

EV Consumer Journey

Insights and Strategies on the Electric Vehicle Market



Outline

- Trends & Forecasts
- Shopper Roadblocks & Hesitancy
- What Is Being Done To Increase EV Adoption?
- EV Consumer Profile
- Best 2023 EVs (Luxury & Non-Luxury)
- Recommendations

Many market predictions are out of our control. However, some can be addressed head-on by marketing...

10 PREDICTIONS FOR 2023

**1**

A Slow-Growing Economy Will Place Pressure on the Automotive Market.

**2**

New-Vehicle Inventory Levels Will Continue to Increase.

**3**

Total Retail Vehicle Sales Will Increase Slightly in 2023

**4**

Sales of Electric Vehicles in the U.S. Will Surpass 1 Million Units for the First Time.

**5**

2023 Will Be The Last Year Used-Vehicle Prices See Above-Normal Depreciation

**6**

Vehicle Affordability Will Be the Greatest Challenge Facing Vehicle Buyers.

**7**

All-Cash Deals Will Increase to Levels Not Seen in Decades.

**8**

Dealership Service Operations Volume and Revenue Climb.

**9**

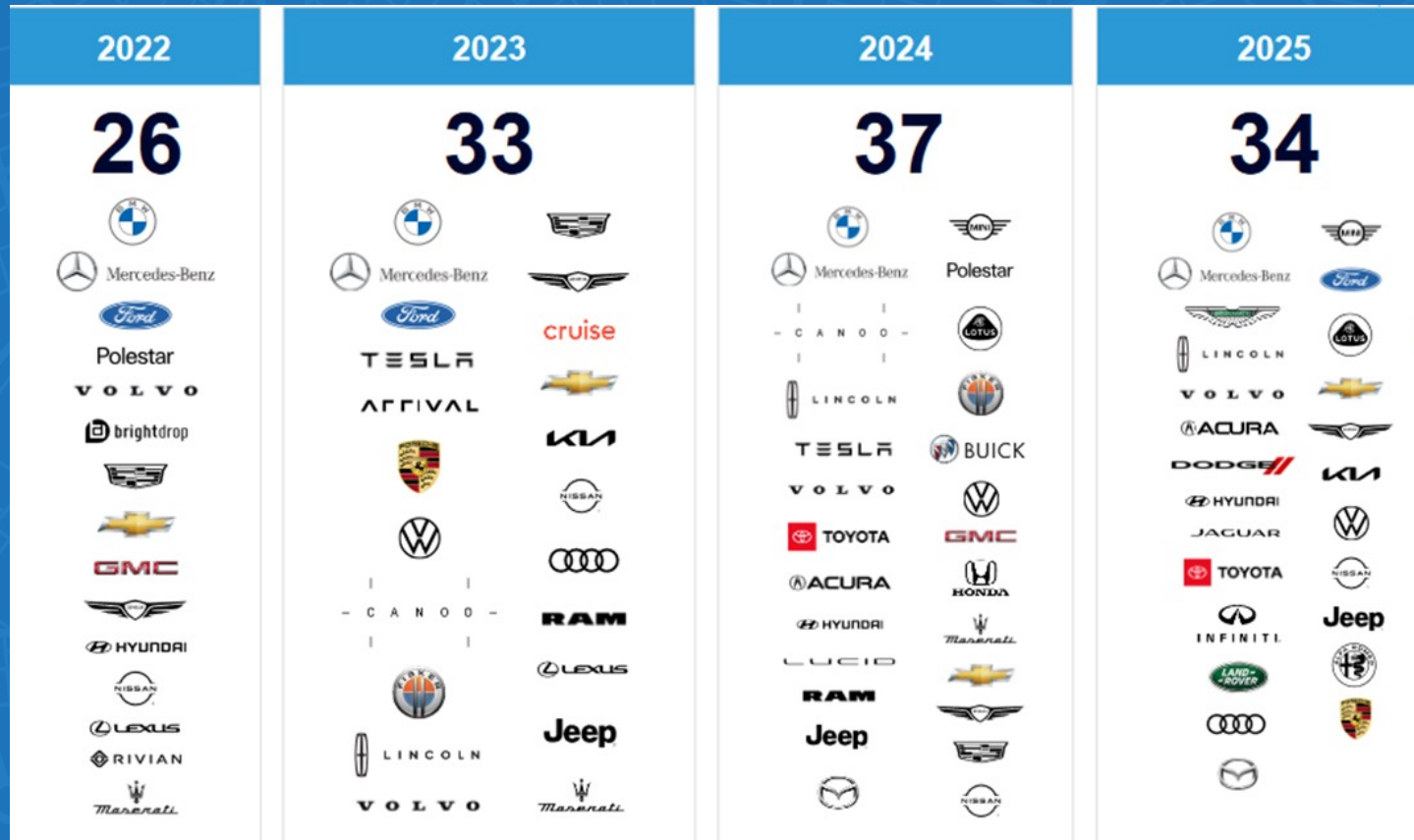
Half of Vehicle Buyers Will Engage With Digital Retailing Tools.

