

Electric Vehicle Dealer Attitude Survey

November 2019



NFDA

NATIONAL FRANCHISED DEALERS ASSOCIATION



Introduction

Dear Colleague,

We are pleased to present the findings of the third edition of the NFDA Electric Vehicle Dealer Attitude Survey (EV DAS).

As the UK car market continues its transition to electric vehicles, franchised retailers are making significant investments to meet the growing consumer demand. Despite the fast development, the electric market is in its relatively early stages with a number of challenges still to address.

The objective of this survey is to understand retailers' views on their manufacturers' approach to the electric vehicle sector. Retailers were questioned about key areas including current and future product offering, supply availability, profit return, finance, and incentives.

The survey was conducted in July 2019 and asked franchised retailers about their on-going relationship with their respective manufacturers in the EV area. Responses were scored from 1 (extremely dissatisfied) to 10 (extremely satisfied).

Not all manufacturers have entered the EV market yet, therefore, we have included in the survey only respondents from the franchisees who currently have at least one new plug-in hybrid or pure electric vehicle available to the customer. For this reason, this edition of the EV DAS saw the inclusion of three manufacturers that were not featured in the previous surveys. As a result, average scores should not be compared to the previous ones but solely utilised as an indication of general trends.

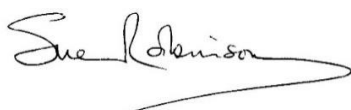
In addition to the franchisees included in this report, there was a level of discontent expressed by a number of dealer networks whose manufacturers do not currently have any electric vehicle. Since the vast majority of the survey questions are not relevant to them, as they do not sell any electric vehicle, these are not included in the report.

It is important to note that the manufacturers featured in this report are the market leaders in the electric vehicle sector or those who have sufficiently engaged with their dealer network for them to have an opinion on key sector issues.

This report is a summary of the results of the EV Dealer Attitude Survey November 2019. It includes charts and analysis of the main questions giving a comprehensive overview of the findings.

Sue Robinson

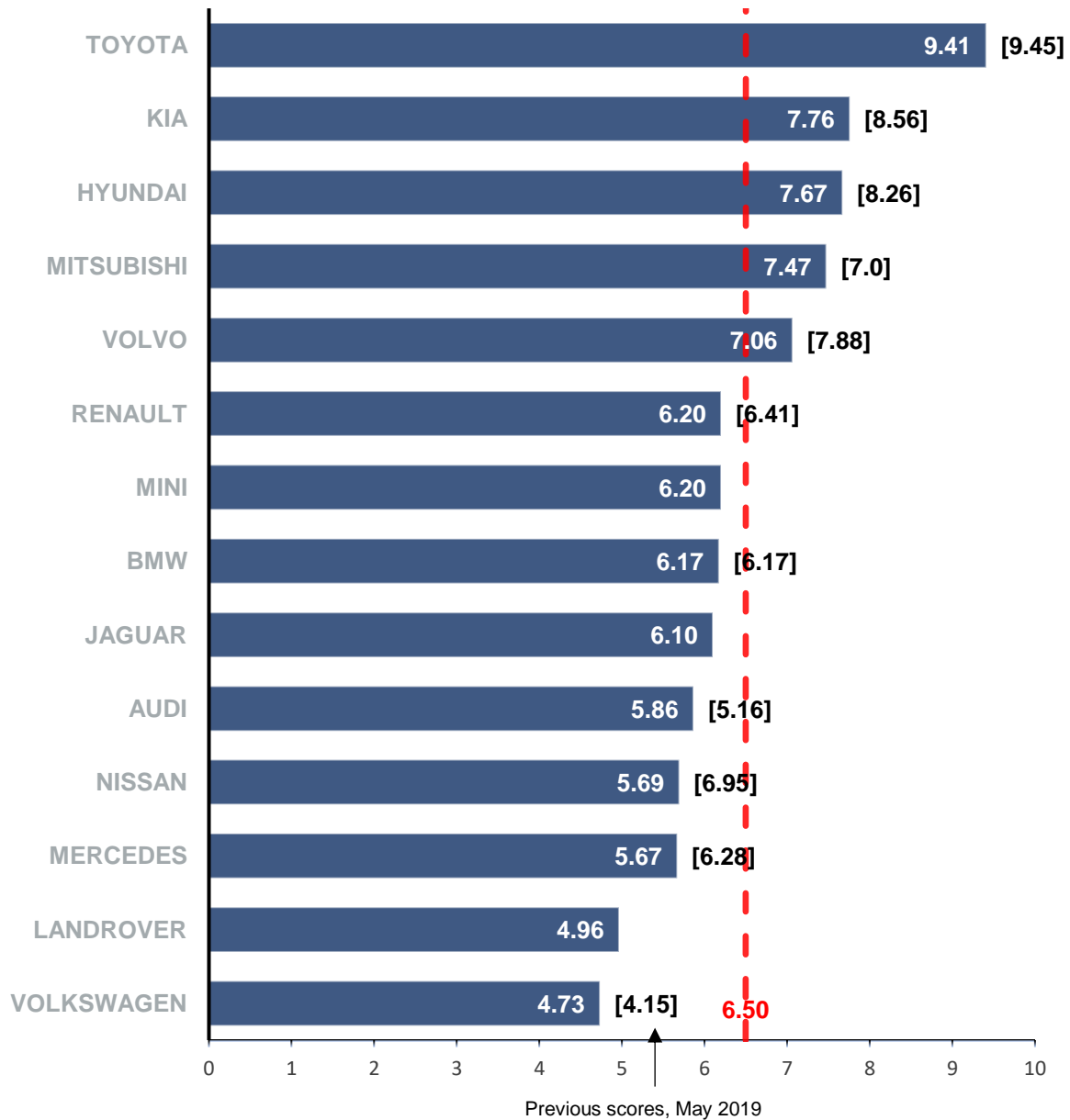
Director, National Franchised Dealers Association



The survey was analysed by the National Franchised Dealers Association (NFDA). For more information, please email nfda@rmif.co.uk.

Product offering

How satisfied are customers with the electric and plug-in product your manufacturer currently offers?

