Department for Transport

Growing the UK ULEV market

Understanding people’s motivations and barriers

Department for Transport

Policy challenge

Our aim is for **almost every car and van to be a zero emission vehicle by 2050** ... and we will invest £500m over the next five years to achieve it.

Conservative party manifesto

Department for Transport

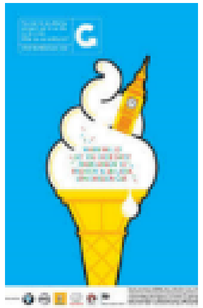
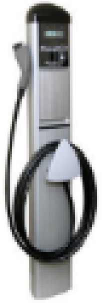
Highlights from the OLEV programme of market support

Office for Low Emission Vehicles

R&D | Incentives | Energy Issues | Comms | Infrastructure | Supply Chain





UK H_2 Mobility

Plug-in Car Grant

Go Ultra Low comms campaign

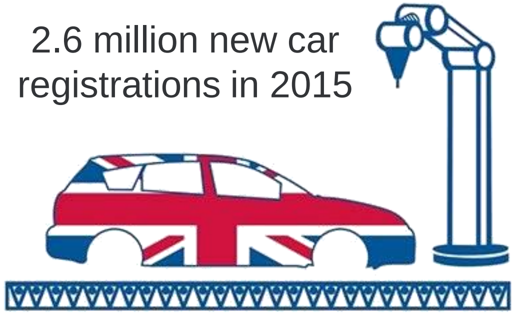
Chargepoint infrastructure

Go Ultra Low City Scheme

Department for Transport

UK car market

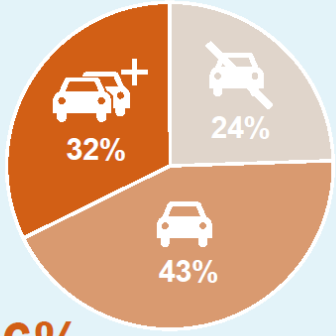
2.6 million new car registrations in 2015