**10**

Federal Incentives Will Encourage More Fleet Buyers to Consider Electrified Solutions.

EV Trends & Forecasts

71 new EVs coming in the next two years



→The EV market is expected to reach 4 million by 2027 with consumer adoption and federal support.

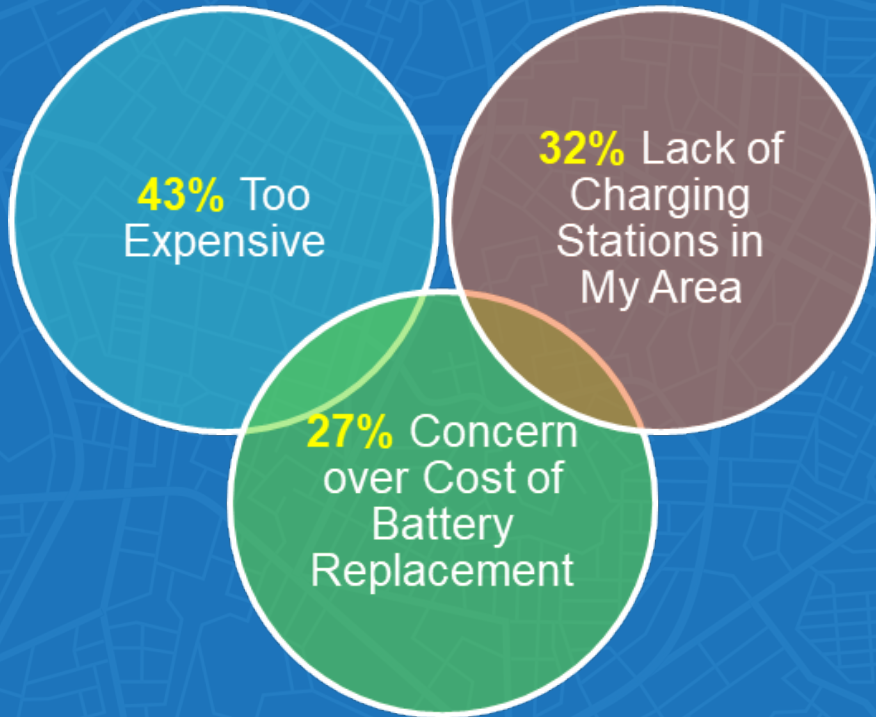
→According to a Cox Automotive study, EV Consumer Consideration went from **38%** in 2021 to **51%** in 2022.

→New vehicle inventory levels will continue to increase.

→Sales of EVs in the U.S. will surpass 1 million units for the first time.

Roadblocks for Shoppers

EV Barriers



→EVs can cost at least **\$10,000 more** than the equivalent gas-powered car.

