50** estimate less **than an hour**, while under 40s think it takes **over 2 hours.**

People who **earn £100,000 or more** are more likely to think that it takes **more than 3 hours.**

"I thought it was an hour or more, not even a phone charges that quick"

"I didn't know it was that quick - I thought it would be longer than that"

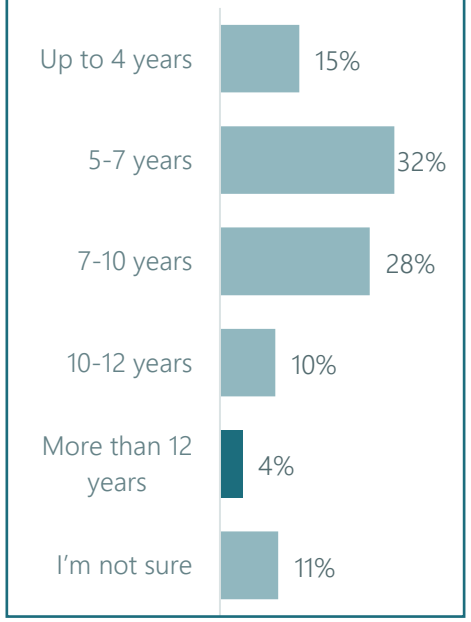
No significant differences across different regions

Source: Teltonika Energy

A8 - For a new electric car sold today, how long do you think it typically takes to charge the battery from 20-80% full using a rapid/fast charger? | N = 1605
Bars in dark blue denote the factually correct answer.

Only 4% of consumers understand that batteries last as long as they do, with many thinking that they will have to be replaced within 7 years.

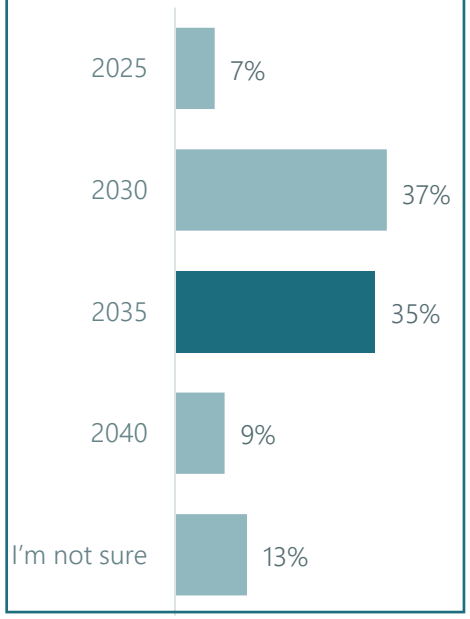
Battery Lifetime



The battery of an electric car will last somewhere **between 15-20 years** before it loses significant capacity.

"I thought batteries get weaker and weaker like a mobile phone and hearing this makes me more confident to buy one"

ICE Phase Out



The set target is that all new cars sold will be fully electric by **2035.**

People over 40 are more aware of the forthcoming petrol car ban scheduled for 2035.

No significant differences across different age groups, gender, region

Source: [1]electric carBox, [2]UK Government

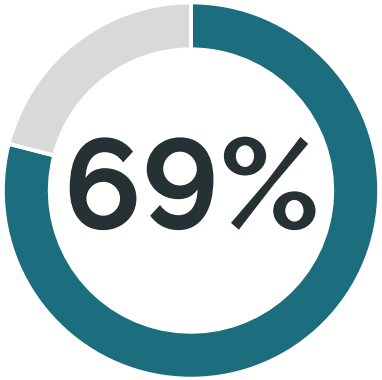
A9 - How long do you think the battery of an electric car will last before it loses capacity?
A10 - In what year has the UK government set the target for all new cars that are sold to be fully electric (without a petrol or diesel engine)? | N = 1605
Bars in dark blue denote the factually correct answer.

Consumers tend to buy cars suitable for their edge cases

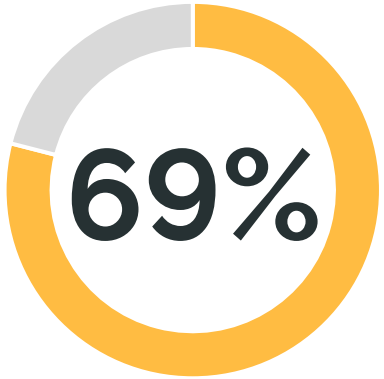
Rather than for day-to-day use, consumers seek bigger cars for longer journeys with more what-ifs

Consumers want bigger cars for longer journeys...

Lean towards bigger car



Lean towards longer journeys



...suitable for both their everyday and electric every-now-and-then travels

"I have a large family so need a bigger car. Also, we holiday regularly in the UK and thus need a bigger car for everything"

"Lots of room for travelling with family on journeys"

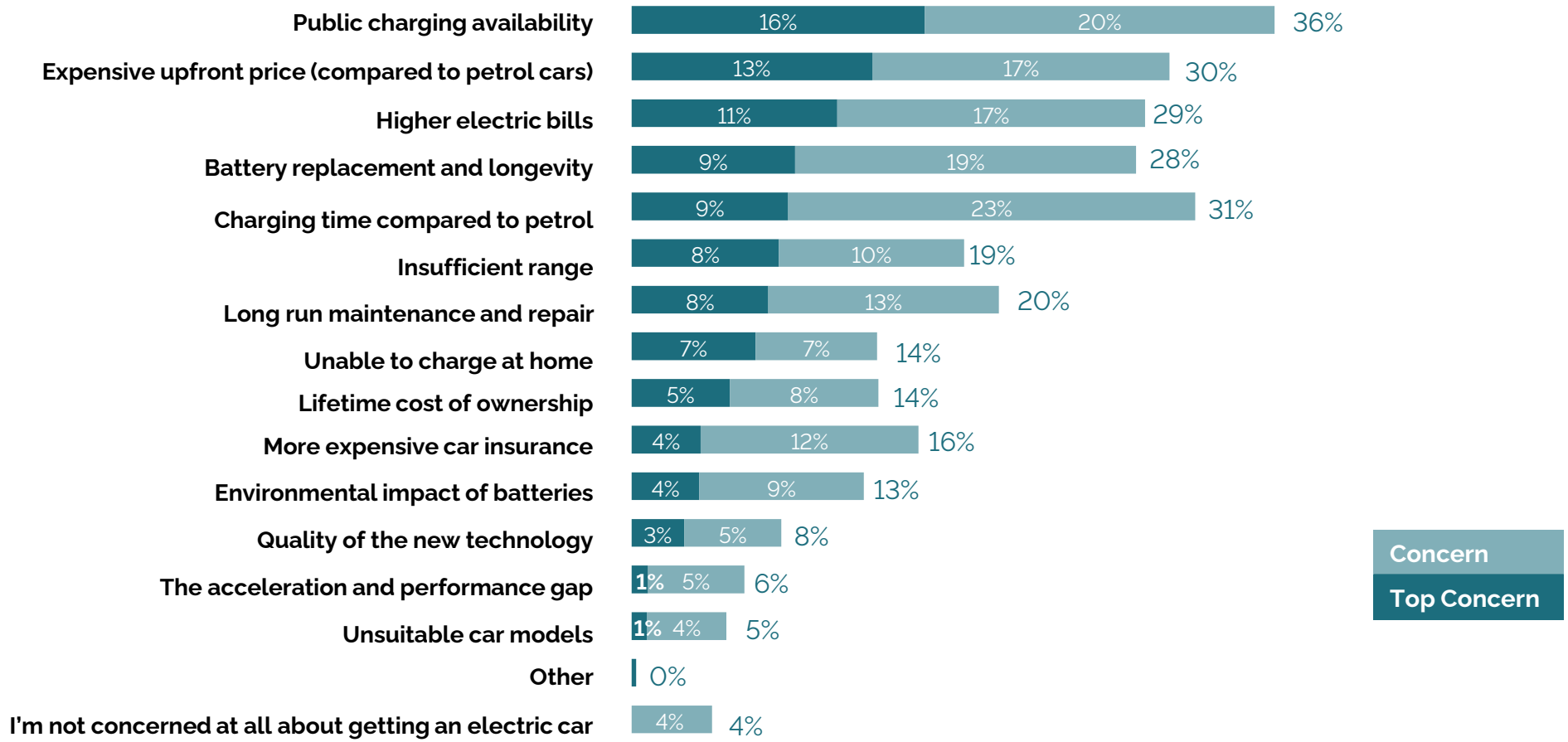
"Most of my driving is long distance motorway driving and needing a one hour pitstop every leg of the journey is going to be difficult."

"I may have to queue to charge. I plan to do most charging at home, but do travel far with electric every now and then."

C2aeUsage - Considering your upcoming car purchase, what features or qualities are you looking for in your ideal car? Drag the slider in the direction of the statement you prefer | N = 1605

This results in lasting concerns around charging and cost

Top Concerns Among Early Majority Consumers



A13aConcerns - Which of the below options represent concerns you have about getting an electric car? Please select your top 3 concerns | N = 1605
A13bTopConcern - And out of these concerns, which one are you most worried about? | N = 1533

SKIM

These functional concerns often have emotional foundations

Top concerns in electric car purchase

	%
Public charging availability	16%
Expensive upfront price (compared to petrol cars)	13%
Higher electric bills	11%
Battery replacement and longevity	9%
Charging time compared to petrol	9%
Insufficient range	8%
Long run maintenance and repair	8%
Unable to charge at home	7%
Lifetime cost of ownership	5%
More expensive car insurance	4%

Uncertainties around charging and costs create anxiety

Access to public charging

- *"Because there has been a **distinct lack of investment**, particularly by the Government in providing these facilities. You constantly hear **stories in the media of people** being stranded or waiting for a long time to charge their car or find it **virtually impossible** to actually find a charging station, especially **in more rural areas**."*
- *"Difficulty **finding public chargers and then securing a slot.** In Glasgow cars are left plugged in at 8.30 and not rescued till lunch time and often the car isn't moved so takes up the charging space"*

Expensive upfront price

- *"The initial outlay to buy the car will be higher and **I am not sure about spending so much more**. I appreciate the environmental impact and am keen to get an electric, but the **costs currently are way too expensive** and the **charging station availability isn't good enough yet**."*
- *"I can buy a **petrol version of the Volvo I am considering for £15000 less** than the electric. That's a great deal extra money just to drive fewer miles "*

Higher electric bills

- *"It is **scary how much they are charging us for a normal necessity** in life. People cannot afford to put their heating on in their own homes."*
- *"The cost of electricity is extremely high at the moment and rising. I'm **not sure I can afford an extra high cost item**. At least with a petrol car I **know roughly how much my weekly petrol will cost me."***

A13b - Which of the below options represent concerns you have about getting an electric car ? Please select your top concerns | N = 1533

Mainstream UK media is often the source of these concerns

The Sun
https://www.thesun.co.uk › motors › crippling-hidden-co...

I'm an EV owner - no one tells new drivers about ... - The Sun

11 Nov 2023 — AN EV owner has revealed the crippling hidden cost of electric cars ... "The Sun", "Sun", "Sun Online" are registered trademarks or trade names ...

Daily Mail

Electric cars encounter nearly 80% more problems than gas alternatives

EV owners report far more problems with their cars and trucks than owners of gas-powered vehicles, according to a new survey.

1 month ago

Evening Standard

How many electric cars are on UK roads?

Figures from the Society of Motor Manufacturers and Traders show that 267000 new pure battery electric cars were registered last year.

20 Sept 2023

Evening Standard

The Sun
https://www.thesun.co.uk › motors › electric-car-reality-c...

I own an electric car and the reality is a total nightmare

12 Sept 2023 — A DRIVER has revealed the bum-numbing reality of owning an electric vehicle - as she spends hours going nowhere.

Daily Mail

Electric cars are far less reliable than traditional petrol vehicles, bombshell study finds

Electric vehicles are far less reliable, on average, than petrol cars, trucks and SUVs, according to a new study of 330,000 vehicle owners.

1 month ago

Evening Standard

Electric vehicles face spike in parking charges in central London

Visitors driving electric cars into central London could have to pay much higher fees under proposed changes.

1 month ago

The Sun
https://www.thesun.co.uk › motors › ev-drivers-face-100...

EV drivers face £100 fine under Highway Code as electric ...

31 Oct 2023 — EV drivers have been warned as they could face a £100 fine under the Highway Code as electric cars are hit by winter struggle.

Daily Mail

End of road for EVs? Hertz to sell 20,000 since customers don't like them - but could you get a good deal buying a cast ...

