

## **Dealerships trash talk electric cars: study**

May 21 2018, by Marlowe Hood



Five percent of all passenger cars on the road in Norway are plug-in electric vehicles

Car dealerships in Nordic countries actively discourage consumers from buying electric vehicles, researchers who conducted an undercover investigation said Monday.



Their findings, published in the peer-reviewed *Nature Energy*, reveal an overlooked barrier to the sale of electric vehicles, which are expected to play a key role in lowering CO2 emissions and curbing global warming.

Posing as prospective buyers, the researchers made 126 enquiries at 82 dealerships in Denmark, Norway, Sweden, Iceland and Finland.

They report that to an astonishing degree the dealers denigrated electric vehicles (EVs), misinformed customers on specifications such as range or charging requirements, and omitted EVs from their sales pitches.

"In two-thirds of all shopping experiences, sales personnel strongly or solely oriented the customer to select a petrol or diesel <u>vehicle</u>, and actively dismissed EVs," the study concluded.

In more than three-quarters of the exchanges, vendors did not even indicate that they had electric cars on offer.

In one dealership, the researchers were told: "Do not buy this electric car, it will ruin you financially."

In another, the salesman said the model in question "only goes 80 kilometres per hour"—less than half its true top speed.

These discouragements are at odds with actual levels of customer satisfaction, according to a Consumer Reports survey in the US, where electric vehicles were rated as more reliable that internal combustion automobiles.

Electric vehicles are less complex than gas or hybrid cars, and have no need for cooling systems, filters, spark plugs and other parts that can break down or require periodic replacement.



Lower profit margins, lack of knowledge, and the extra time needed to seal a deal were among the reasons sales personnel were reluctant to promote EVs, according to industry insiders cited in the study.

Dealership indifference or hostility to EVs varied across countries, depending in part on government policies.

## Phasing out diesel and gas

The most EV-friendly nation was Norway, where—not coincidentally, the study argues—EV drivers benefit from subsidies, access to bus lanes, and free parking.

Norway leads the world in market penetration: five percent of all <u>passenger cars</u> on the road are <u>plug-in electric vehicles</u> (PEVs), as were nearly 40 percent of new vehicles purchased there in 2017.

By comparison, the market share of PEVs last year in Sweden was five percent, in Denmark half a percent, and in China two percent. For Europe as a whole, the figure is less than two percent.

Global sales of electric vehicles rose from about 700,000 in 2016 to 1.1 million last year. Nearly half of those sales were in China, with the United States and Europe accounting for another 40 percent.

Currently, there are just over two million electric vehicles on the world's roads, out of about one billion passenger cars worldwide—two-tenths of one percent.

The International Energy Agency (IEA) estimates that the number of electric vehicles in use must reach 600 million by 2040 to ensure the Paris climate treaty goal of capping <u>global warming</u> at "well below" two degrees Celsius (3.6 degrees Fahrenheit).



The transport sector accounts for a quarter of all energy-related greenhouse gas emissions.

Energy research group Bloomberg New Energy Finance (BNEF) on Monday forecast that sales would increase 10-fold to 11 million cars in 2025, and 30 million in 2030.

By 2040, electric vehicles should overtake those running on petrol or diesel, accounting for more than half of new car sales worldwide and a third of all light-duty vehicles on the road, the group predicted.

"We think that <u>electric vehicles</u> will become cheaper than ICEs (<u>internal</u> <u>combustion</u> engines) after 2025, even on an unsubsidised basis," BNEF's head of energy economics, Elena Giannakopoulou, told AFP.

"But it takes time to launch new models, and for consumers to start buying this technology."

**More information:** Gerardo Zarazua de Rubens et al. Dismissive and deceptive car dealerships create barriers to electric vehicle adoption at the point of sale, *Nature Energy* (2018). DOI: 10.1038/s41560-018-0152-x

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