1.3 million of these were for fleets

28,188

electric vehicle registrations in 2015



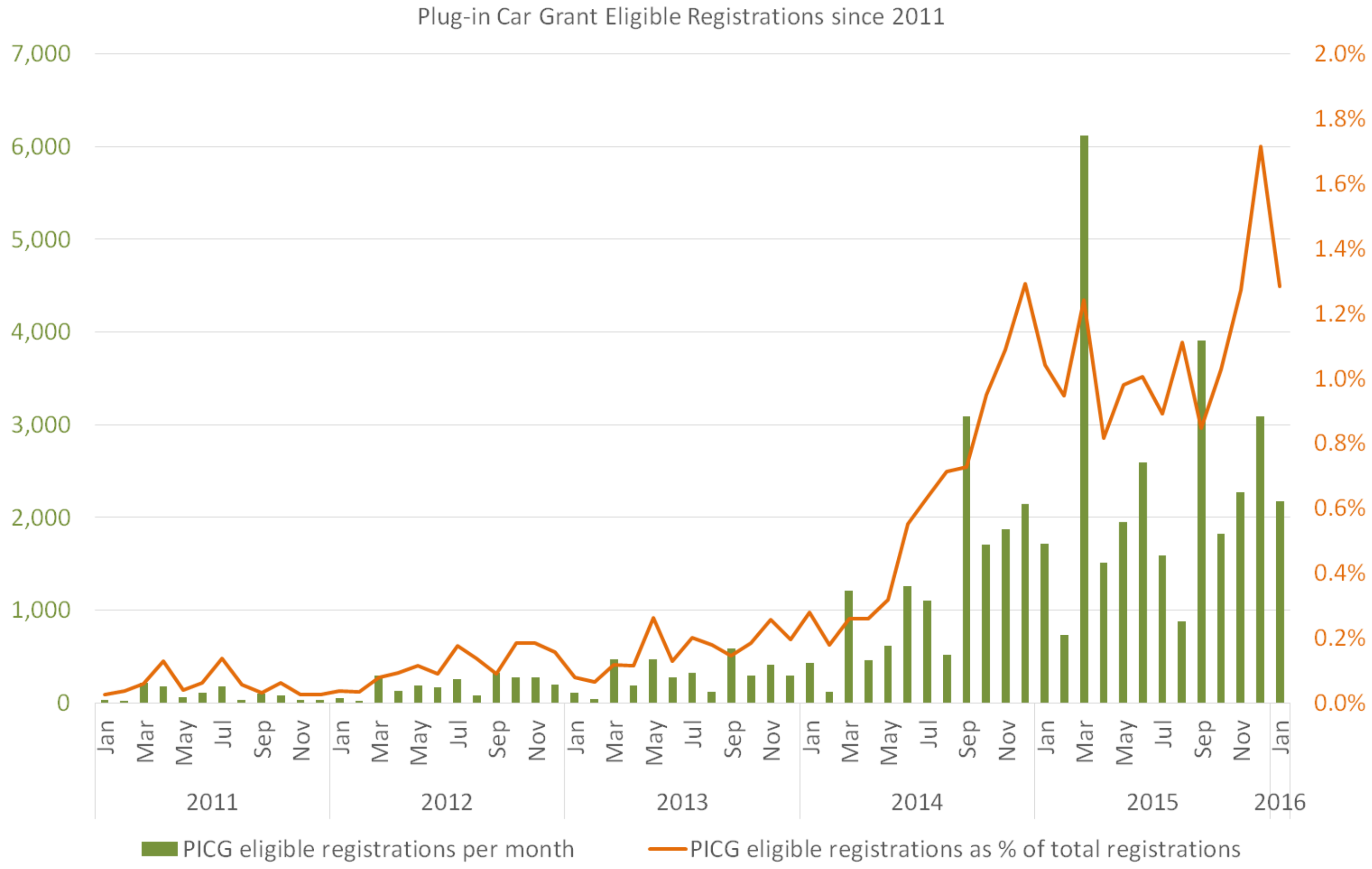
76%
of households own at least one car

- **59%** park overnight on private property but not garaged
