

How utilities can accelerate the EV revolution

By Sara Patnaude

March 15, 2021

<u>Electric vehicles</u> (EVs) have the potential to help utilities meet carbon-reduction goals, increase revenues, and position themselves as trusted energy advisers. But that all depends on whether customers buy EVs. Currently, less than 3% of households own an EV, and customer awareness of EVs hasn't grown much in recent years. The EV industry is at risk of declining.

According to CarSalesBase.com, an automotive industry analysis blog, Tesla was the only EV brand to see an increase of sales over the past few years. All other manufacturers have seen stagnant or even declining sales of their EV models.



Ready to learn more?

Check out our on-demand <u>5 ways utilities can accelerate the EV revolution</u> webinar and learn:

- What kinds of programs and services utilities should offer
- Who the likely buyers are and how utilities should connect with them
- How utilities can target the right customers for EV offerings

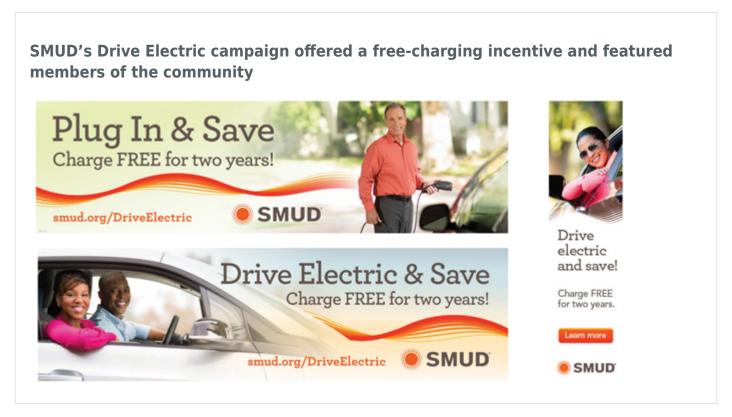
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We also found that over the past six years there was no change in customers' familiarity with EVs across the US. Canada saw similar results. So what can you do to accelerate EV adoption? We think approachable advertising and strategic segmentation are the best places to focus your EV efforts.

Reach a mass audience through approachable advertising

EVs can be an intimidating topic for customers. Don't assume everyone is ready to buy. You still have a lot of teaching to do. Produce ads that educate your customer base and take away the fear around EVs—for example, charging fears are common with non-EV owners. Make sure your content isn't too technical and focus on the incentives of driving electric.

Some of our favorite EV marketing campaigns have come from Austin Energy, Sacramento Municipal Utility District (SMUD), and KCP&L (now Evergy Inc.). Members of certain E Source services can access these campaigns via <u>E Source Energy AdVision</u>, our database of thousands of examples of utility marketing and advertising campaigns. Not sure if you can access the tool? <u>Contact customer service</u>.

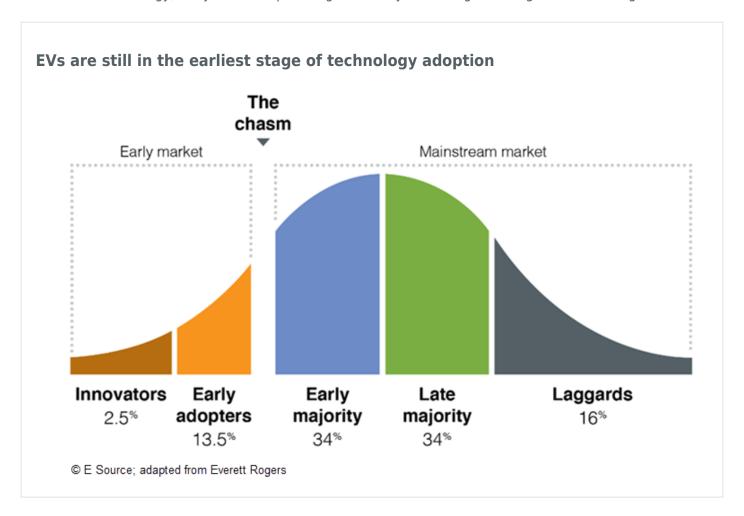


Focus on specific segments to drive the market

Not all customers are at the same stage in their EV journey, and your marketing should reflect that. The first group of customers you want to market to are your innovators. These customers have the newest technologies before anyone else and are the most likely to purchase EVs now.

EVs are still in the earliest stage of technology adoption, according to Everett Rogers's diffusion of innovation curve. To have a chance at mainstream market adoption, EVs need to see more than a 16% adoption rate and

cross the chasm. (The chasm illustrates where most technologies fail in their adoption because most people who adopt a technology early in its life span are cautious.) There's no guarantee that EVs will become a mainstream technology, but you can help them get there by marketing to the right customer segments.



Focus your EV marketing on innovators and early adopters until you start seeing higher adoption rates—remember, we're still at less than a 3% adoption rate. These customer segments want new technologies and are OK with an imperfect experience as long as they're ahead of the curve. In other words, these segments have the highest desire for EVs and the fewest barriers to adoption.

Check out our infographic <u>5 steps to developing an electric vehicle CX strategy</u> for advice on how to improve the EV customer experience (CX).

To learn more about how E Source can help with your EV efforts, visit our <u>Electric vehicles</u> page. We provide further resources on all parts of the EV journey.

Visit the Electric vehicles page

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