Car rental giant Hertz is selling 20000 EVs - a third of its electric fleet - due to a lack of demand and expensive repair costs.

3 days ago

The Sun
https://www.thesun.co.uk › motors › owned-electric-vehi...

I've owned my EV for three years, here's why I hate it

5 Sept 2023 — AN ELECTRIC car owner has revealed has urged Brits to avoid buying the motors.Daren, the man behind the YouTube account Honest Money, ...

SKIM

Charging is a greater concern for those who live in rural areas

More limited access to public charging induces range anxiety for those living in Yorkshire

In **London**, charging points are commonplace

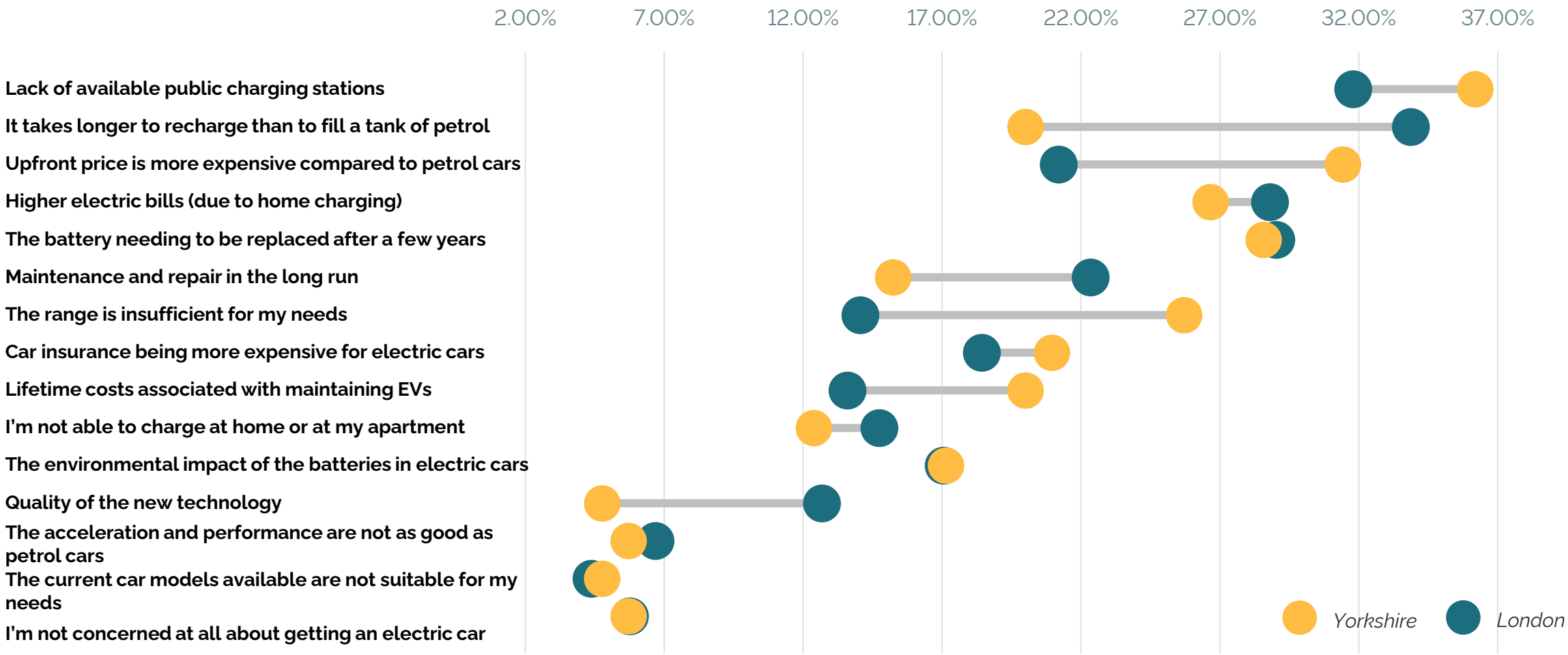
- *It's becoming **more the norm to see them dotted around everywhere**, and even with the lamp posts, they've combined them with that now. So, I mean **I'm pretty confident I wouldn't get stranded if I was driving***
- *Yeah, I mean**, I've got quite a few charging pods** on my road. There's loads so it **doesn't really concern me, even when shopping**, the supermarkets, they've all got them as well.*
- *They're **everywhere in East London**, I believe, like all the and the rural parts as well, **because I'm like in the green part of East London and I'm not far from one**. They're everywhere, literally.*

Whilst in **Yorkshire**, finding one can be stressful

- *Finding charging points it's just a bit stressful, **I don't want to plan I don't need that in my life.***
- *I'm sorry, one of the things that I think I'd be thinking about was **if all the charging points were accessible**. Is it you know, for me, somebody with disability? **Is it going to be too difficult to manoeuvre?** And stuff like that. **Where am I going to go if I've got to kill two hours**, have I got an accessible place around me to go and wait and all that?*
- *It took us **8 hours to do a 3-hour journey** because the **charging points were broken** and we **had to take detours***
- *My friends that have full electric cars have all had horror stories and that's why I want to stay clear of them till their more reliable- **chargers not being working order, not being in range**, **not putting on the heating or radio on because of battery drain.***

Source Verbatim quote from a qualitative interview conducted with electric car considerers | Yorkshire n= 6; London n=5

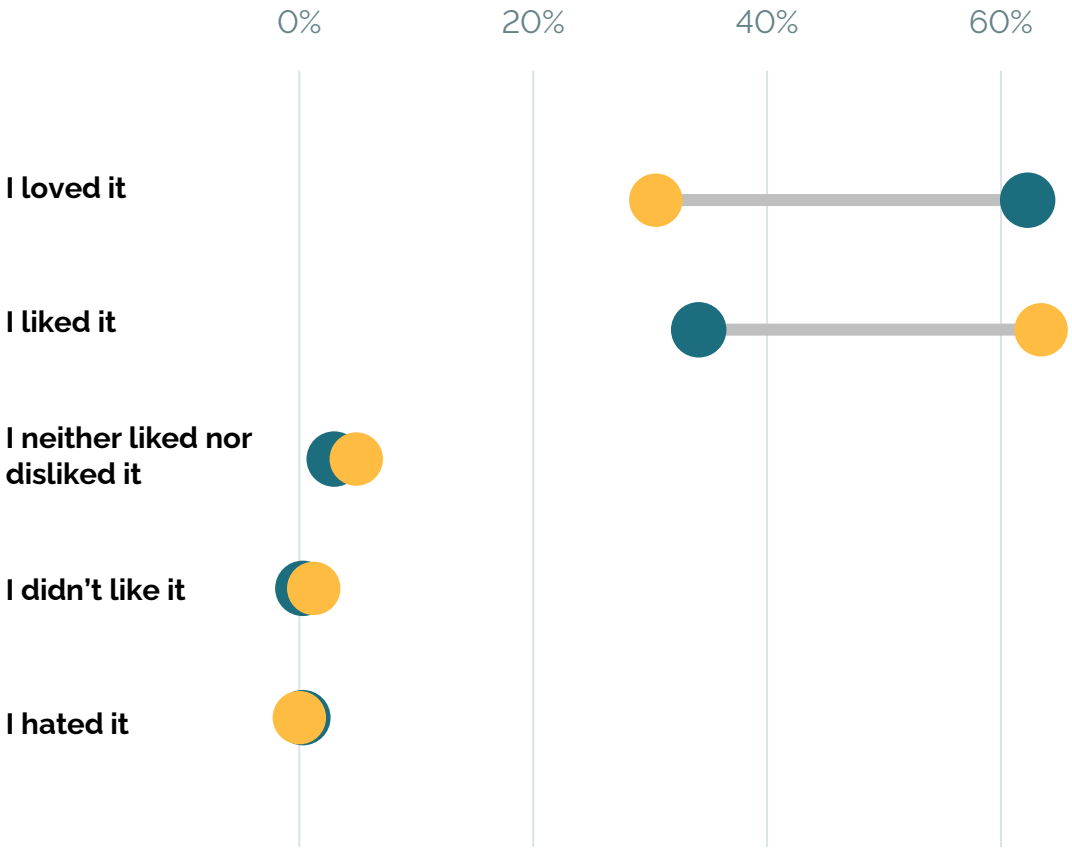
The most significant gap between Yorkshire and London lies in recharge time, range, and upfront price.



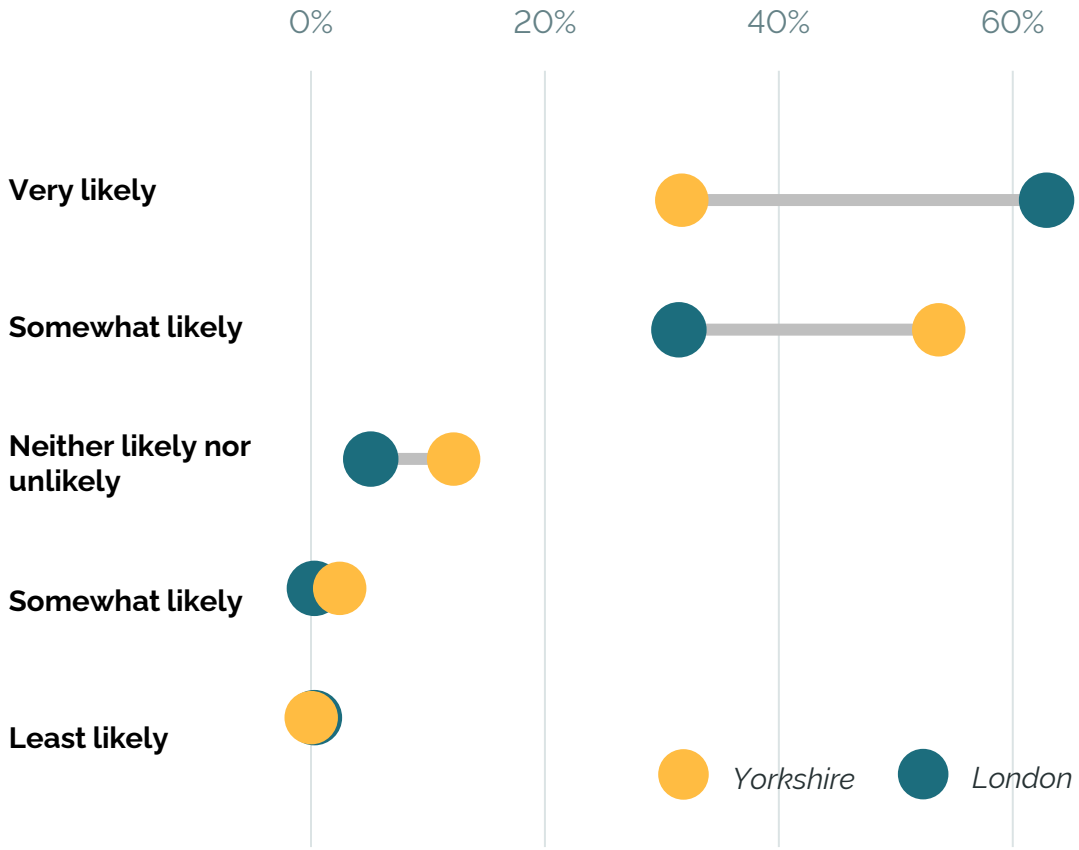
A13aConcerns - Which of the below options represent concerns you have about getting an electric car? Please select your top 3 concerns | London n = 434; Yorkshire and the Humber n = 105

Londoners are more likely to have enjoyed a positive previous experience with electric cars and are more likely to purchase

Experience with electric cars



Likelihood to purchase electric cars



A2ExperienceRating - How was your experience [owning/driving/riding in] an electric car? | London n = 334; Yorkshire and the Humber n = 82
A3PurchaseLikelihood - Overall, does your experience change the likelihood of purchasing an electric car? Where 1 is less likely, and 5 more likely | London n = 334; Yorkshire and the Humber n = 82

SKIM

Capability of consumers is diminished by their lack of knowledge of electric cars, especially in the long run

Limited public charging stations for electric cars

*"I live in **Northern Ireland and our infrastructure is way behind** the rest of the UK adapting to electric."*

*"I have several holidays in the UK every year **when I travel 200+ miles each way** and would love to think I could get there on one charge, but at motorway speeds **I am not convinced that most cars I could afford would have this range comfortably**."*

*"Because it **worries** me that I may **not be able to charge my car** when I need it. What if I am doing a **long journey** and **my battery runs out**?"*