- **25%** park on the street overnight
- **14%** park in a garage

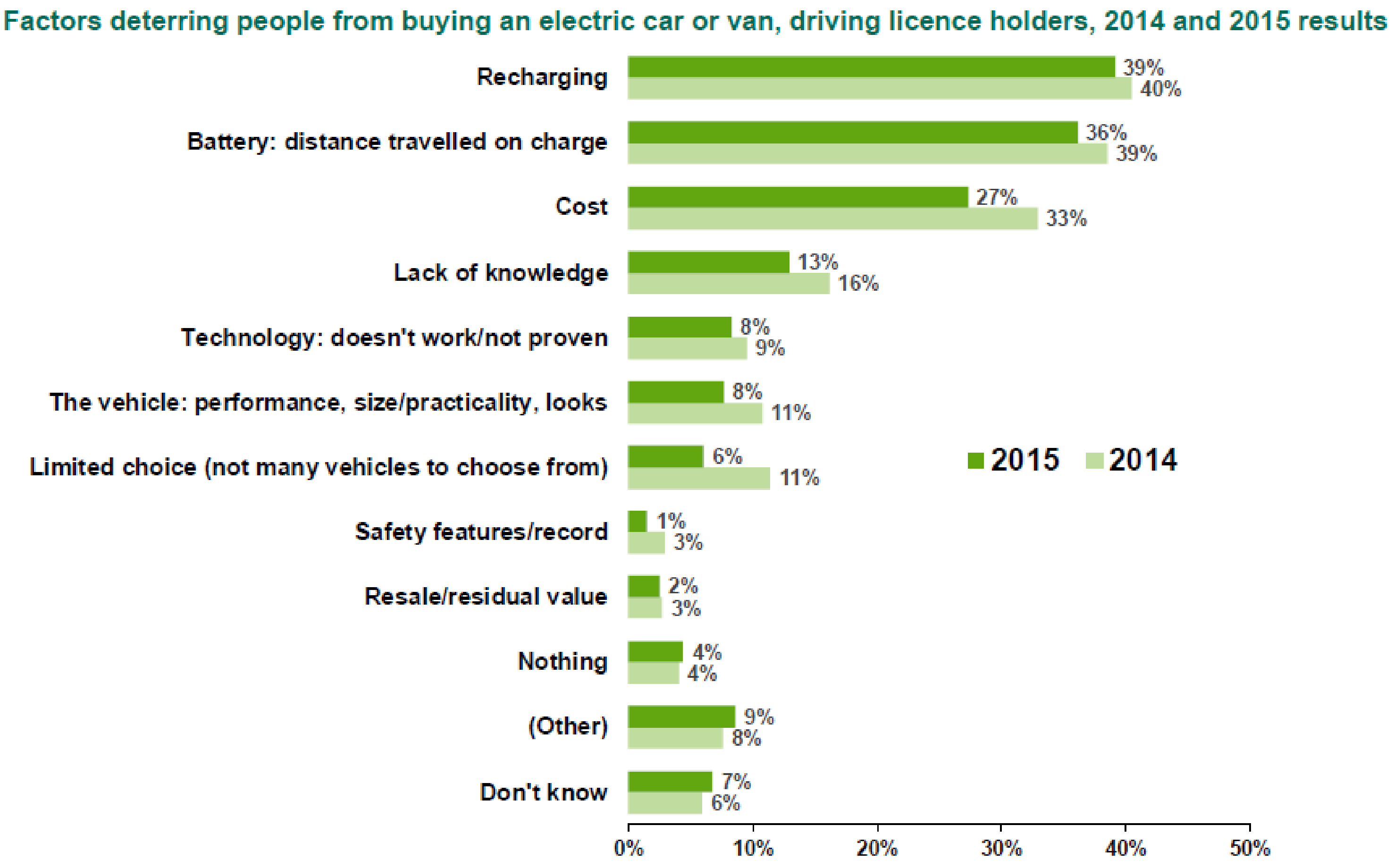
- **94%** under 25 miles
- **96%** under 50 miles
- **99%** under 100 miles