→Battery replacement costs range from **\$5,000** to **\$20,000**.

→There are only about **140,000** public EV chargers across the US. Many of these are located in metro/suburban areas.

What Is Being Done to Eliminate EV Shopper Hesitancy?

The Inflation Act is expected to increase consumer and business interest in EVs.

52% Of consumers feel that an EV tax credit would be good for the economy

50% Receiving a tax credit would encourage me to purchase an EV for personal use

10,000: Mercedes-Benz recently revealed its plans to install approximately 10,000 high-power EV chargers worldwide, with about 2,500 charge points at 400 locations across the U.S. and Canada by 2027. According to the company, the Mercedes-Benz-branded network will be open to all brands, but only Mercedes-Benz owners will have the ability to pre-book a charging space for their vehicles.



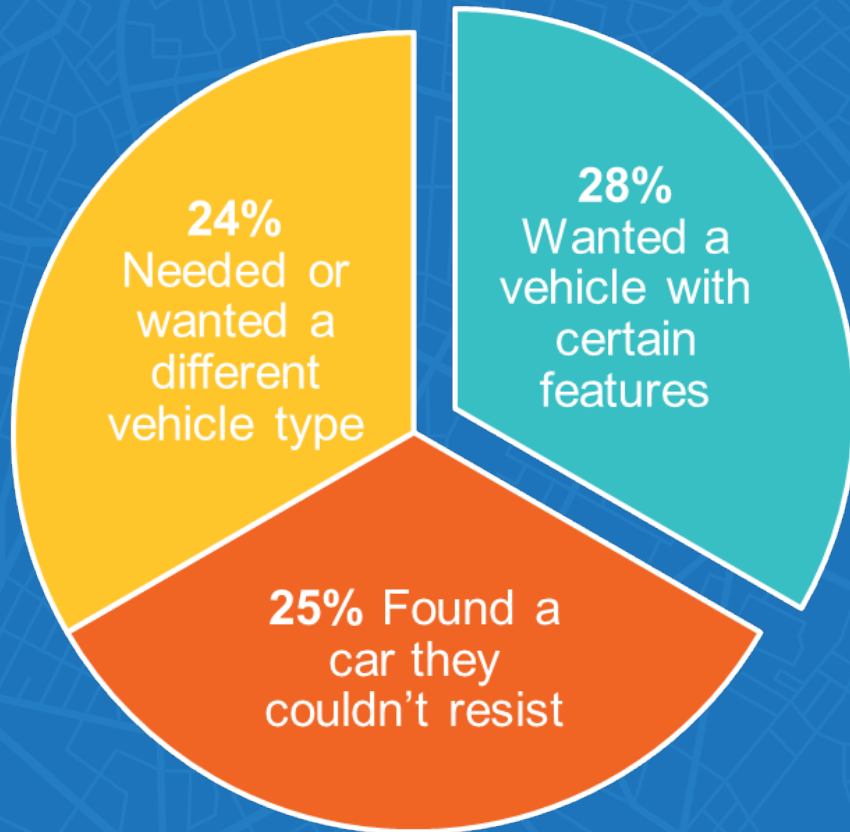
Who Is the EV Shopper?

2023 Buyer Profile



New EV Buyers Tend to Be Motivated by Emotion

Top EV Purchase Triggers (according to Cox Automotive)



→ Consumers who are considering EVs value environmental friendliness and fuel efficiency.

Brand Watch: EV vs. ICE Shopper Profile

EV shoppers are much more likely than ICE shoppers to want the latest and greatest technology in their vehicle, want their vehicle to stand out, to consider themselves car enthusiasts, would like the ability to change vehicles more frequently, and be willing to pay more for an environmentally friendly car.