Expensive car insurance and maintenance costs

*"As I have **never owned an electric car**, I **do not know the risks & what they entail**. I have personally owned petrol and a diesel and learnt that diesel cars are way more hassle and more prone to things going wrong therefore more expensive to fix."*

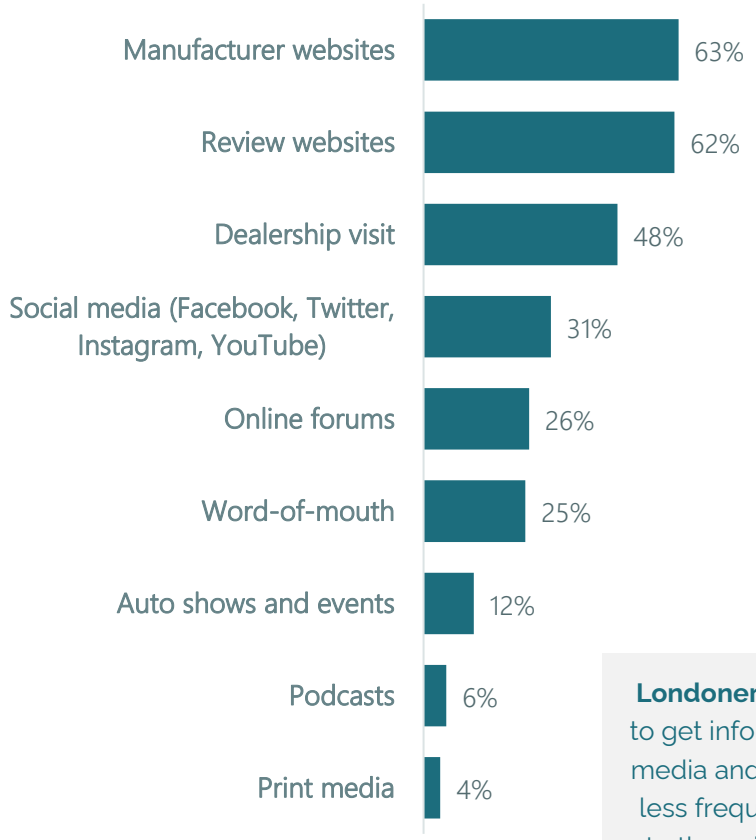
*"Because I am **unsure of what maintenance this type of car entails"***

*"I have heard that **electric cars are way more susceptible to break downs** than conventional petrol, diesel and hybrid cars."*

*"I **don't know if it will end up costing me more than a petrol car** in the long run, due to **potential issues with the battery"***

A13TopConcernDeepDive -Why are you most worried about [Respondent's top concern]

Prioritise improving electric car knowledge and reliability across top touchpoints to enhance communication and drive adoption



Londoners are most likely to get information on social media and visit dealerships less frequently compared to those in other regions.

Manufacturer/ review websites are key

Provide information to companies on key consumer concerns and which messages work to alleviate these.

Ensure a user-friendly website with transparent, detailed information. And encourage satisfied customers to leave reviews for credibility.

Dealership visits, at 48%, play a significant role

Train dealership staff to be knowledgeable about electric cars and educate consumers.

Address common concerns during in-person interactions and convey benefits.

Reverse incentives to promote ICE models with higher margins and life-time revenue

Social Media and online forums

Actively engage with the online community.

Share shareable content, including success stories and infographics, to amplify positive aspects of electric car ownership.

C3Research - When researching your upcoming car purchase, where do you usually get your information ? Select up to 3 resources you would usually use | N = 1605

SKIM

Capability

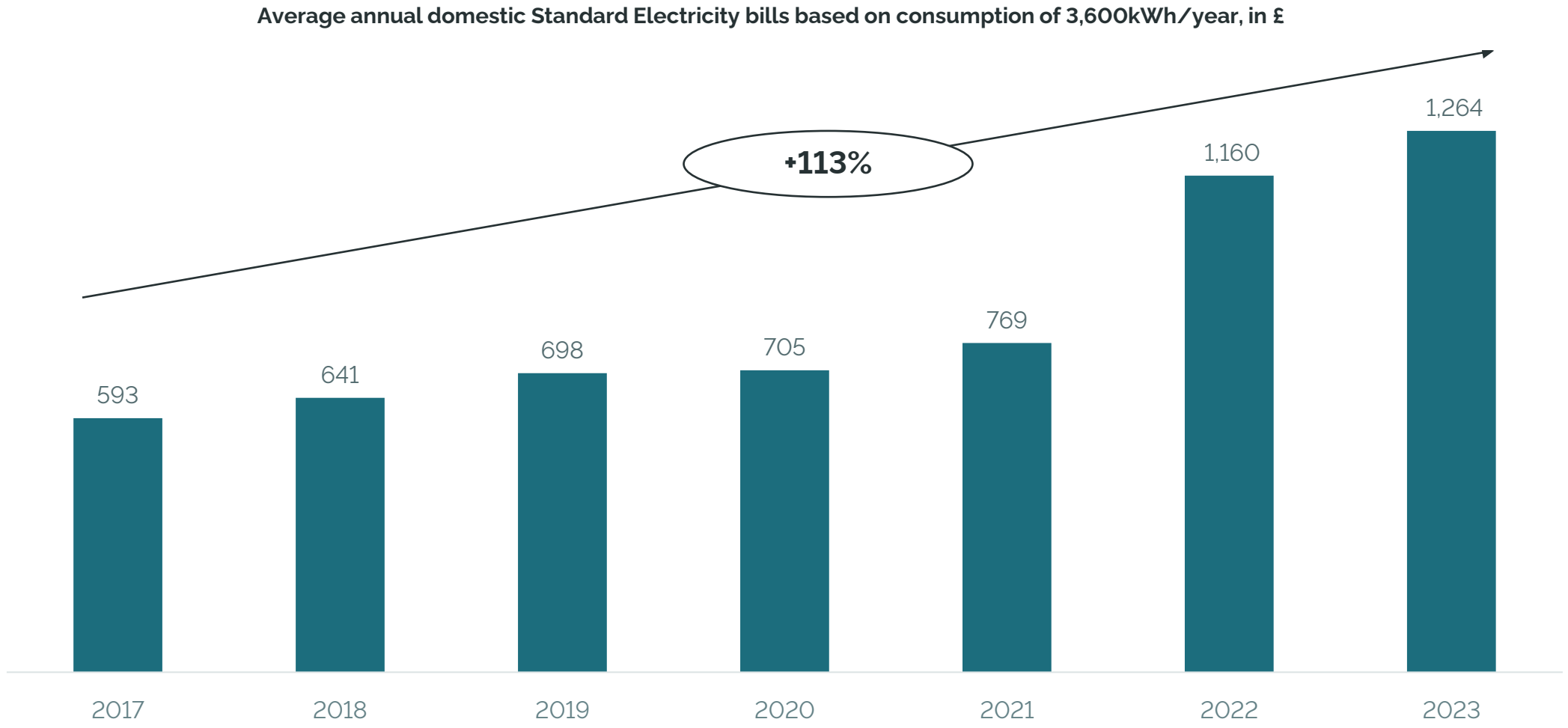
Physical

Cost of living crisis increases monetary pressure on households and purchasing power

SKIM

Cost of living crisis is top of mind as electric bills continue to rise

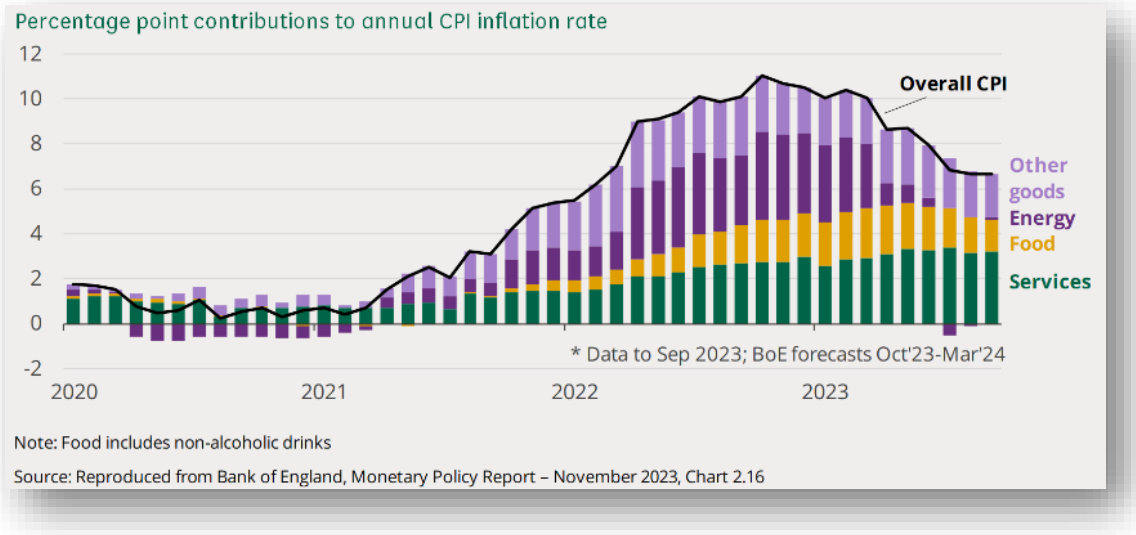
In the past six years the average energy bill in the UK has more than doubled



[1]Source: Department for Energy Security and Net ZeroSource: Department for Energy Security and Net Zero

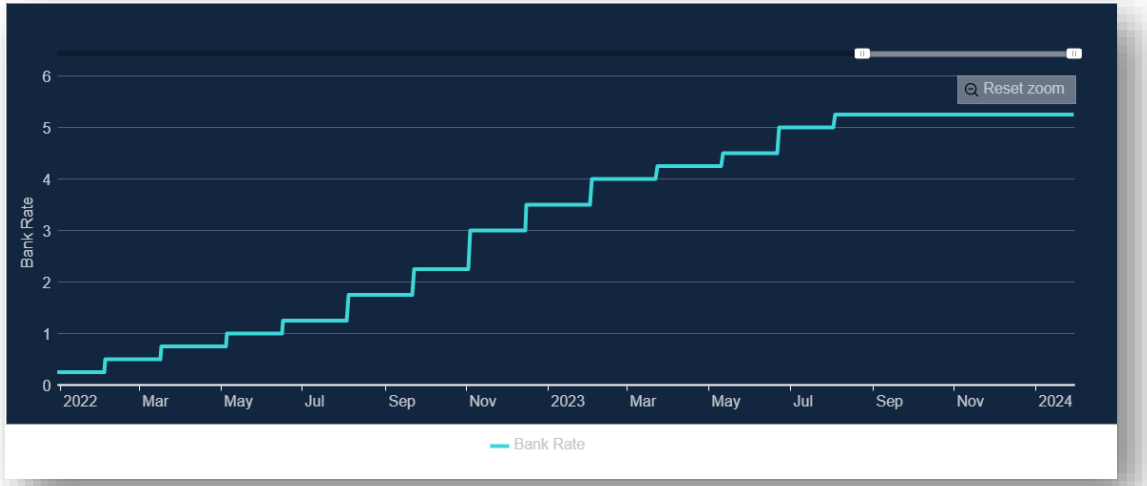
Persistent inflation and rising interest rates affect consumer spending power

Although inflation has slowed down, its effects are still persistent



Annual CPI Inflation rate from 2020-2024[1]

High interest rates continue to put pressure on household finances



Bank of England interest rates 2022-2024[2]

Source: [1]Bank of England, Monetary Policy Report - Nov 2023, Chart 2.16; [2]Bank of England Database

SKIM

Making the purchase of an electric car out of reach for most

High Initial Costs

*"There's a substantial difference in **upfront cost** making them **poor value for money** for now. Also unlikely to replace the mass-produced petrol cars if the manufacturers can't align the cost."*

*"It might be **not a good investment** as the **technology is devaluing very fast."***

*"I've read a lot of stories in the **newspapers** and online on **news websites** that some people who have bought electric cars are **unable to afford the inflated insurance costs**."*

"More money than I can afford** plus the **cost of having a charger fitted at home."