Department for Transport

Progress



What are the key barriers to ownership?



Sources: ONS Omnibus Survey February 2014 & 2015. Unweighted base: 664 and 735 respectively (full licence holders only) Up to 3 responses coded from each respondent hence total will add up to more than 100%.

Department for Transport

For people to change their behaviour, the new behaviour needs to seem to them to be…

- more advantageous
- more 'me'
- more prevalent
- more doable

- Or the old behaviour needs to seem to be less of any of the above

Department for Transport

Range anxiety and cost barriers

Department for Transport

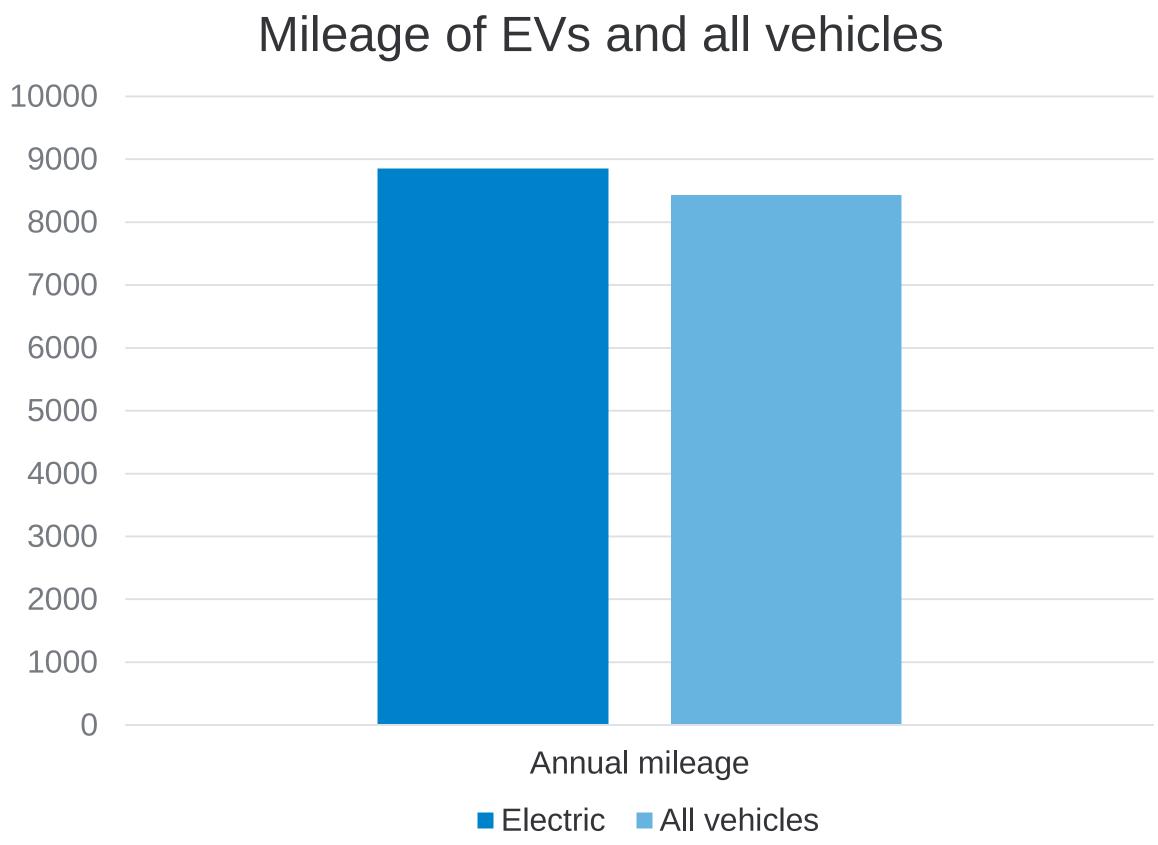
Range anxiety: the challenge – people’s perceptions…

	Q1 2014	Q3 2015
There are **not enough chargepoints**	**69%**	**56%**
Takes **too long to charge**	**43%**	**44%**
Can’t go very far / far enough without recharging	**68%**	**63%**

Department for Transport

Range anxiety: the good news

- ULEVs are the **main car in 9 in 10** households
- While range remains a key issue for owners, there are **high levels of satisfaction with EV ownership**
- EV owners **adapt** to their new cars, e.g. charging habits, daily range