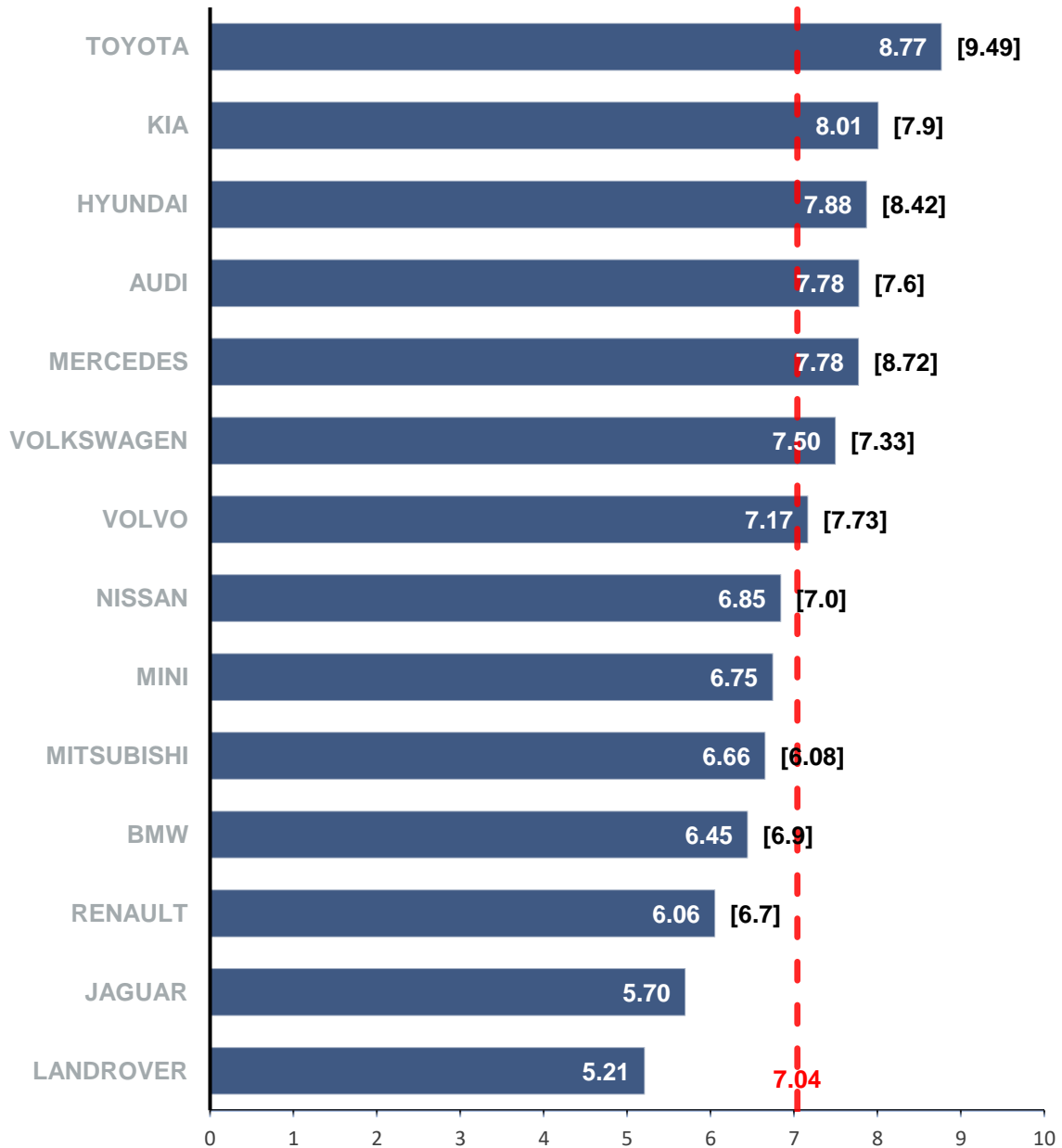


Summary

Retailers were fairly satisfied with their manufacturers' current electric and plug-in product offering. Mitsubishi, Audi, and Volkswagen saw their ratings improve. Except for Nissan that lost more than one point, the others remained fairly stable or experienced marginal declines.

Product offering

How satisfied are you with your manufacturer’s proposed plug-in and electric vehicles product range and the segments they will cover for the next two years?

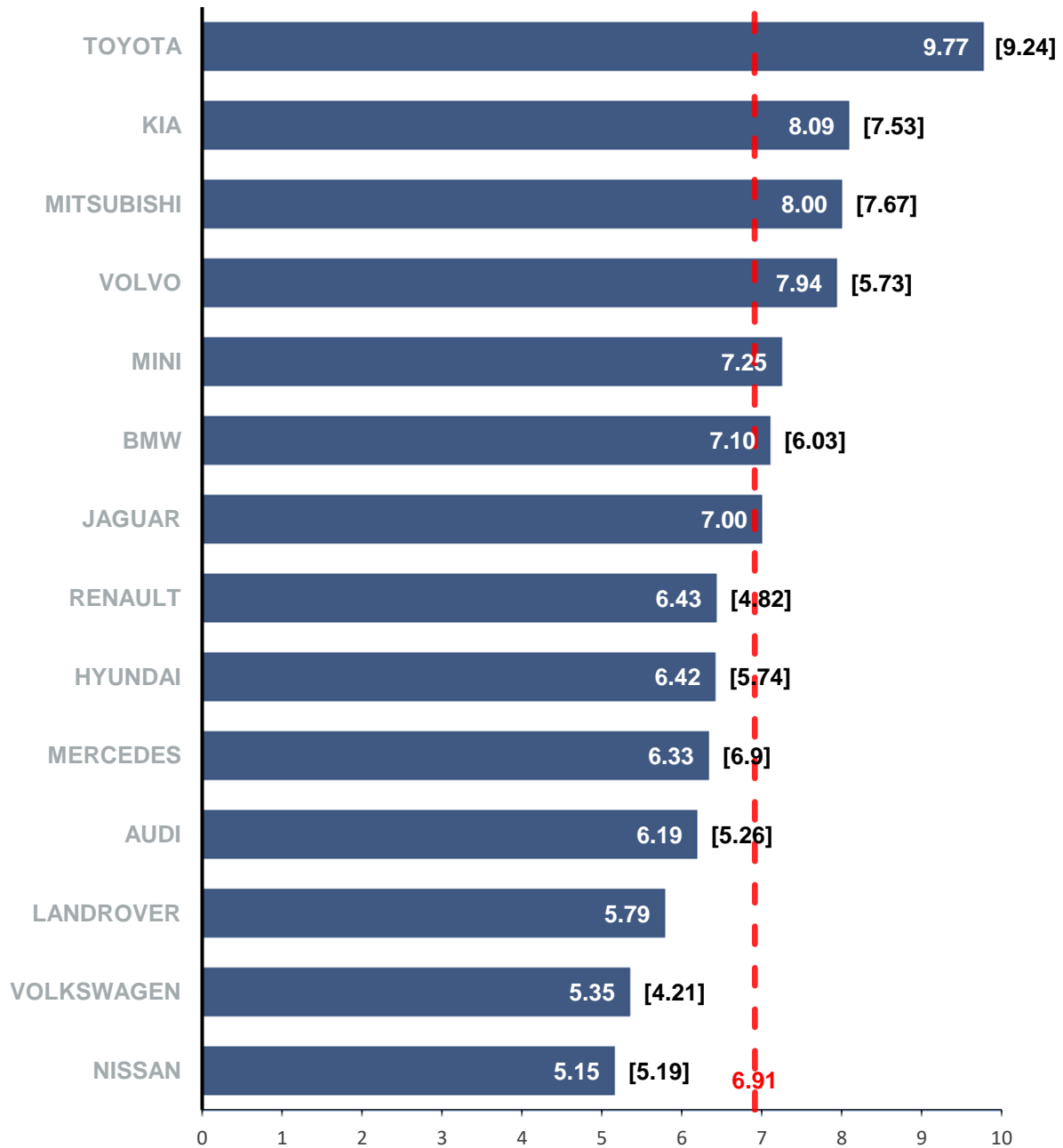


Summary

Retailers remained optimistic about their manufacturers’ proposed product range for the next two years, with higher satisfaction levels compared to their current range. The average score of 7.04 was the highest of the survey. There were no scores below 5.0.