*"Electric cars are significantly more expensive right now and **it's hard to find the extra cash**."*

*"I"feel like the price of electric cars has gone through the roof recently. It **almost feels like I'll be priced out of the market** – even smaller, traditionally **'run-around' cars are very very expensive."***

Rising Costs of Electricity and Living

*"I know the **electricity** would be **higher due to rising cost of living**. Electricity bill is still high without charging car at home yet. I'm just imagining how much it would cost me (electricity)."*

*"**I haven't got much money to spend on nonessentials** so I could do with a cheaper car*

*"This is a concern as the **cost of living crisis is making bills rise** and this would add **more costs to my monthly bills."***

*"I already started **cutting down most of my electronics usage** just to **reduce the cost of energy** in my household. For getting an electric car I'm still considering the higher electricity cost due to charging."*

*"Well it's going to be needing charging for a right few hours. **It's a big battery so I reckon it will cost on electricity bills** and at a time when electricity is so expensive."*

*"I may not/ Can't afford to pay for it. The **cost of living is tough with food costs and interest rates going up.**"*

Improving Trust

Consumers are quite cynical towards the government's ability to implement incentives.

Additionally, there's ambiguity surrounding profits in both the car industry and electric companies, stemming from the inflated costs of electric cars, which causes distrust.

GOVERNMENT

Reasons for distrust

- Ability to implement more rapid charging stations
- Certainty and continuity on policies and promises

CAR INDUSTRY

Reasons for distrust

- Usurping and raising prices to cancel out government incentives to purchase an EV
- Greenwashing – electric cars are not as eco-friendly as they claim to be

ELECTRIC AND ENERGY COMPANIES

Reasons for distrust

- Uncertainty of having to enrol on a new plan and increase prices after increased usage due to charging and calculations.

Improving Trust

Consumers are quite cynical towards the government's ability to implement incentives.

Additionally, there's ambiguity surrounding profits in both the car industry and electric companies, stemming from the inflated costs of electric cars, which causes distrust.

GOVERNMENT

- *"[On reducing VED tax] It will anyway change at some point with the government looking to tax people more and more… so this will not last"*
- *"[On Salary Sacrifice Scheme] I don't believe this will make a difference, salary sacrifice sounds like the government wants more money off me"*
- *"I don't believe the government. They have said a lot of things and never fulfilled"*
- *because the government is very cunning and they will input the VAT at any time to offset the incentive. So it does not matter to me."*

CAR INDUSTRY

- *"So even if the government says, oh, we'll scrap your car for five grand, we'll give you another two grand on top. The manufacturers most likely are going to increase mark up the prices by £5000-£7000. So even if the government does do anything, it cancels itself out."*

ELECTRIC AND ENERGY COMPANIES

- *"Price of electricity has gone up a lot. It's something to consider, the electrics expense, might as well consider the petrol side of things. It's not like what it used to be when people started buying electric cars."*
- *"I don't know how you do it – but the amount of money the likes of BP and Shell make are just obscene. And just make them bring the cost of charging the car down."*
- *"I have a friend who was always gloating about the fact that it would cost him, say, 50P to charge a Tesla up fully and he could get to 300 miles out of it. He's not thinking that at the moment."*

The cost-of-living crisis has driven consumers to prioritise cutting down costs

"If you get what I mean, so **even if you're saving money on fuel**, that money is probably going to be **spent on your electric bill**. Actually, my electric bill is just being finished now, so I'm on a rollover contract. And it's more than doubled what I used to do, but if I was to go electric as well, that would just be like an absolute eye opener. Having to pay that as well as driving and knowing that I'm fully electric, so I can't. Petrol is quite ok now and then it can come down cheaper. But electricity, energy wise it just seems to go up and up."

Source Verbatim quote from a qualitative interview conducted with electric car considerers | n = 11

The lack of clarity regarding electric bills and plans increases the risk associated with going fully electric

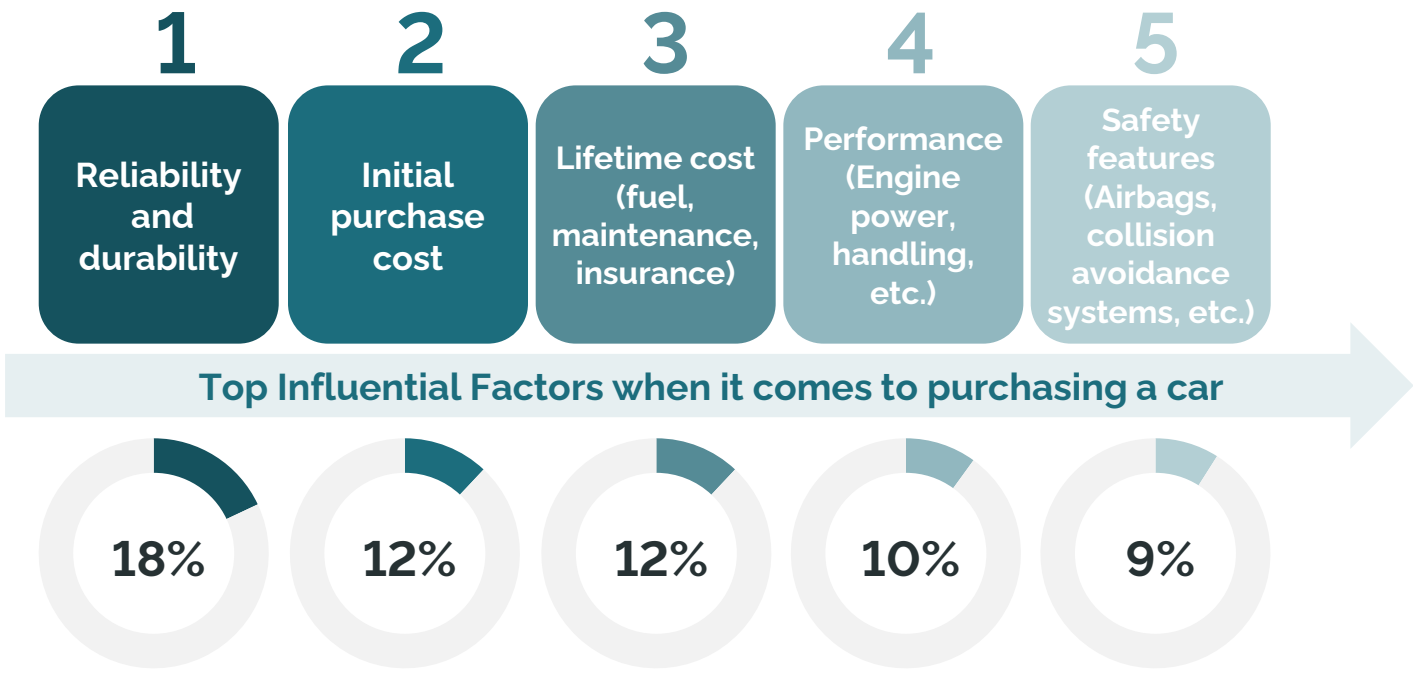
"If you get what I mean, so even if you're saving money on fuel, that money is probably going to be spent on your electric bill. Actually, my electric bill is just being finished now, so **I'm on a rollover contract. And it's more than doubled what I used to do**, but if I was to **go electric as well**, that would just be **like an absolute eye opener**. Having to pay that as well as driving and knowing that I'm fully electric, I can't. Petrol is quite ok now and then it can come down cheaper. But electricity, energy wise it just seems to go up and up."

Clearer and more familiar pricing of petrol contrasts with the uncertainty surrounding electric bills, posing a barrier to adoption

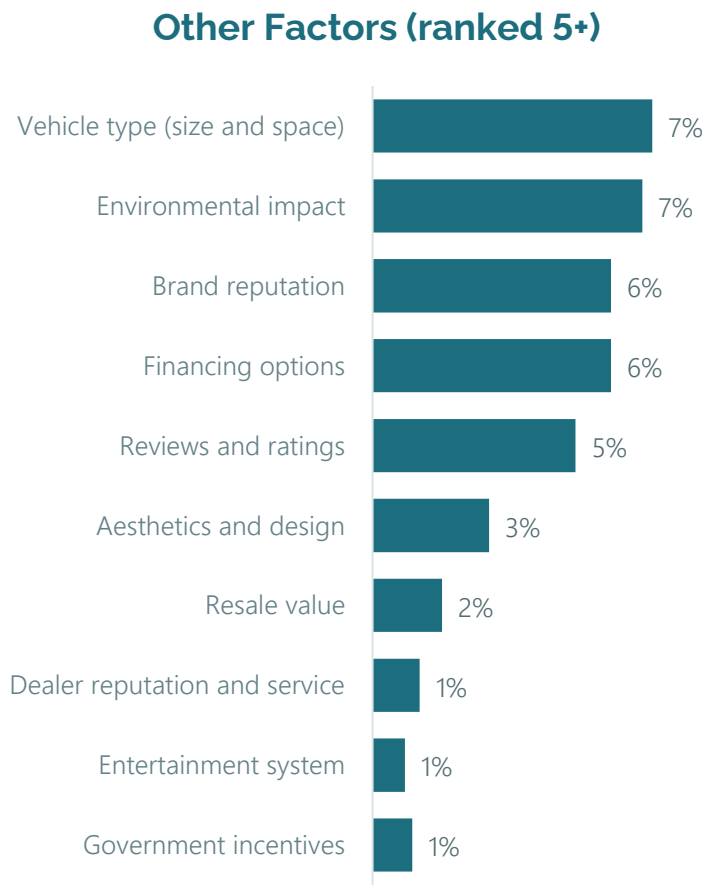
"If you get what I mean, so even if you're saving money on fuel, that money is probably going to be spent on your electric bill. Actually, my electric bill is just being finished now, so I'm on a rollover contract. And it's more than doubled what I used to do, but if I was to go electric as well, that would just be like an absolute eye opener. Having to pay that as well as driving and knowing that I'm fully electric, so I can't. Petrol is quite ok now and then it can come down cheaper. But **electricity, energy wise it just seems to go up and up."**

Reliability and durability becomes by far the number one factor, as it makes consumers feel their money is going for longer

Initial cost and lifetime expenses also play pivotal roles in the decision-making process



In London, the initial purchase cost plays a less influential role; performance is slightly more important for Londoners compared to other regions.

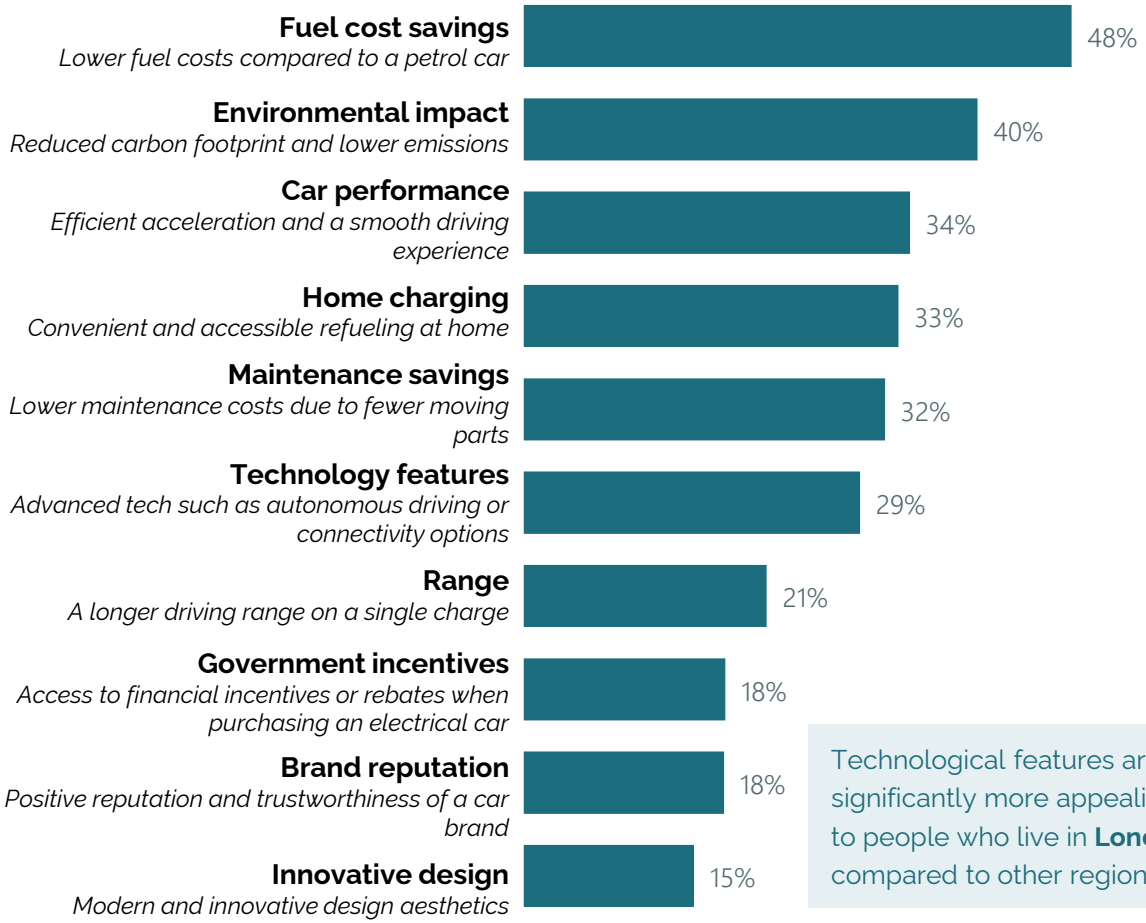


C4bDrivingFactorsTop - And what is your most influential factor when it comes to purchasing a car? | N = 1605