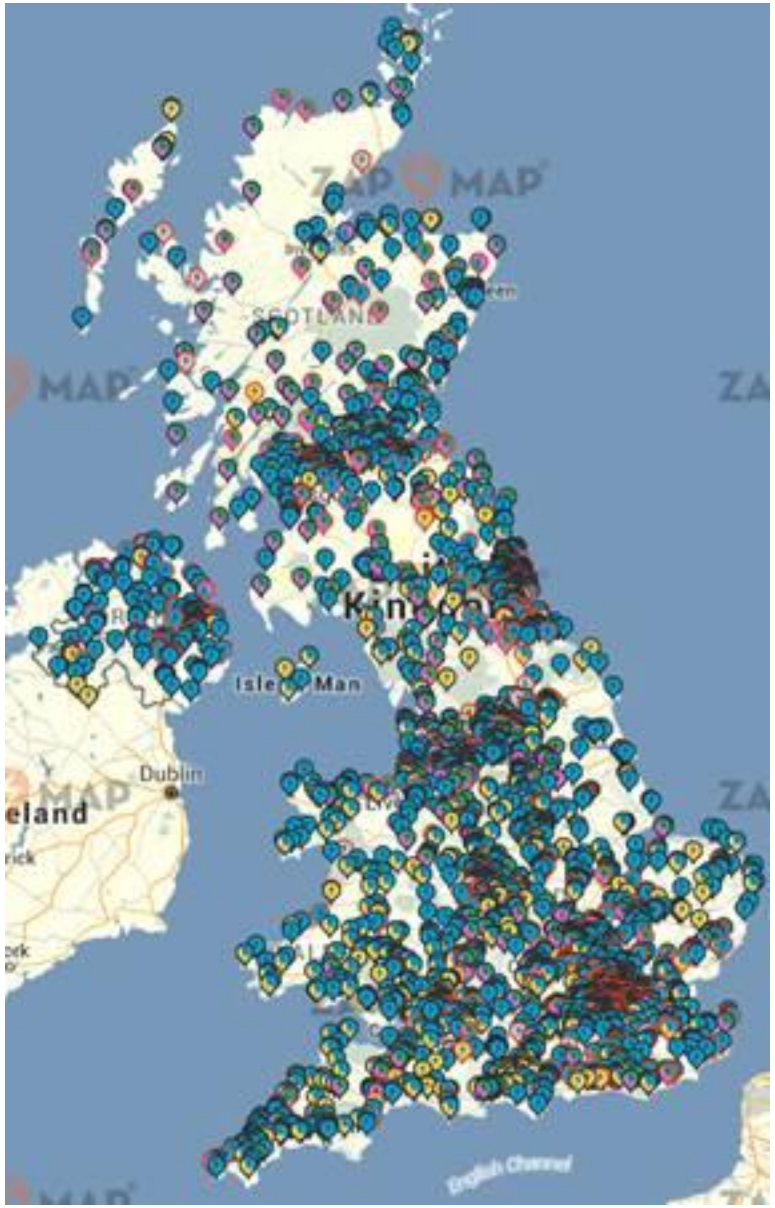


Department for Transport

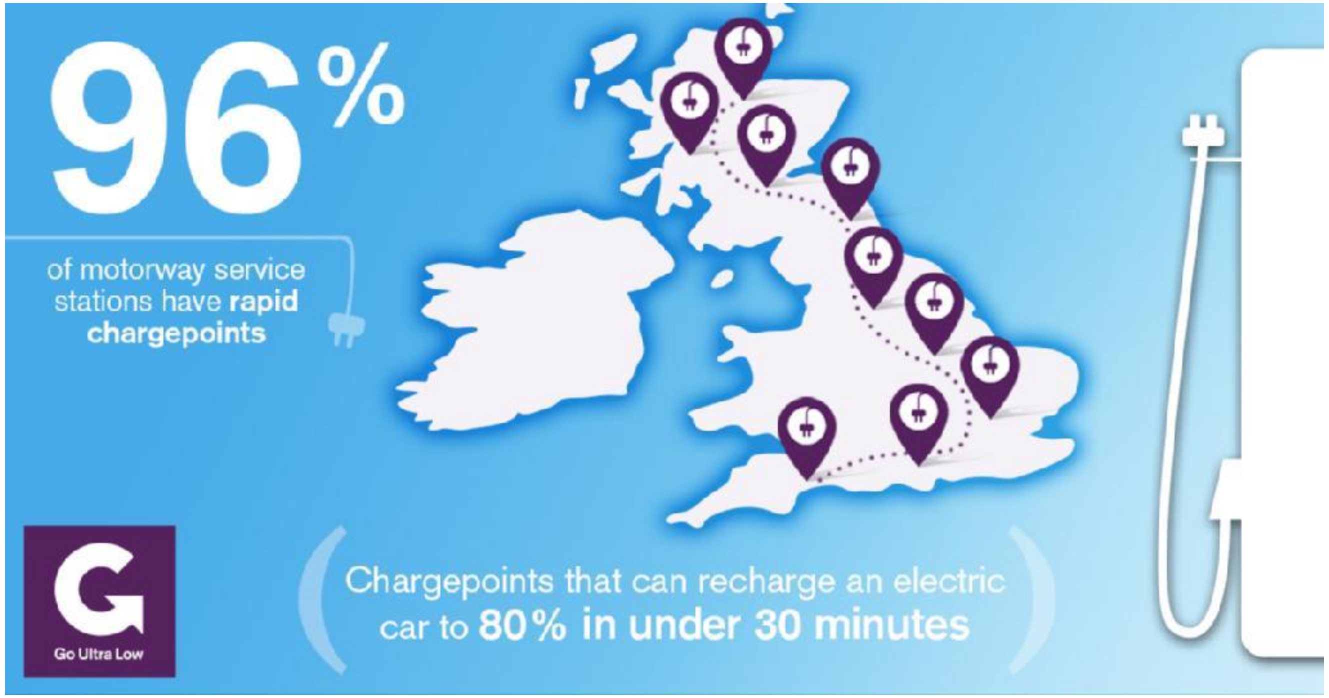
Range anxiety: the not-so-good news

Range and recharging are major issues, both of **perception and reality**

- When making decisions, people tend to **give greater prominence to unusual or extreme experiences than more constant experiences**
- While the 'drive to Scotland' is rarely undertaken, it can't be factored out of decision making
- Even if it's rare – people still want to know they'll be able to do it
- Government and industry will have to work with, not against, these behavioural insights