Supply availability

How satisfied are you with availability of supply of your manufacturer’s electric and plug-in vehicles?

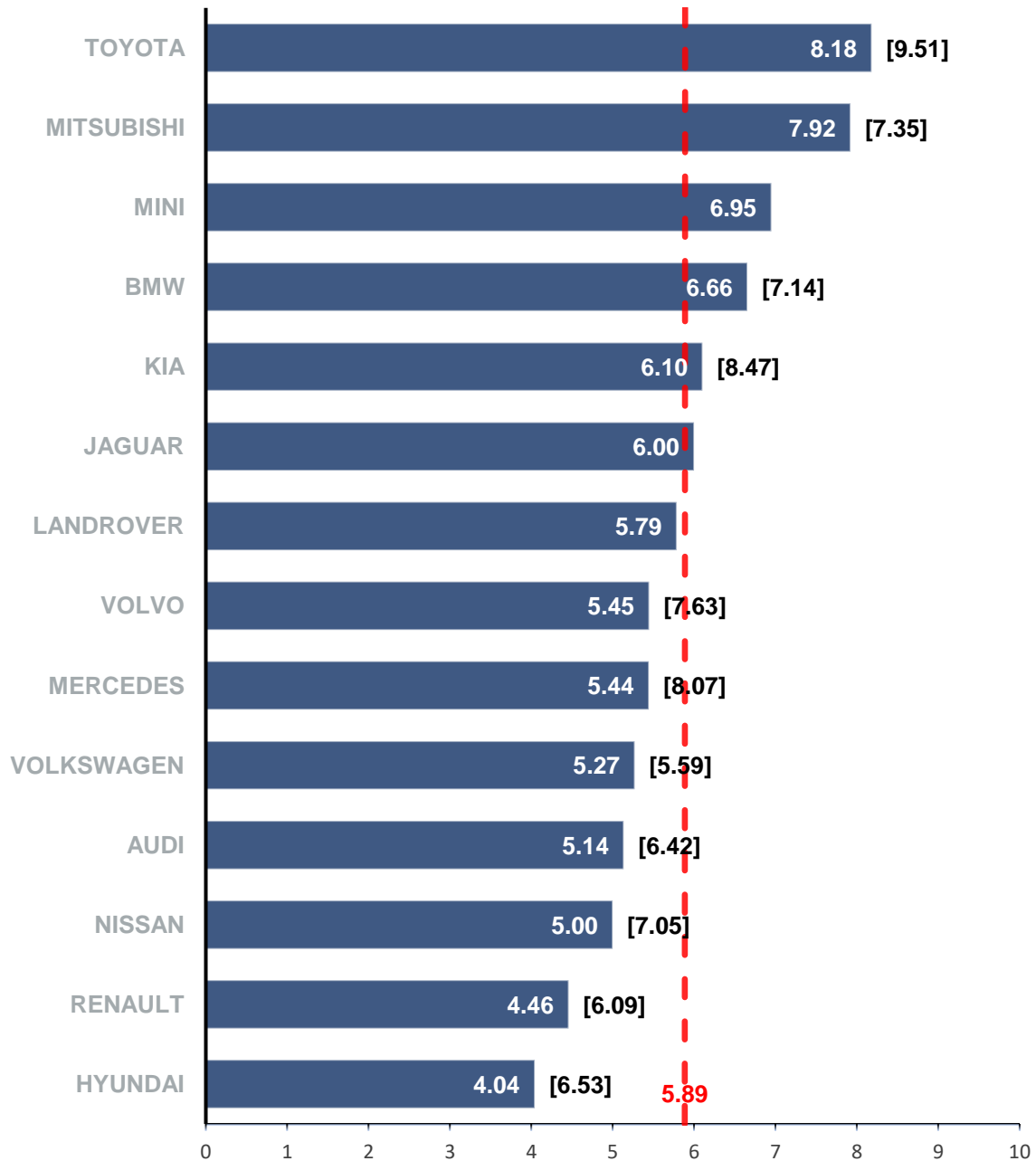


Summary

Average satisfaction levels with availability of supply continued to rise thanks to not only the new participants in the survey but also a number of improvements. Ratings rose for all, manufacturers except Mercedes and Nissan, which experienced minor declines. Volvo and Renault saw the largest increases in score.

Manufacturer training and material

How satisfied are you that your manufacturer enables you to effectively sell electric and plug-in vehicles (through training and materials)?