SKIM

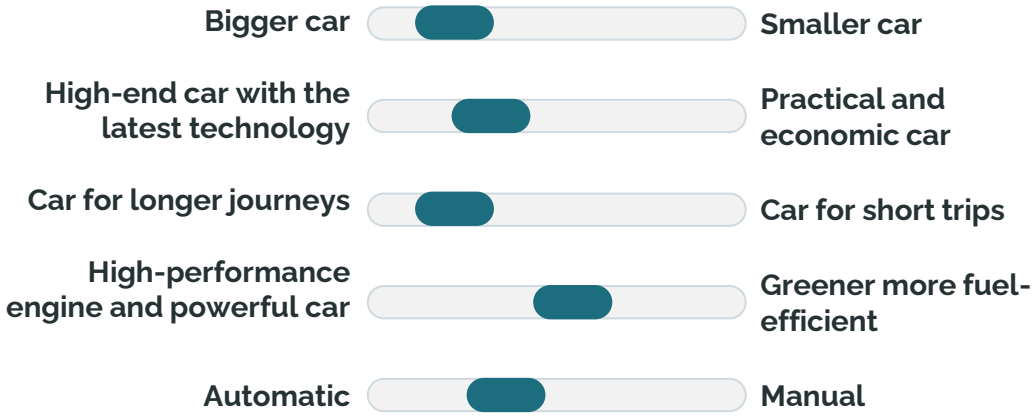
People are most drawn to electric cars for the cost savings on fuel, closely followed by the positive environmental impact

Feature Appeal



Technological features are significantly more appealing to people who live in **London** compared to other regions.

Ideal Car



Though **environmental impacts** may not be the primary appeal of electric cars, their recognition contributes significantly to their overall attractiveness.

Strategic communication of these benefits can create a strong **'feel-good' factor**, making **electric car adoption a compelling and advantageous choice for both individuals and the environment.**

C5FeatureAppeal - Below are some things that people see as a benefit of having an electric car. Which of these appeals the most to you? Please select up to 3 | N = 1605
C2aeUsage - Considering your upcoming car purchase, what features or qualities are you looking for in your ideal car? Drag the slider in the direction of the statement you prefer | N = 1605

Recommendations for policy-makers and industry

1 Increase knowledge on electric cars and their reliability

Communicate with tangible, simple facts that are easy to find on channels people use.

Provide messaging on the reliability of the car and incentives throughout the lifetime of the car (free checks and maintenance to make sure the car keeps on going) to ease the fear of the unknown.

2 Make sure the information is relevant and resonant

Customise messaging towards what matters for people – warranty, reliability, how to maintain the car, and ensure its value over the lifetime.

Making sure the relevant information is in the relevant channels and touchpoints.

3 Make electric cars more financially attractive and relative to ICE cars

As initial investment is still quite high, providing financial incentives to compensate for this upfront cost can help. This does not have to be a purchase price incentive.

Flat rate for charging at home to reduce price fluctuations and feeling of risk with the electric company.

Opportunity

Physical

Challenges associated with charging infrastructure and maintenance act as significant barriers

SKIM

OPPORTUNITY

Is there sufficient opportunity for behaviour to occur?

PHYSICAL

What is it?

- Supporting ecosystem, environment and infrastructure around a consumer to help them before, during, and after their purchase of an electric car

Example considerations

- Do I have sufficient public charging infrastructure around me?
- Are there garages I can trust for repairs and maintenance?
- Do the available car models satisfy my needs?

SOCIAL

What is it?

- Social norms and cues that can encourage or discourage buying an electric car

Example considerations

- What is the attitude of my peers towards electric cars?
- Can I the use experience of others?

Charging remains a key barrier which needs to be addressed with both education, user experience improvements, and accelerated deployment

Opportunity

OPPORTUNITY		KEY FINDINGS
Physical		• Concerns about charging infrastructure and potential delays in journey, along with worries about maintenance and the availability of repair services, hinder widespread adoption.
Social		• The experiences of others play a crucial role in establishing trust for those contemplating a switch. • It's essential to recognise that expectations and experiences may vary between urban and rural areas.

KEY TAKEAWAY

- Highlight existing public charging options to counter misinformation and alleviate perceived scarcity
- Foster positive reviews and feedback from both peers and reliable information sources to reinforce confidence
- Recognize that experiences and expectations differ between urban and rural settings

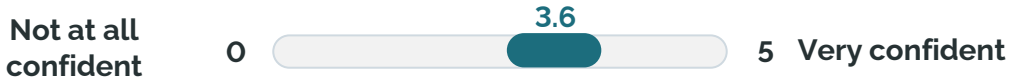
Legend: Very high · High · Medium · Low opportunity

SKIM

Consumers have some confidence in public charging points

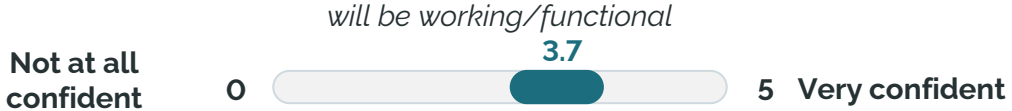
But concerns about range, maintenance costs, and garage repairs contribute to a perception of petrol cars as more reliable

How confident are you that you will be able to locate public charging points along the way?

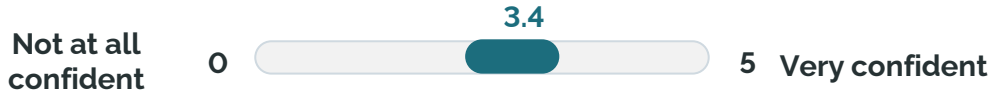


How confident are you that the public charging points…

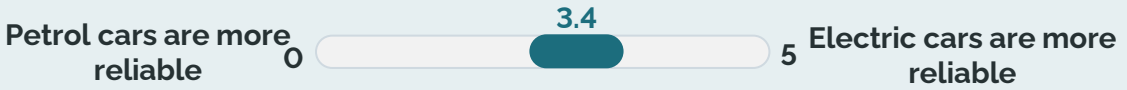
will be working/functional



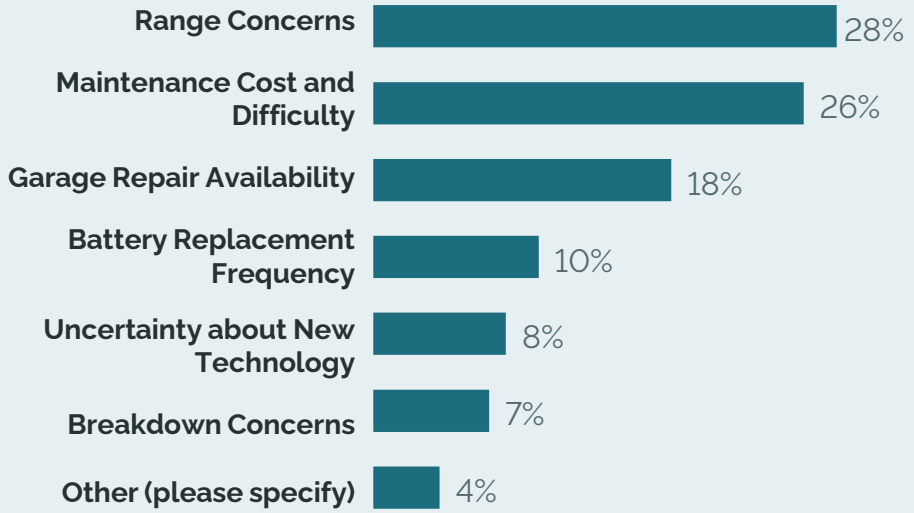
will have available spaces to use (i.e., not occupied)



Reliability



Why do you think petrol cars are more reliable than electric cars? [1]



[1] Among those who thought ICE cars are more reliable compared to electric cars

A11a Imagine that you are about to go on a longer journey (more than 250 miles) driving an electric car. How confident are you that you will be able to locate public charging points along the way? | N = 1605

A11b.c. And how confident are you that the public charging points… [will be working/functional] / [will have available spaces to use (i.e., not occupied)] | N = 1605

A12aReliability - In your opinion, how reliable are electric cars compared to petrol cars? Drag the slider to the type of car you think is more reliable | N = 1605

A12bRealibilityDD - Why do you think petrol cars are more reliable than electric cars? | N = 101

SKIM

But access to charging is still a cause of major concern for some, in particular those who are more reliant on public charging

*"Because it's the **most crucial**, I need to have **access to chargers to use my car** and that might not be possible if chargers don't work."*

*"This ensures **confidence** when driving on the road. **You know you can just get a place to recharge and keep going**."*

"News stories of faulty chargers, queues**, not having the correct account and therefore **unable to charge, not having the correct adaptor"

*"As most people will be using electric cars in the very soon future. I live in city of London where I could imagine **getting a charging spot would very difficult**. We live an **apartment building** with on street parking which is **sparse** as it is.."*

*"The infrastructure for knowing that **charging stations are available** and **working takes away the range anxiety issue.**"*

*"I have **no idea where I'd charge it** If I needed to while out - most of the **charging stations I see are broken** and out of service"*

*"Because **if there's no guarantee** that **public chargers will be accessible** and **in good working condition** then you have as well **a worthless car** not minding whatever new technology it comes with."*

*"Because there has been a **distinct lack of investment, particularly by the Government in providing these facilities.** You constantly hear stories in the media of people **being stranded or waiting for a long time to charge their car** or find it virtually **impossible to actually find a charging station,** especially in more rural areas".*

Although the statistics around the number of public chargers are clear, public concerns remains (1/2)

FINANCIAL TIMES myFT

Opinion **Lex** + Add to myFT

Electric vehicle charging crisis is overdone

Concerns over lack of chargers are not the real barrier to adopting EVs

In total, the UK has nearly 54,000 public charging points compared with 1mn fully electric vehicles. UK ministers are aiming for 300,000 public chargers by 2030 © Bloomberg

Save

JANUARY 14 2024 135

Surveillance Capitalism 2 WEEKS AGO

EVs most of all have an infrastructure problem. I know the evangelists all say that they're far more convenient because drivers can charge at home, but that only works for people who have their own home with off street parking.

Everyone else needs widespread, reliable public fast charging infrastructure - and unless this is rolled out, a significant number of people are simply being locked out of EV ownership on a practical level.

Recommend 37 Reply Share Report

olic 2 WEEKS AGO

In reply to **Surveillance Capitalism**

Spot on. I have an EV but if I couldn't routinely charge at home it would have been a non-starter.

Recommend 9 Reply Share Report

Puzzled, Clapham 2 WEEKS AGO

Yes; most EV owners do charge at home, awkward though this is for those in terraced houses. The problem comes when they venture beyond the vehicle's battery range, especially when entering unfamiliar territory, which brings uncertainty and can add substantially to journey times. So, for now, EVs are OK for short distances but not for anything over (say) 200 miles, especially on a cold day and with an ageing battery pack.

Recommend 9 Reply Share Report

olic 2 WEEKS AGO

In reply to **Puzzled, Clapham**

The secret is planning ahead. These days there is a wealth of information you can look up ahead of a trip, including if a charger is working or broken, and your co-pilot can even look up if it's in use as you approach it.

The road warrior who wants to be back on the road in 30 seconds with a full tank and a takeaway coffee will not be satisfied, but once you start travelling with kids, the idea of a stop that takes less than 15 minutes becomes a fantasy anyway.