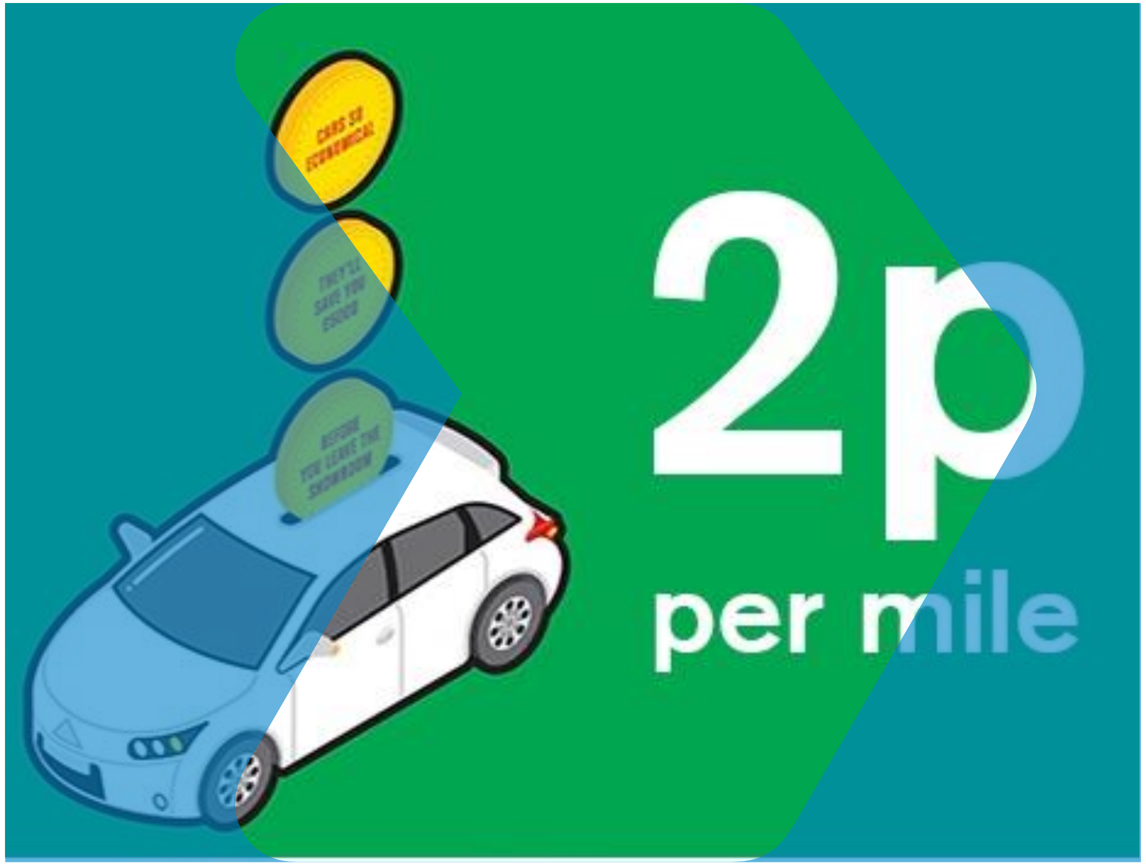
It's important to work *with* the way people tend to think and behave



Cost: the challenge

- People **want a greener car – two thirds** said it was important
- But people are **motivated more by saving money** than by saving the environment
- Despite lower running cost, the upfront cost of an EV is higher than the conventional equivalent