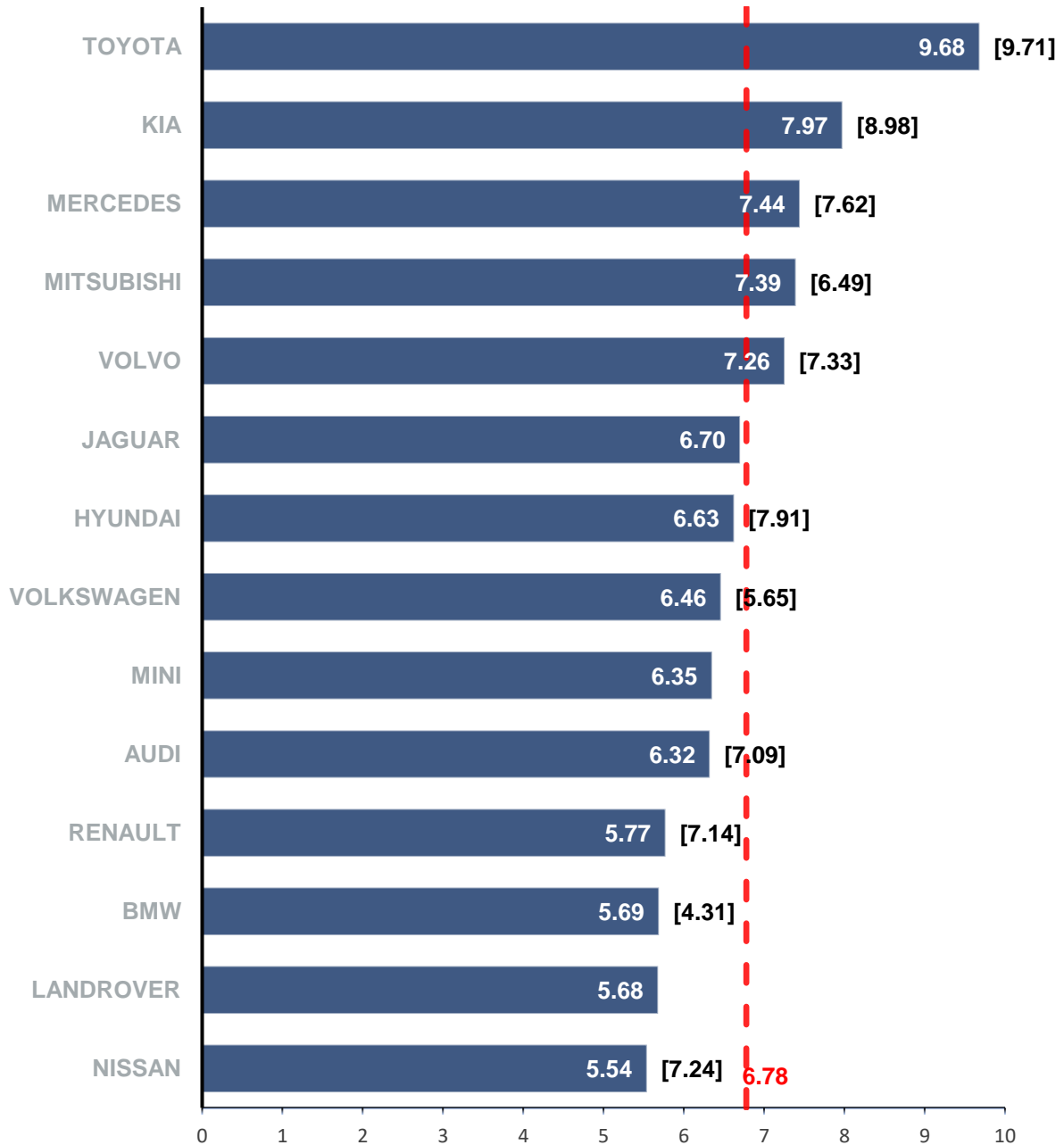


Summary

On average, retailers showed decreasing satisfaction levels with their manufacturers' support through training and material in the EV sector. Mercedes, Hyundai and Kia had the most significant drops in score. Ratings improved only for Mitsubishi.

Targets

How satisfied are you with the electric and plug-in vehicles volume target aspirations of your manufacturer?

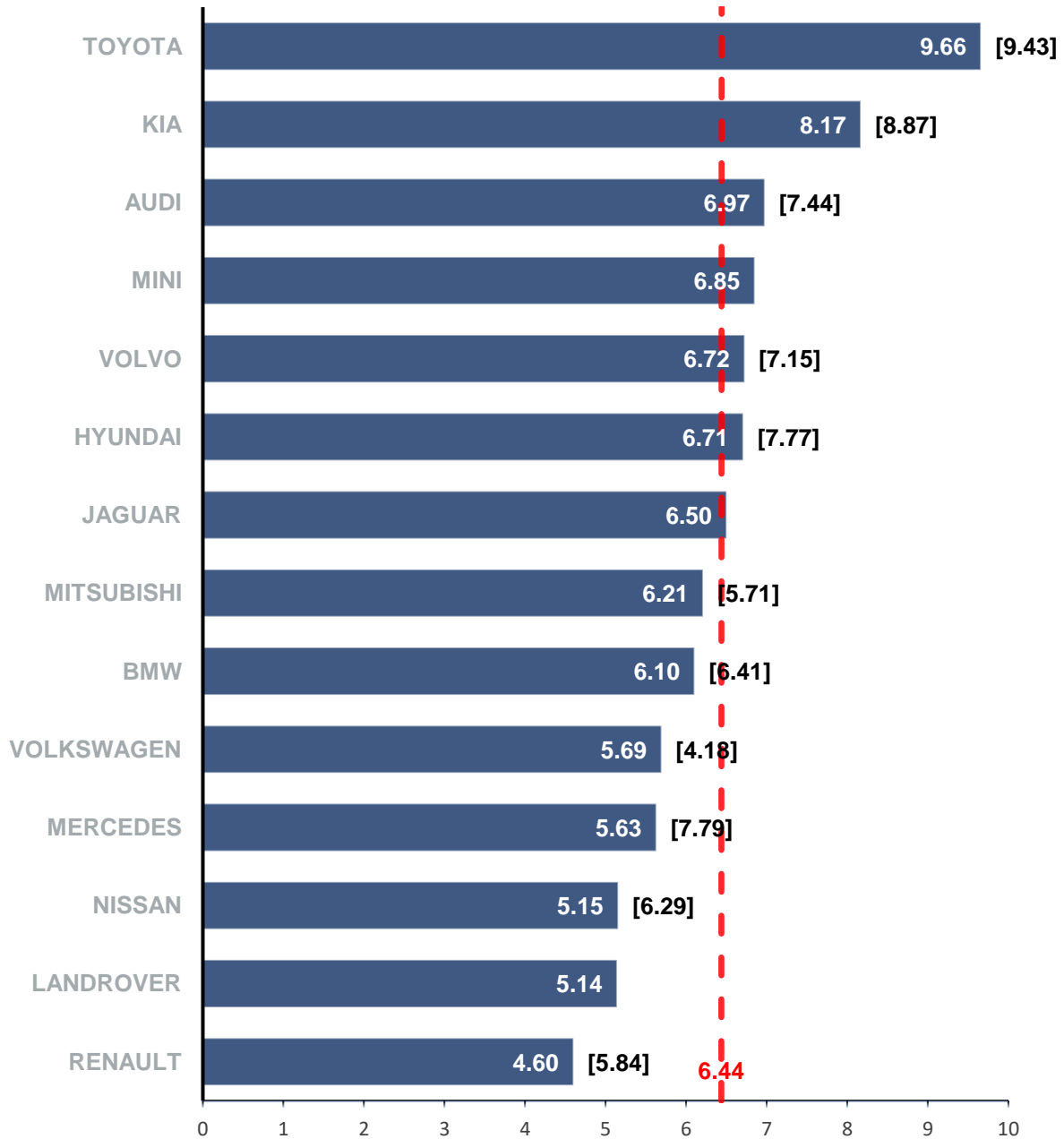


Summary

Average satisfaction levels with manufacturers’ target aspirations for electric and plug-in vehicles remained relatively high. However, only Mitsubishi, Volkswagen and BMW saw their score increase, while the other eight manufacturers previously involved in the survey experienced a decline.

Profit return

How satisfied are you with your total margin on new electric and plug-in sales compared with petrol and diesel new car sales?