Source: *Financial Times*

Although the statistics around the number of public chargers are clear, public concerns remains (2/2)

FINANCIAL TIMES myFT

Opinion **Lex** + Add to myFT

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Concerns over lack of chargers are not the real barrier to adopting EVs

In total, the UK has nearly 54,000 public charging points compared with 1mn fully electric vehicles. UK ministers are aiming for 300,000 public chargers by 2030 © Bloomberg

Save

JANUARY 14 2024 135

darcyblagdon 2 WEEKS AGO

To answer a number of questions:
We have two evs one big skoda and one small fiat 500 both are great. We live in the country and have solar. I think that is the most optimal set up.
Out solar and ev arrived in jul 2021 we do 32000 miles a year. Our electricity consumption has stayed the same but we have no petrol costs. This combo the roi was 2.5 yrs
The arguement about green or not, largely depends on how the electricity is made. There is a big difference between an ev in poland vs Norway due to how the electricity is produced. Our supplier is green only plus solar It's most optimal when you drip charge, ie whenever you stop you charge. You sip with an ev vs downing a pint with an ICE
As far as the roll out we take our daughter to uni from suffolk to Leeds. To about Leicestershire there are plenty of fast chargers up the A1 from there north they are slower and less common. And Leeds itself has less than ipswich (3 times smaller)
We bought ours thro a lease in the business which again is a no brainer vs buying in own name.

When we replace it, speed of charge the car can cope with 350kw chargers most cars only car to 50-100 as they are not desgned to cope. Charging at 350kw would be as quick as filling up with petrol.
I think that evs have now become part of the culture wars, and there is a reaction against them by the anti woke/green portion of the population.
We didn't buy them as a statement but for some they definitely are, and many friends and acquaintances are very anti EVs (I'm woke for my cohort of 50 something white public school ex army working in FS)

Recommend 12 Reply Share Report

In reply to **Le Gun**

We have though. We drove from London to spend 10 days near Lough Ness and visiting the Isle of Skye twice and Isle of Mull last summers. Via Lake District on the way up and Northumberland on the way back. Found chargers easy to find and got free charging at our hotel. We've even rented the same VW ID3 from Hertz in Greece (where charging is prehistorically still dependent on apps instead of contactless). Charged up via a granny cable mostly using a 3 pin plug at a friends place there.

95% of our charging over the past 3 years has been done for about £5 a week at home for 40,000 miles but that hasn't stopped us driving from Lands End to John O'Groats totally for free (as hotels often offer guests free charging) and noticing how public charging on motorways and at restaurants or pubs near major roads have vastly improved recently.

So I agree with this article. 85% of charging is done typically OVERNIGHT whilst owners sleep at HOME or at hotels.

We have 700,000 home chargers for our 1 million EVs where most charging is done. With 250 to 300 mile ranges you hardly ever need to use a public charger.
But for those rarer longer trips to Cornwall, Scotland or Yorkshire we've left fully charged and aimed to come back almost empty so the public chargers are still only used to top up the middle of the trip - whilst eating or sleeping.

And there are now EIGHT times as many public chargers as petrol stations (55,000 public chargers compared with 7,000 petrol stations) with 32 million ICE cars sharing those 7,000 petrol stations.

Don't forget that any 3 pin plug can also be used to charge an EV. Whilst it's slow, we found it perfectly adequate whilst on holiday in Greece to keep up with our holiday trips from Athens to Stoupa and to Sparta and to local restaurants etc.

Recommend 2 Reply Share Report

Source: *Financial Times*

Public confidence in the government's ability to create a suitable infrastructure for electric cars is limited

Motorway electric car charge point target missed, says RAC

2 January • Comments

By Katy Austin
Transport correspondent, BBC News

A target for the number of high-powered electric vehicle charge points near motorways has been missed, analysis from the RAC shows.

The government wanted every motorway service station in England to have at least six rapid or ultra-rapid chargers by the end of 2023.

Public discourse on current viability of public charging infrastructure

On the Mersey 13:09 2 Jan

In September, the government confirmed that a ban on sales of new petrol and diesel cars would be being pushed back five years from 2030 to 2035 - fairly sure this date will move back even further - the infrastructure is not here to support this move.

157 14

Phil 13:17 2 Jan

to On the Mersey **"In September, the government co... "**

All they have to do is drag their feet over providing infrastructure. Then they can blame the next government for pushing back the date, when in reality they would have given them no choice.

56 29

More replies (17)

andyt 13:12 2 Jan

Can we just scrap the push for everyone to have an electric car please. Ignoring the infrastructure issues the cars themselves are expensive, have awful range which plummets further if you use the heating, won't save much at all on fuel costs and there have been numerous cases of 1yo EVs being written off after the tiniest bit of potential damage to batteries, so insurance is going to rocket

127 41

davecroft 13:54 2 Jan

Somebody please explain this to me. I get to the electric charge points, they are all occupied, what do I do? Sit in my car and hope someone moves? They could be having a three course meal in the services. How exactly do I know how long I am going to have to sit and wait before a charger comes free? At least with a petrol pump I know the guy in front will move off in a few minutes.

39 4

For the benefit of all 13:06 2 Jan

Whenever I pop into a service station for a coffee or if I've miscalculated and need fuel, (5 minutes max) it amazes me to see the number of people sat in their cars at charging points particularly when they charge for more than 2 hours parking. There is no way I would buy an electric until absolutely forced to

68 33

DD 13:25 2 Jan

to For the benefit of all **"Whenever I pop into a service stat... "**

Those people typically will stop for 10-20 minutes. That's why they are sat in their cars. We found we were spending more on buying overpriced coffees than on the electricity. So we stay in our car too now.

43 16

More replies (3)

Source: BBC

Opportunity

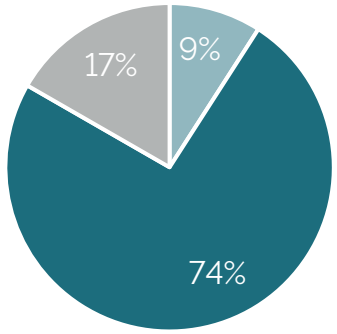
Social

The influence of social proof and online reviews plays a crucial role in alleviating concerns and fostering a more positive perception towards electric car adoption

SKIM

Most people have friends or family with electric cars, and they generally have positive experiences

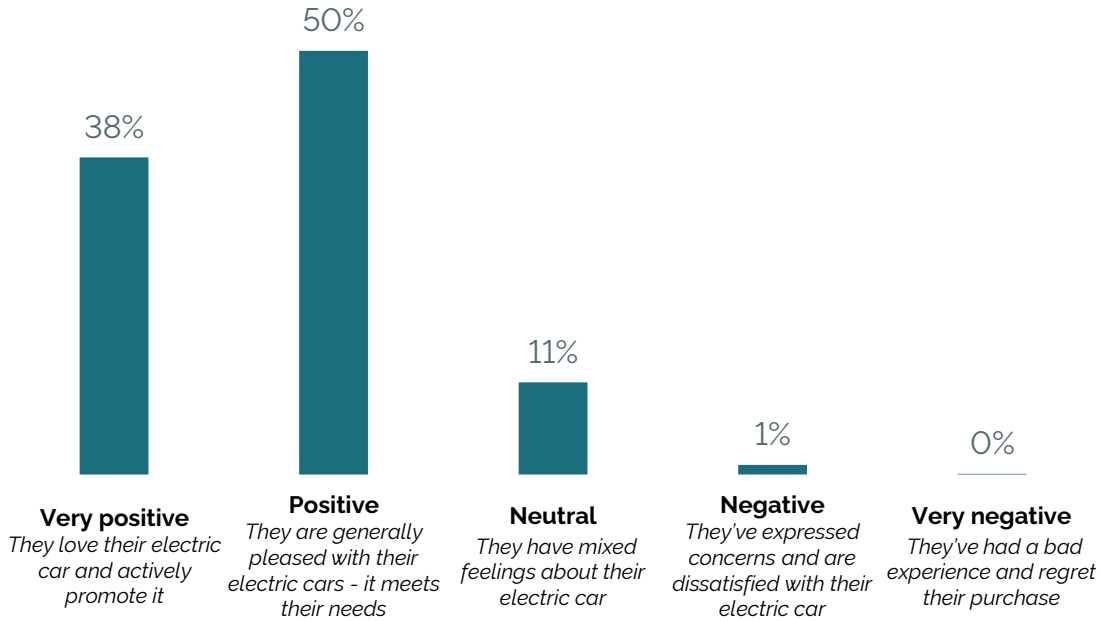
Social Proof



- Many , A significant number of my friends, family, or acquaintances drive electric cars.
- A few , A small number of my friends, family, or acquaintances drive electric cars.
- None , I don't know anyone who drives an electric car.

Those who **have already owned** an electric car **have relatively more friends and family** with electric cars compared to others with less experience with electric cars.

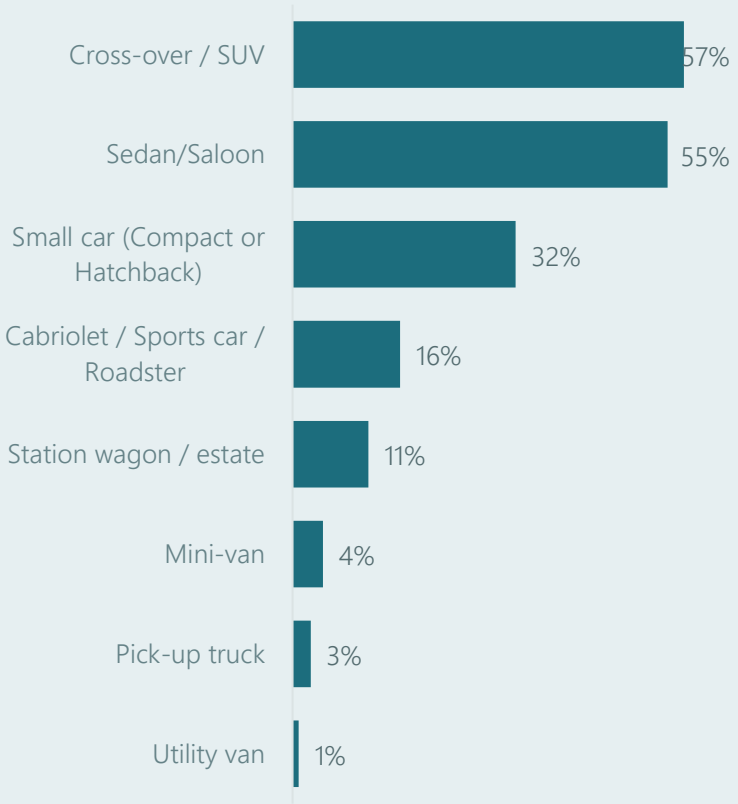
Social Proof Sentiment



C6aSocialProof - How many of your friends, family or acquaintances drive an electric car? | N = 1605
C6bSocialProofSentiment - How would you describe the overall sentiment from your friends/families/acquaintances about their electric car? | N = 1337

People often choose SUVs for their spacious interiors, comfort, elevated seating for better visibility, and versatile capabilities

Car Type



WHY SUV?

Space

More passenger space and cargo capacity, which makes them convenient for families, outdoor activities, hauling large items, etc.

Comfort and visibility

Higher seating position and more upright seating which provides better visibility of the road.

Capability

All-wheel drive capabilities and higher ground clearance which allows them to better handle off-road driving situations, rough terrain, snow, etc.

C1CarType - Thinking about selecting a new car, which type of car are you considering getting? Please select up to 3 | N = 1605
C1bSUVFollowup - What are your main reasons for purchasing an SUV as your next car? | N = 914

Recommendations for policy-makers and industry

1 Emphasize existing public charging availability

Highlight available public charging points through user-friendly resources, claims campaigns and integration with popular navigation apps (Waze, Google, etc.), ensuring easy access for electric car users.

2 Improve user-experience and accelerate deployment

Even if there are more chargers than consumers think, there are still real-world challenges with availability, reliability and ease of use.

Accelerating deployment and improving reliability and aspects like contactless payment are needed to reassure Early Majority Consumers who are thinking about their first electric car.

3 Ensure there is positive news/information from others

Strengthen the electric car community by sharing positive testimonials from influencers and notable individuals, fostering a sense of belonging and engagement within car communities.

Motivation

Automatic

There is an interest in adopting electric cars, but people still lean towards traditional cars due to insufficient knowledge and high costs, portraying electric cars as potentially risky investments.

Reflective

Early Majority Consumers appreciate the advantages electric cars offer, including their green credentials, yet they seek assurance to feel confident that an electric car is a worthwhile investment in the long term.

MOTIVATION

How might we create sufficient motivation for purchase?

AUTOMATIC

What is it?

- Automatic processes that are often outside of our awareness, such as emotional responses, habits, impulses and inhibitions.

Example considerations

- How much do I lean on my habits and knowledge of petrol cars?
- How risk averse am I?
- How skeptical am I of new technology?

REFLECTIVE

What is it?

- High cognitive processes, such as beliefs, values and goals.
- Sense of self-identity and self-efficacy - beliefs about a person's ability to do things.