(% Agree/Strongly Agree)	EV Shoppers	ICE Shoppers
I enjoy driving	76%	75%
I enjoy caring for my car – maintenance, cleaning, washing, etc.	58%	64%
I worry about the long term, total costs of owning/leasing a car	60%	58%
The way a vehicle looks is just as important as the way it drives	50%	51%
My vehicle needs to have the latest and greatest technology available	47%	36%
I want my vehicle to stand out from the crowd	41%	35%
I consider myself a car 'hobbyist' / 'enthusiast' / 'car geek'	39%	33%
I would like the ability to adapt and change vehicles more frequently	36%	32%
I am willing to pay additional money to have an environmentally friendly car	54%	25%

Brand Watch: EV vs. ICE Shopper Views / Interest Profile

EV shoppers are much more likely to consider themselves environmentally conscious and tech-savvy than ICE shoppers.

(% Yes)	EV Shoppers	ICE Shoppers
You consider yourself to be financially responsible	79%	71%
You are self-confident	72%	67%
You are family-oriented	69%	67%
You consider yourself environmentally conscious	68%	45%
You enjoy hiking, camping, and other outdoor activities	50%	45%
You consider yourself to be tech-savvy and are always interested in the newest technology	52%	35%
You are concerned about the impression you make on others	24%	21%
You consider yourself to be a thrill-seeker	21%	18%

Brand Watch: EV vs. ICE Shopper Lifestyle Profile

EV shoppers are more likely to have large pets than ICE shoppers.

(% Yes)	EV Shoppers	ICE Shoppers
You are an empty nester	35%	32%
You have large pets	24%	21%
You transport a child that needs a car seat/booster	15%	16%
Someone in your household graduated from high school or college this year	12%	11%
There is a new or teenage driver in your household	9%	10%
You moved to an area with different weather this year	8%	7%
The number of people in your household grew this year	7%	7%
You recently got married	5%	4%

Best Luxury EVs of 2023

Based on safety, range, performance, value, and more.
(Info from KBB.com.)



- **Mercedes-Benz Mercedes-EQ EQE:** (\$76,050 MSRP) The Mercedes-EQ EQE is the second new electric car from Mercedes' new electric sub-brand. It's as close as we'll get to an electric version of the E-Class sedan.



- **Genesis Electrified G80:** (\$80,950 MSRP) The 2023 Genesis Electrified G80 is a new, all-electric version of the G80 luxury sedan. It packs excellent manners and loads of features.



- **Mercedes Benz Mercedes-AMG EQS:** (\$148,700 MSRP) The Mercedes-AMG EQS sedan delivers exciting performance and futuristic tech features with the luxury you would expect from the brand.

Best Non-Luxury EVs of 2023

Based on safety, range, performance, value, and more.
(Info from KBB.com.)



- **Chevrolet Bolt EV:** (\$27,495 MSRP)
The all-electric 2023 Chevrolet Bolt EV subcompact car can run for 259 miles on a single charge. It is the most affordable EV on the market.



- **Hyundai Ioniq 6:** (\$42,935 MSRP)
Making its debut for 2023, the Hyundai Ioniq 6 is a high-style electric sedan with solid range figures and ultra-fast charging.



- **Nissan LEAF:** (\$29,135 MSRP) The Nissan Leaf S is among the most affordable new electric car in the U.S., with a 149-mile range. The SV Plus can cover 212 miles.

T3 Advertising Strategy & Recommendations

High Funnel Recommendation



Strategy

- Allocate national or regional funding to a consumer awareness campaign for OEM brand electric and hybrid vehicles.
- Using high funnel channels and tactics, OEM brand can begin to support shopper interest and focus broadly to support future dealer sales and supplemental strategies.
- Invest in audience-based tactics using DriveQ EV audiences on channels with lower adoption at the dealer-level.



Strategy

- Generate EV consumer awareness and support National or Regionally funded tactics with lower funnel activity.
- Either bolster a T1/T2 investment or drive engagement through T3 funds.
- Invest in audience-based tactics using DriveQ EV audiences for Display, Social, Paid Search and Retargeting campaigns.

Next Steps & Resources

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