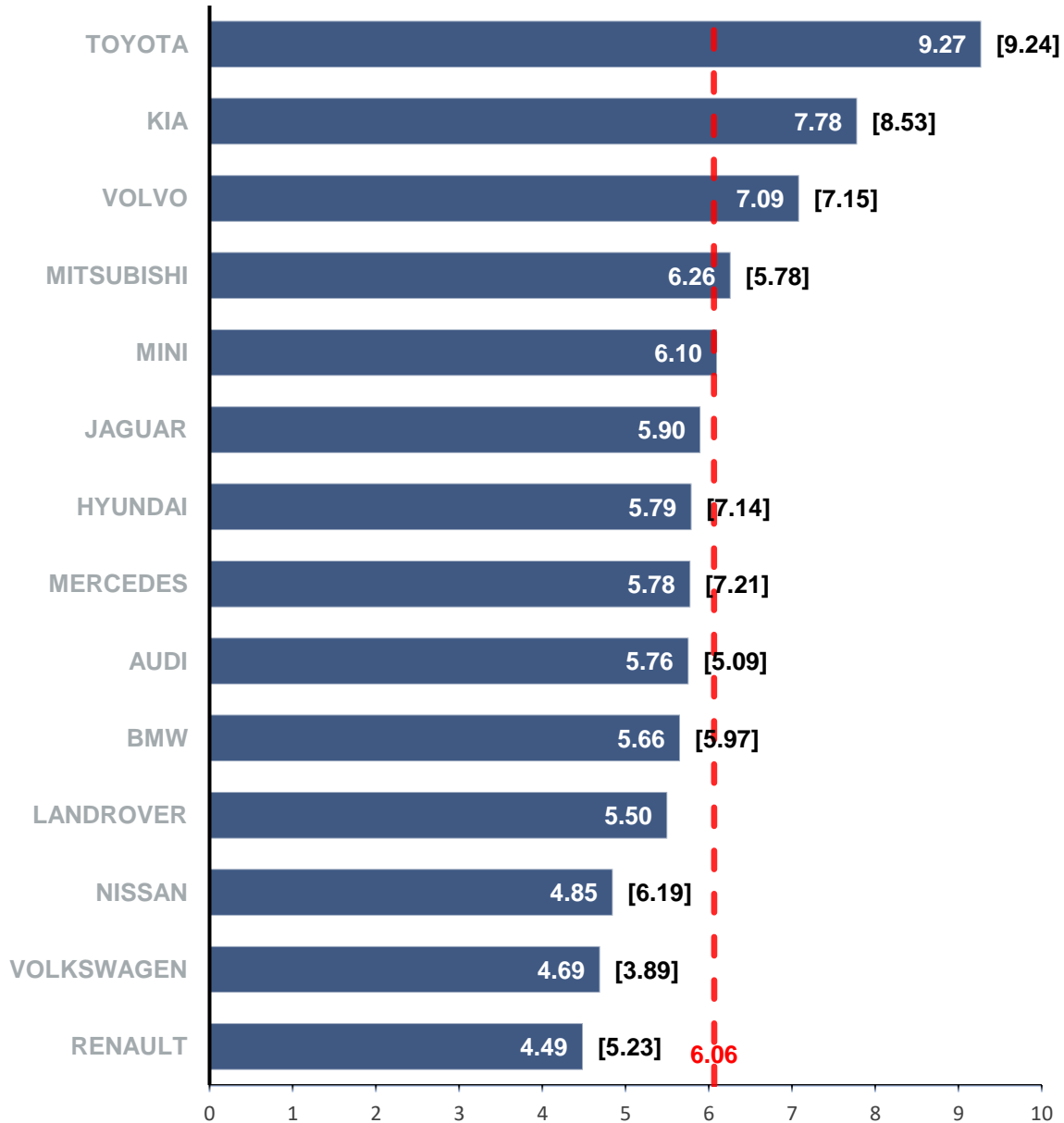


Summary

Despite the majority of manufacturers experiencing a decrease in score, retailers' average satisfaction levels with their total margin on new electric and plug-in vehicle sales stayed above 6.0 points. Toyota, Mitsubishi and Volkswagen retailers returned higher scores than six months ago.

Profit return

How satisfied are you with your total sales margin on used electric and plug-in vehicles sales?