Example considerations

- Do I think this electric car is worth it?
- Is this car better than others / what I usually would do?
- Can I achieve my goal with this car?

By educating consumers about electric car benefits and incentives and making simple improvements, motivation can be increased

M
Motivation

MOTIVATION		KEY FINDINGS
Automatic		• There is an interest in adopting electric cars, but people still lean towards traditional cars due to insufficient knowledge and high costs, portraying electric cars as potentially risky investments. • Additionally, there is still a lack of trust in the government to follow-through on incentives and deploy infrastructure at pace.
Reflective		• The most effective incentives to accelerate electric car adoption are already present or require low investment to implement or improve. However, most consumers are not aware of them. • Early Majority Consumers appreciate the advantages electric cars offer, including their green credentials, yet they seek assurance to feel confident that an electric car is a worthwhile investment in the long term.

KEY TAKEAWAY

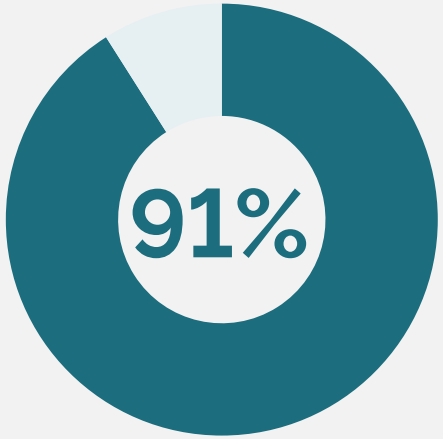
- Highlight the advantages of electric cars and emphasize the feel-good factor to strengthen the influence of the 'sustainability driver'.
- Address concerns through transparent and effective communication.
- Ensure a clear understanding of the long-term benefits of electric cars.

Legend: Very high | High | Medium | Low motivation

SKIM

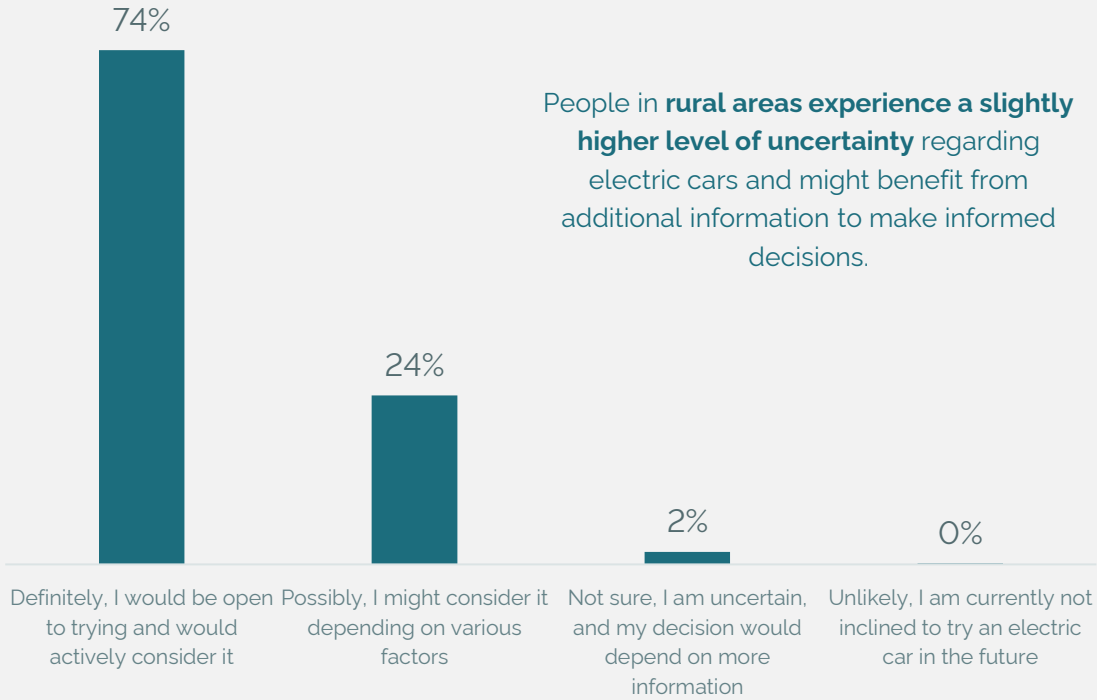
Experience with electric cars positively influences the likelihood of purchase and openness to try an electric car

Purchase Likelihood



More likely to purchase an electric car after the experience (T2B%)

Openness to try



People in **rural areas experience a slightly higher level of uncertainty** regarding electric cars and might benefit from additional information to make informed decisions.

A3PurchaseLikelihood - Overall, does your experience change the likelihood of purchasing an electric car? Where 1 is less likely, and 5 more likely | N = 1134
A4OpennesstoTry - Would you consider trying an electric car in the future? | N = 1502

But due to low levels of capability and opportunity, building sufficient motivation is difficult

8-year warranty alleviates cost and maintenance concerns in the long-run

Rank	Category	Claim	Rejection	Net Score	Appeal
1	*Maintenance and repair*	**8-year extended warranty for the car**	-13%	27%	40%
2	*Financial*	**Charging always at least 50% cheaper than petrol per mile**	-12%	27%	39%
3	*Financial*	**Free home charger installation**	-15%	24%	39%
4	*Financial*	£1000 government grant on electric car purchase	-16%	21%	37%
5	*Maintenance and repair*	Free checks and maintenance for 3 years	-17%	10%	27%
6	*Maintenance and repair*	**Public chargers guaranteed to work 99% of time and take contactless payment**	-19%	8%	28%
7	*Maintenance and repair*	Car battery health guarantee	-19%	6%	26%
8	*Maintenance and repair*	Zero interest (0% APR) car financing	-24%	5%	29%
9	*De-risking trial*	No car tax (VED) for electric cars	-22%	5%	26%
10	*Financial*	More public chargers in my local area	-21%	4%	25%
11	*Maintenance and repair*	25% discount on electric car insurance	-21%	2%	24%
12	*Financial*	Electric car batteries 100% guaranteed recyclable	-29%	-9%	20%
13	*De-risking trial*	A government scheme to lease an electric car for around £100 a month for those on low incomes	-33%	-12%	21%
14	*Maintenance and repair*	3 years of free road recovery	-29%	-13%	16%
15	*De-risking trial*	Employer offer of salary sacrifice scheme (30% cheaper leasing cost)	-34%	-16%	18%
16	*Maintenance and repair*	More electric car models/ranges available in different sizes	-38%	-24%	14%
17	*Maintenance and repair*	Electric car rental same price as petrol car rental	-40%	-28%	13%
18	*De-risking trial*	Try before you buy 1-week free loan of an electric car	-48%	-37%	11%

8-year warranty (Rank #1)
"Because within the electric car, there are so many electronics and due to weather condition, these electronic can easily becomes damage and needs replacement. Having warranty including these parts helps me to buy an electric car. Else replacing the broken parts are expensive."

Free home charger installation (Rank #3)
"Free home charger installation guarantees that you don't have to go out searching for charger to use on your car and having to queue up as all may not be available to use at the time you want."

Rental cars (Rank #17)
"I don't rent any cars to make it of use to me"

*Incentives already in effect are indicated in **bold**.*

Net Scores: Most influential | Influential | Neutral | Less influential

 Ranked in order of average MaxDiff net score (N=1605) | For more information on methodology, see Appendix

Significant difference between two incentives

Warranty, cheaper charging and free home charger installation are the most appealing incentives

Top 3 Incentives

8-year extended warranty for the car

It fosters **buyer confidence**, signaling the automaker's trust in the electric car's **quality** and **longevity**. This reduces **long-term maintenance** costs, **offsets upfront expenses**, **builds trust**, and promotes environmental sustainability through extended car lifespan

"It gives me reassurance that iff something went wrong I would most likely be covered."

"Because it guarantees the parts for longer. The cars are already very expensive so I wouldn't want expensive repairs as well, so this gives peace of mind."

"It shows a commitment of car makers and it gives me piece of mind."

Charging always at least 50% cheaper than petrol

This financial advantage is a key factor driving individuals to choose electric cars. Respondents emphasize **long-term economic benefits, offsetting higher purchase costs with lower running expenses**, enhancing the appeal of electric cars.

"I feel like i am making a long-term saving and will not regret the purchase after a while"

"Because the cost of charging an electric car is the biggest worry because of the price."

"It's because this the makes it feel like an investment to buy an electric car, as long-term running costs will be lower, despite the initial upfront cost.."

Free home charger installation

Primarily due to the significant upfront cost savings, convenience, and peace of mind it offers, it is an important relief for people. They value the **accessibility of a reliable home charging point, avoiding the challenges of public infrastructure**.

"Because it gives me confidence that I'll be able to charge my car when needed."

"It's a worry knowing where charges are located. So, having one at home would be ideal."

"I can comfortably charge my battery 100% at home without pressure and while leaving the house. I can be confident knowing that I won't be stranded on the way because of low battery."

B13 - Why is [Insert top incentive] most influential towards your decision to buy an electric car as your next car? | N = 1605
B14 - Why is [Insert bottom incentive] least influential towards your decision to buy an electric car as your next car? | N = 1605

SKIM

Reducing the initial purchase burden and improving opportunities to maintain the car can also be effective

Incentives 4-6

#4 | £1000 government grant on electric car purchase

This incentive reduces the **initial investment risk** of purchasing an electric car. Especially with the **cost-of-living crisis, a £1,000 grant can reduce the price barrier** for many households. Additionally, a grant from the **government shows a clear commitment** towards the green transition.

"Seems like it would offer the biggest concrete reduction in costs - Cost is my main barrier to going electric"

"This would indicate that the government really wants to subsidise electric cars."

"Helps with the payment of the car. Who wouldn't want a free £1,000 towards purchasing a brand new electric car?"

#5 | Free checks and maintenance for 3 years

This incentive **reduces the risk over the longer term** and provides **reassurance over the lifetime of the car**. Since it is a relatively new technology, the **Early Majority may not know how to maintain an electric car**. This further de-risks the purchase and adds another layer of certainty.

"Because three years is such a long time and I want my car to be checked and maintained for that time."

"Because then it will reduce my MOT cost and maintenance cost for the next three years so it is a good incentive."

"Shows that an electric car is better and the same price as a petrol and it's cheaper in the long run."

#6 | Public chargers guaranteed to work 99% of time and take contactless payment

Simplifying charging provides reassurance for **those who may not have a home charger available** is key. For those living in a rural area, the availability and functionality of public chargers may **alleviate the stress** of being stranded in a remote area with no chargers.