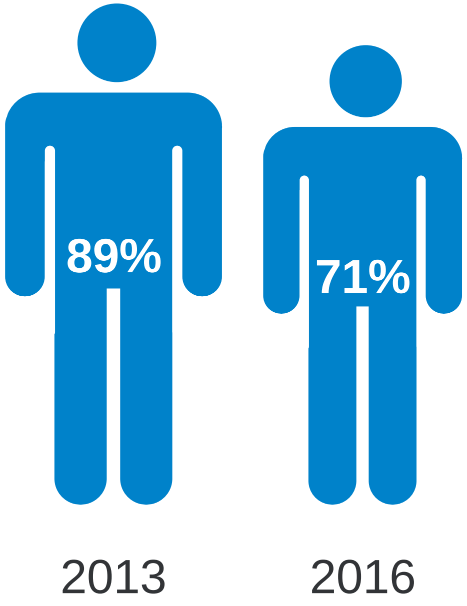
EV purchase price	Conventional car price
Mitsubishi Outlander Plug-in - £31,749	Mitsubishi Outlander - £24,799
Nissan Leaf - £21,290	Ford Focus - £15,995

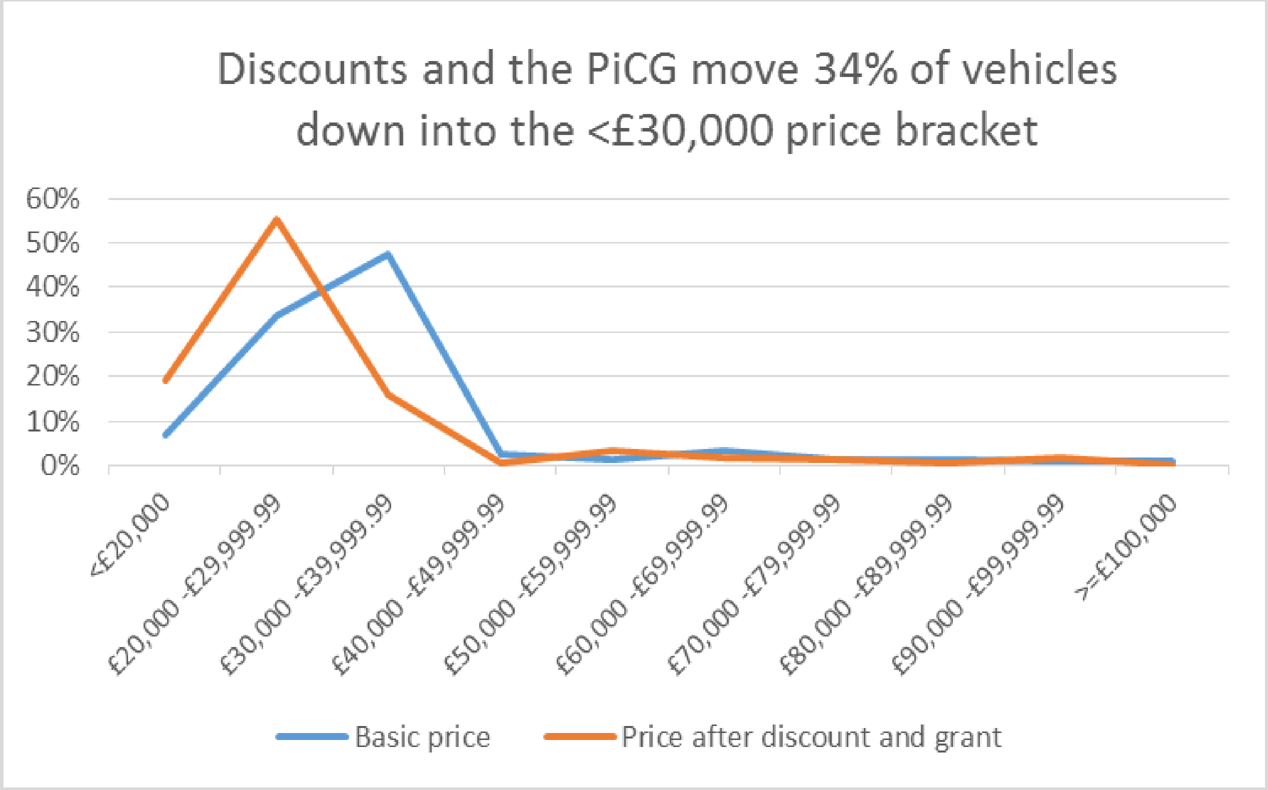


Cost: the good news

93% of new buyers said the **Plug in Car Grant was important in their decision** to buy an EV