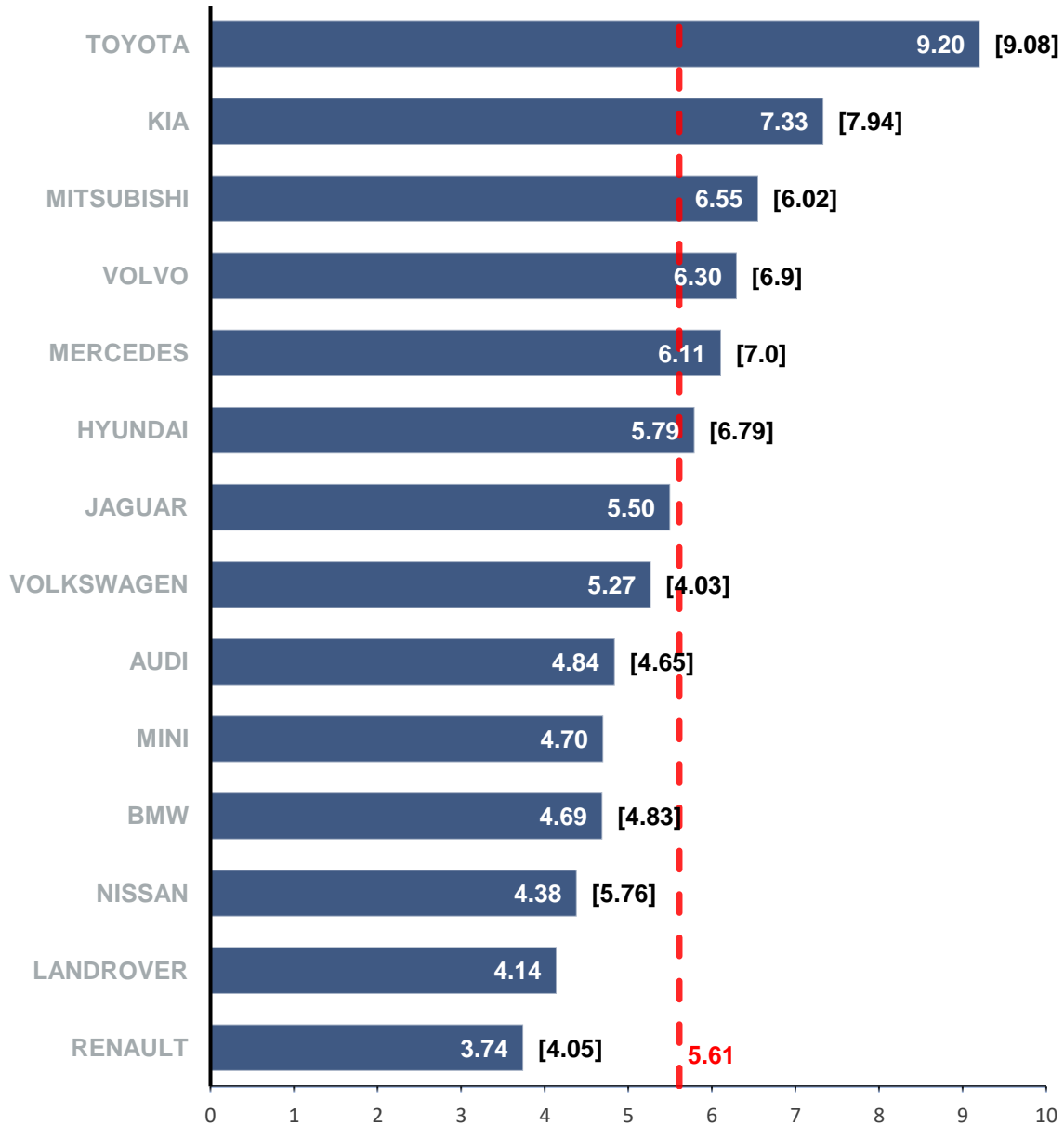


Summary

The average score of 6.06 indicates that retailers continued to be less satisfied with their total margin on sales of used electric and plug-in vehicles compared to new. Hyundai, Mercedes and Nissan experienced the most significant movements with losses of more than 1.0 point each. Scores improved for Mitsubishi, Audi, Volkswagen and, marginally, Toyota.

Return on investment

How satisfied are you with the return on investment in equipment and training for electric and plug-in vehicles?

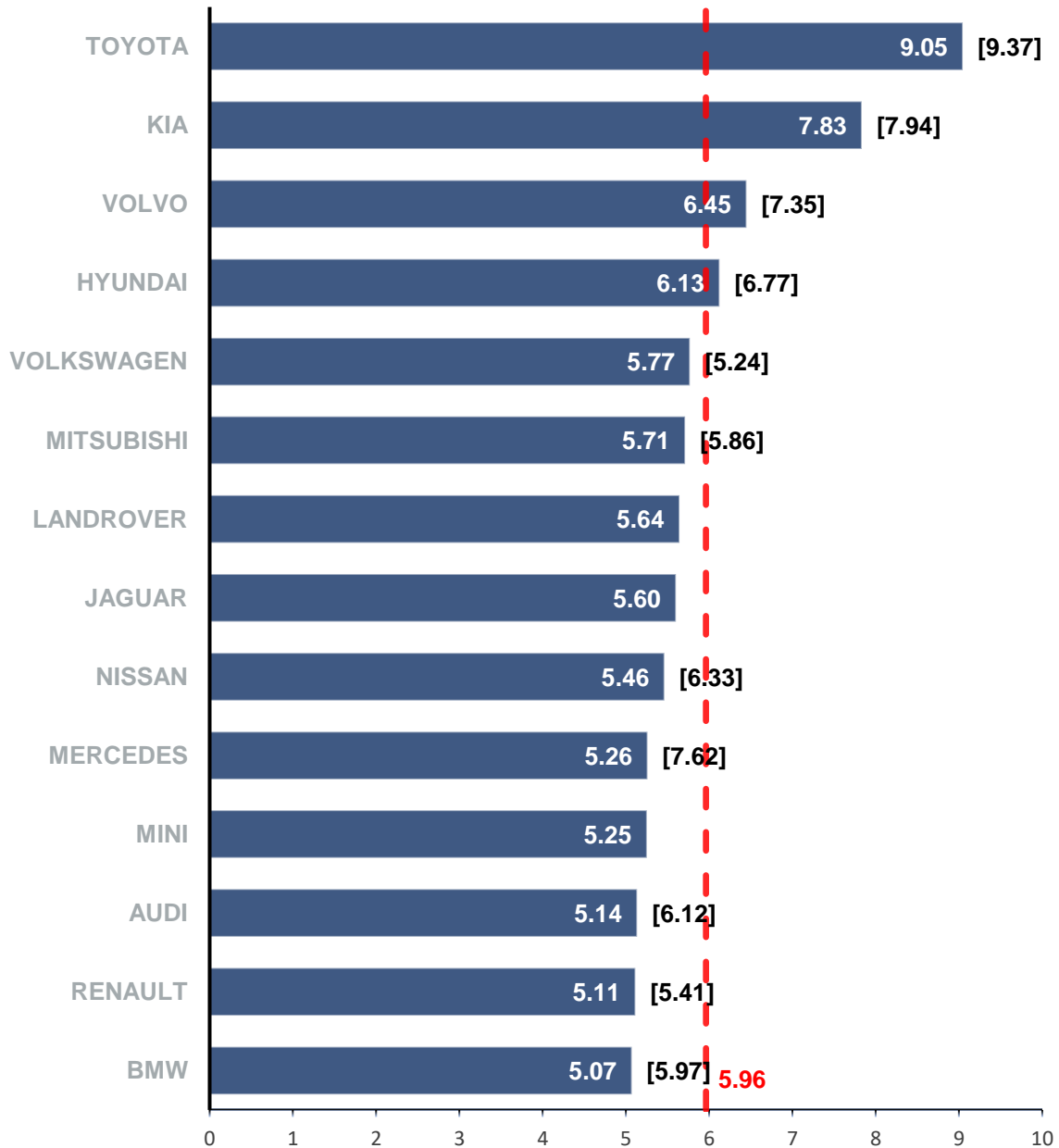


Summary

Like six months ago, retailers gave the lowest average score of the survey when asked about their satisfaction with return on investment in equipment training for electric and plug-in vehicles. Volkswagen was the most improved manufacturer, whilst Nissan had the largest point loss.

Finance offering

How satisfied are you that financial products are working for electric and plug-in vehicles?