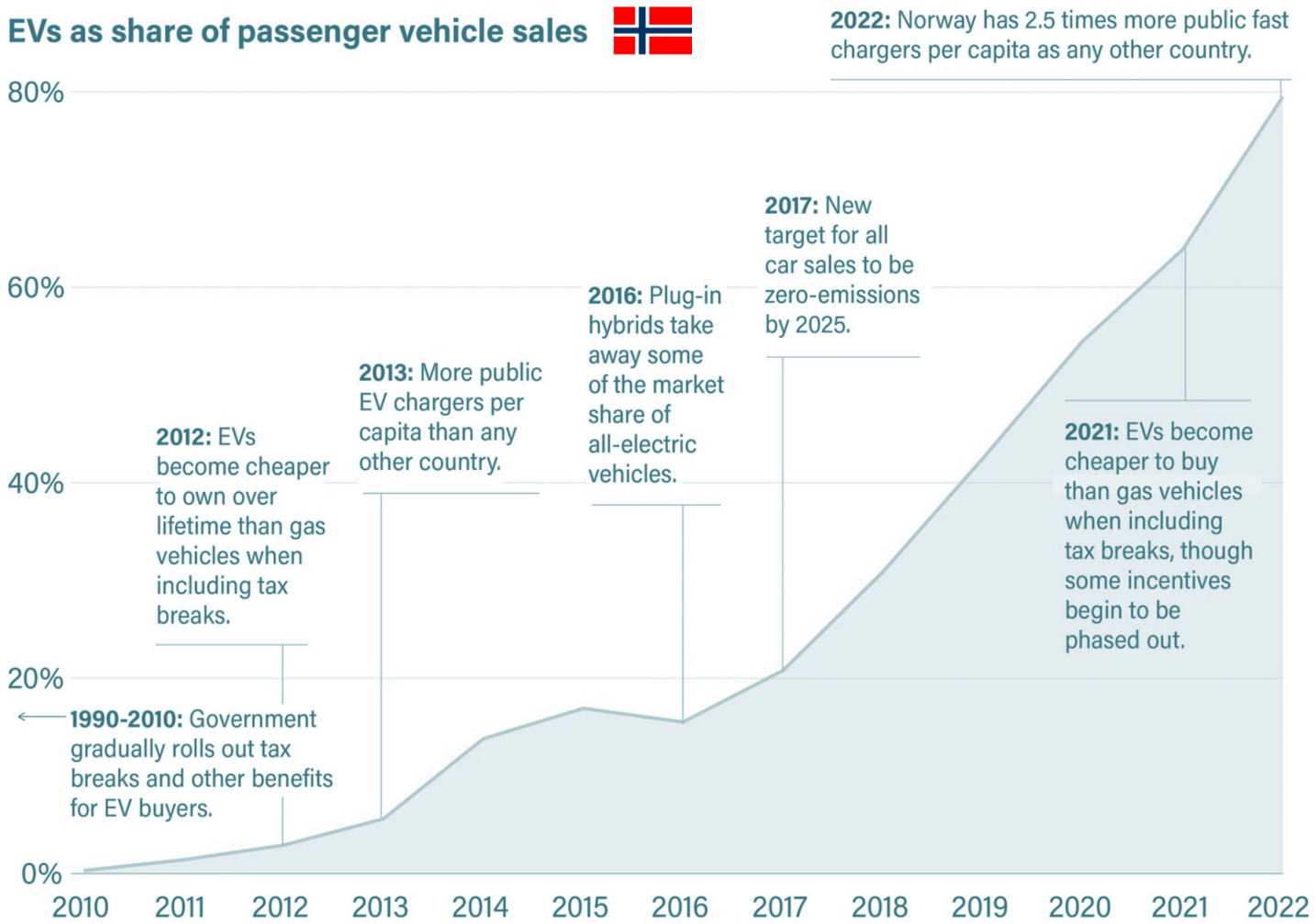
"I live in a rural area and the nearest town has 3 charging points and every time I go passed them at least one of them is out of order or damaged. I feel that it is important to be able to charge your car without having to worry about where you charge it."

"Charging in public is the greatest hassle of owning an electric car. If you go to a charger and it doesn't work, you could be forced to risk journeying dangerously close to a dead battery. Chargers are frequently broken and I worry that as electric car usage increases the ones that are left working will be insufficient. I also currently have almost a dozen apps on my phone for charging my car. This is a nightmare. Simple contactless would make life so much easier."

B13 - Why is [Insert top incentive] most influential towards your decision to buy an electric car as your next car? | N = 1605
B14 - Why is [Insert bottom incentive] least influential towards your decision to buy an electric car as your next car? | N = 1605

We know that incentives can lower psychological and physical barriers, motivating Early Majority consumers to adopt an electric car

Markets who are ahead of the UK, such as Norway, have shown that consumer education, effective incentives and investment in infrastructure work



Source: Systems Change Lab

SKIM

Recommendations for policy-makers and industry

1. **Emphasise electric car advantages and the feel-good factor to boost the 'sustainability driver' impact**
   Craft engaging content to promote eco-friendly practices, making them appealing and easily understandable for the public.

2. **Address concerns through transparent and effective communication**
   Clearly communicate government incentives to foster trust and motivate citizens to embrace green actions, emphasising ongoing support during the transition.

3. **Ensure a clear understanding of the long-term benefits of electric cars**
   Address common concerns through collaboration with trusted messengers, respected activists, and relatable peers, emphasising the long-term benefits despite initial high costs.

Methodology

- Our objectives and opportunities
- Our research design

SKIM

Who we spoke to

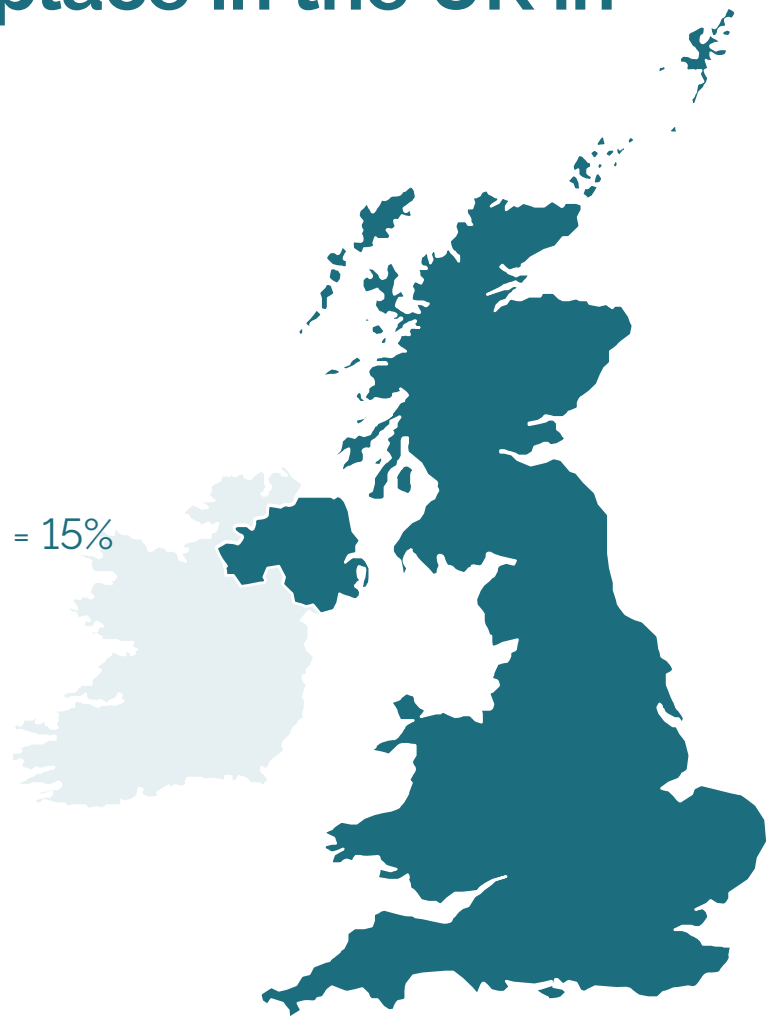
- Nationally representative sample of new car-buyers, i.e. those considering buying their next car in the next 18 months
- Open to, but not necessarily decide to buy an electric car as their next car (non-rejector)

The research took place in the UK in January 2024

Sample N=1605

Avg. expected incidence rate = 15%

~ 15 min survey length



SKIM

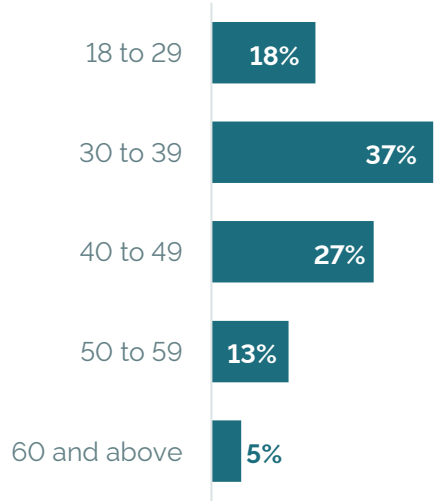
Sample and demographics

GENDER

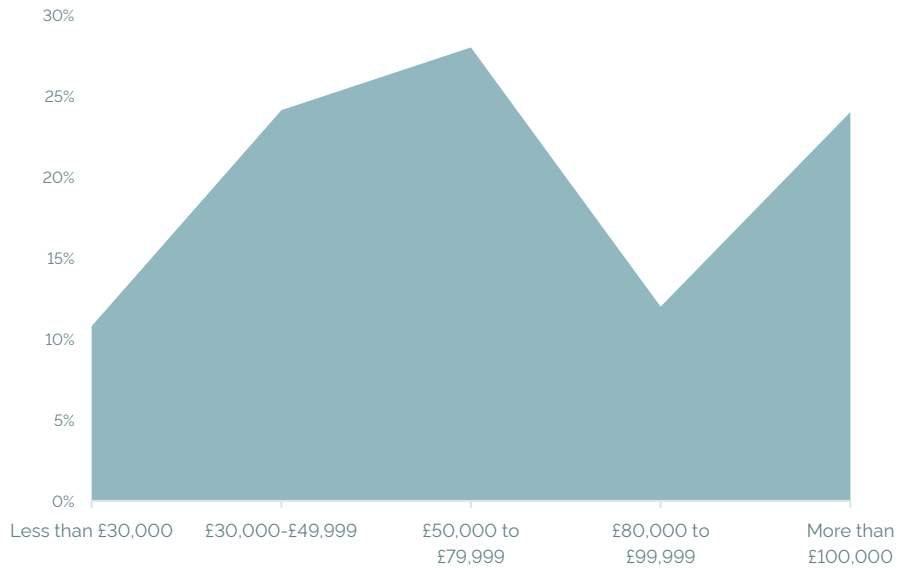
41%

59%

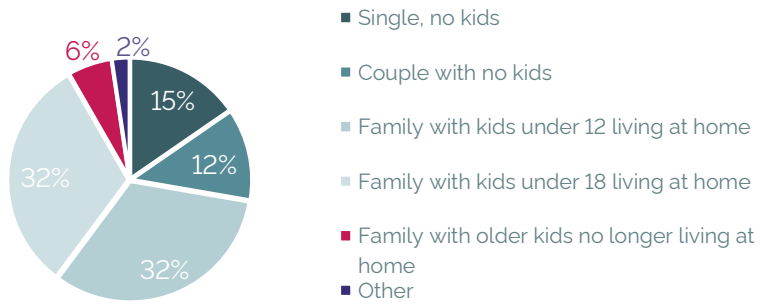
AGE in YEARS



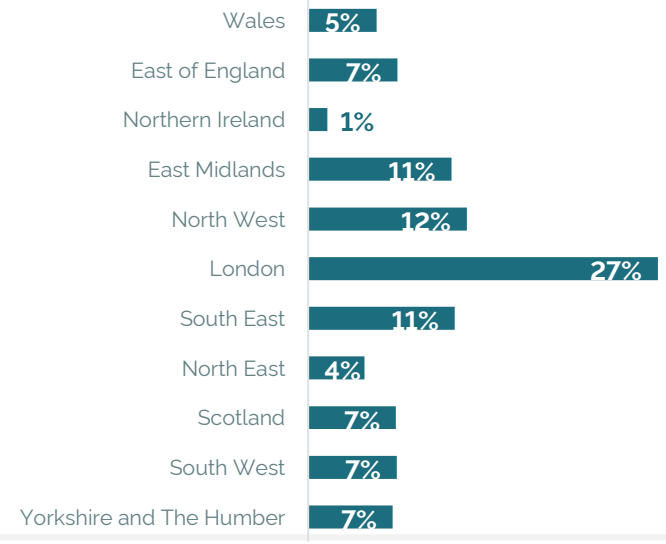
NET MONTHLY HOUSEHOLD INCOME



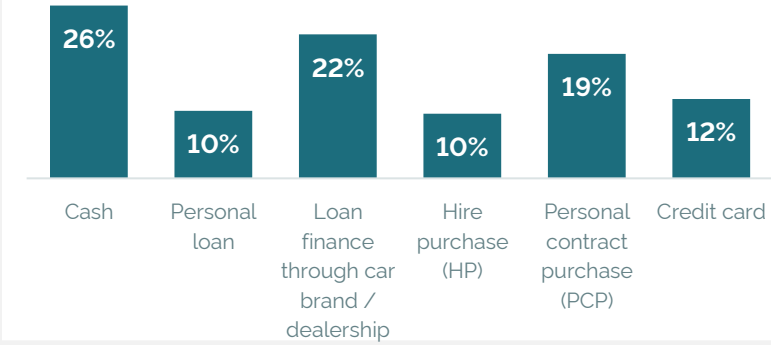
Household



Region



Car Financing



S1Age - What is your age in years? **S2Gender -** With which gender do you most identify with? **C8Income** - Which of the following is your annual household income before taxes and deductions? **C7Region** - In which region of the UK do you currently live? **C0Household** - Which of the following best describes your current situation? **S11CarFinancing** - How are you most likely to finance your next car purchase? | N = 1605

SKIM

About SKIM

Experts in decision-behavior

SKIM is a global decision-behaviour consultancy. For over 40 years, we have been advising some of the world's leading organisations by combining expertise in research, communications, marketing, data science and analytics.

Sustainability & Behaviour Change

SKIM's Sustainability Practice specialises in helping our clients understand how to successfully navigate the sustainability transition by understanding their markets and customers.

For more information, please visit
https://skimgroup.com

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Thank you

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