EV purchasing seems to be **becoming more mainstream: 20% less likely to be male** than in 2013

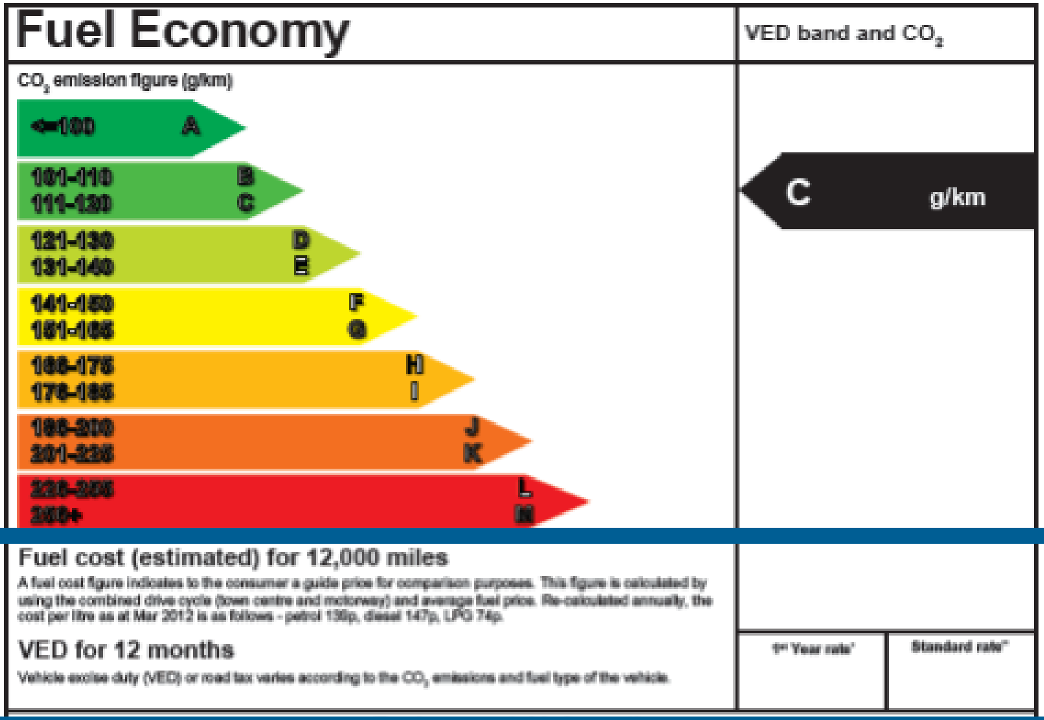




Department for Transport

Cost: the not-so-good news

- Consumers are not very effective at conducting cost-benefit analyses
- They give **greater weight to savings over the short-term than the long-term**
- While enthusiastic about the environment in the abstract, **consumers care more about price than environmental impact when it comes to purchase**



- We need to make it easier for people to make **accurate cost comparisons**

Department for Transport

Summary

Key messages

- People’s attitudes and behaviour are critical to the success of this policy area. We need to work with, rather than against, people’s preferences
- Current interventions appear to be making a difference
- Behavioural insights can help us to achieve more to change behaviour – by making owning an EV feel more attractive and more ‘doable’

Department for Transport

Key research and our contacts

Uptake of Low Emission Vehicles in the UK: a Rapid Evidence Assessment (2015)

Assessing the role of the Plug-in Car Grant and Plugged-in Places scheme in electric vehicle take-up (2013)

- Jo Bacon – jo.bacon@dft.gsi.gov.uk
- Andrew Scott – andrew.scott@dft.gsi.gov.uk

Thank you