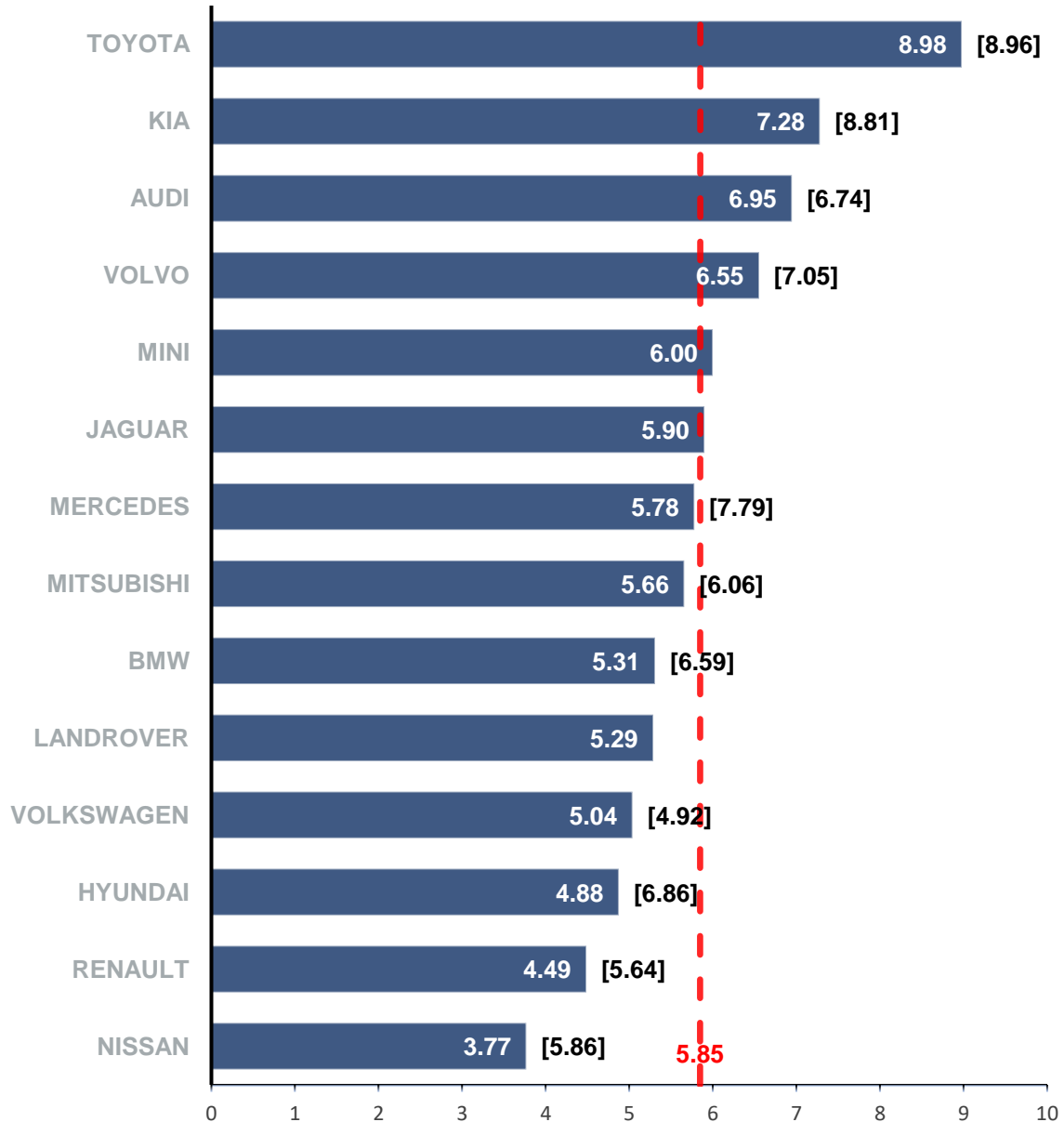


Summary

Retailers were not overly satisfied with the effectiveness of their financial products for electric and plug-in vehicles. Volkswagen was the only manufacturer who had an improvement in ratings. Mercedes experienced the biggest decline, losing over 2 points.

Incentives

How satisfied are you with your current bonus and rebate rates on new electric and plug-in sales?

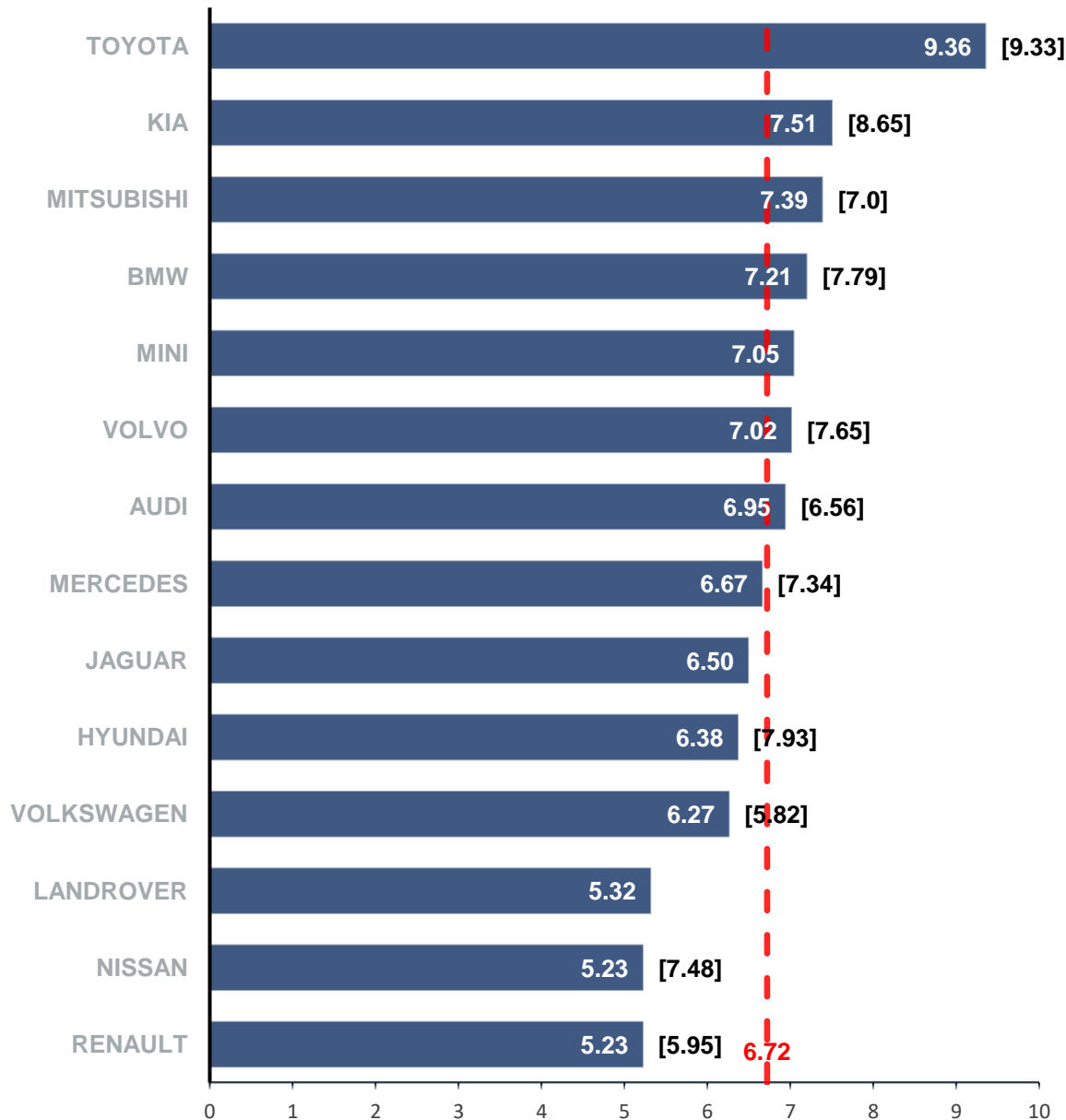


Summary

The average score for retailers' satisfaction levels with manufacturers' bonus and rebates on new electric and plug-in vehicles sales was the second lowest of the survey. Nissan, Hyundai and Mercedes suffered the largest declines. Toyota, Audi and VW saw marginal improvements.

Dealer opinion: consumers' intentions

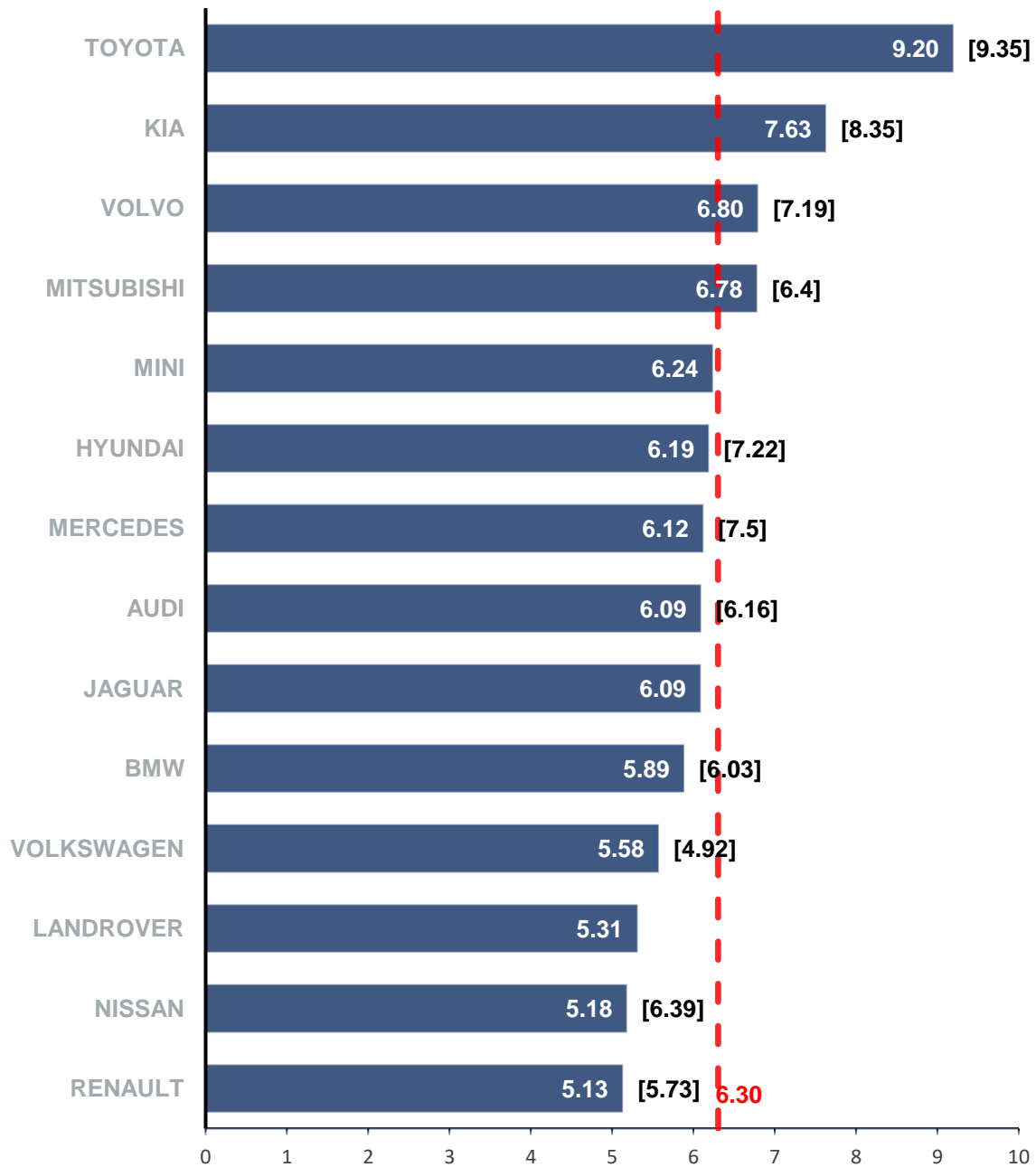
How likely are customers who own electric or plug-in vehicles to replace them with another electric or plug-in vehicle when they buy a new vehicle?



Summary

The answers to this question do not depend on the individual manufacturers but give an idea of the different views across the networks. With an average score of 6.72 out of 10, retailers showed optimism about future customers' intentions. However, some established brands in the EV sector had lower scores than six months ago.

Average across all questions*



Summary

Despite the introduction of three new networks whose results altered the average score, the average score across all questions of the survey remained above 6.0 points. Toyota had the highest score for each question of the survey, with the best overall average of 9.20 points out of 10.

Conclusion

The results of the third EV Dealer Attitude Survey revealed a varied picture of the different manufacturers that are playing an active role in the EV sector. In general, responses showed a degree of optimism among retailers.

The highest scores across the survey were given in relation to manufacturers' proposed EV offering for the next two years, target aspirations, and consumers' intentions to replace their current electric or plug-in vehicle with another electric or plug-in one.

The majority of networks were more positive about electric and plug-in vehicles supply compared to six months ago. It was disappointing to see that the lowest average score of all manufacturer related questions was given when retailers were asked about their return on investment in equipment training for electric and plug-in vehicles. A number of networks expressed dissatisfaction also with the training and materials manufacturers provide to enable retailers to effectively sell electric and plug-in vehicles.

Looking in detail at the different manufacturers, Toyota retained the highest score for every question of the survey and had an extremely high overall average score of 9.20 points out of 10. Kia and Volvo followed with 7.63 and 6.80 points respectively. At the other end of the table, Renault, Nissan and Land Rover had the lowest average scores.

Of the eleven manufacturers that were included also in the previous edition of the survey, only two saw their overall average ratings increase: Volkswagen (+0.66) and Mitsubishi (+0.38); Mercedes (-1.38) had the largest loss in score.

Despite the different satisfaction levels, primarily due to respective manufacturers' readiness for EVs, all retailers continue to demonstrate significant involvement and investments in EVs.

Earlier this year, NFDA launched the Electric Vehicle Approved (EVA) accreditation scheme to recognise the efforts franchised retailers are making in the electric vehicle sector. Additionally, a new NFDA EV Group has recently been created to tackle the main issues facing retailers during the transition to EVs.

The next Electric Vehicle Dealer Attitude Survey will be sent to NFDA dealer members for completion in January 2020. It will be interesting to see how the responses change as more manufacturers enter the electric vehicle sector.

We look forward to presenting the results of the next Electric Vehicle Dealer Attitude Survey in May 2020.

**Please note: the average score across all questions (page 16) does not include the results from: How likely are customers who own electric or plug-in vehicles to replace them with another electric or plug-in vehicle when they buy a new vehicle? (page 13); These scores are not within the direct control of individual manufacturers and therefore not attributable to them.*

For media enquiries, please contact gabriele.severini@rmif.co.uk

For more information about the EV DAS, please contact nfda@rmif.co.uk



201 Great Portland Street, London, W1W 5AB
Tel: 020 7580 9122 nfda@rmif.co.uk
www.nfda-uk.co.uk

