

EV Purchase Consideration Ebbs While Charging Concerns Continue to Grow, J.D. Power Finds

Lack of Affordable EVs and Poor Knowledge of Incentives Compound Problems

TROY, Mich.: 16 May 2024 — Consumer demand for electric vehicles (EVs) has cooled as the industry grapples with persistent growing pains, according to the J.D. Power 2024 U.S. Electric Vehicle Consideration (EVC) Study,SM released today. For the first time since the study's inception in 2021, new-vehicle buyer consideration has dropped from the previous year. This year's study reveals that 24% of shoppers say they are "very likely" to consider purchasing an EV, down from 26% a year ago, while the percentage of shoppers who say they are "overall likely" to consider purchasing an EV decreases to 58% from 61% in 2023.

"As the industry inches toward mass consumer adoption, the main roadblocks to getting consumers behind the wheel of an EV are the continued shortage of affordable vehicles, charging concerns and a lack of knowledge regarding the EV ownership proposition, including incentives," said **Stewart Stropp, executive director of EV intelligence at J.D. Power**. "As understanding of EV incentives rises, so does the likelihood of consideration. However, approximately 40% of shoppers say they do not have a solid understanding of such incentives. Prioritizing initiatives and efforts to educate consumers about the EV proposition—including available incentives and how they work—is vital to accelerating market growth."

Other factors contributing to waning EV demand include lower year-over-year fuel prices; stubborn inflation and high interest rates; and underwhelming growth in model availability. "In previous years, the number of viable EVs that met shoppers' needs increased substantially year over year," Stropp said. "This year, it's been more incremental. Several automakers have deferred EV launch and production plans and have shifted more focus toward hybrids and plug-in hybrids, so we're seeing a lot of shoppers who still haven't found an EV that checks all the boxes."

Following are some key findings of the 2024 study:

- **"Very likely" EV consideration drops among Gen Z¹ and Gen Y shoppers:** The lack of affordable EV models is affecting the two youngest buyer cohorts, Gen Z and Gen Y, with "very likely" consideration down 2 and 5 percentage points year over year, respectively. Still, 24% of Gen Z and 32% of Gen Y shoppers say they are "very likely" to consider an EV, the two highest ratios among all the generational cohorts.
- **Top five reasons for EV rejection mostly related to charging:** Among shoppers who say they are "somewhat unlikely" or "very unlikely" to consider an EV, 52% cite a lack of charging station availability as a reason for rejection—the highest proportion in the study. This figure has increased 3 percentage points year over year, a sign that concerns about public charging infrastructure are only getting worse. Other reasons for rejection include purchase price; limited driving distance per charge; time required to charge; and inability to charge at home or work.
- **Drivers with longer commutes less inclined to consider EVs:** Previous-year studies noted that owners who drove more miles each day were more likely to consider an EV. Now, with fuel prices coming down and charging anxiety on the rise, that trend has reversed. Among shoppers whose

¹ J.D. Power defines generational groups as Pre-Boomers (born before 1946); Boomers (1946-1964); Gen X (1965-1976); Gen Y (1977-1994); and Gen Z (1995-2006). Millennials (1982-1994) are a subset of Gen Y.

daily commute is 46-60 minutes each way, only 24% say they are “very likely” to consider an EV—down 13 percentage points from 2023.

- **Role of pending vehicle influences consideration:** Among shoppers who are looking to add another vehicle to their household, 68% say they are “overall likely” to consider an EV. Conversely, among those who will be relying solely on one vehicle for transportation, only 47% say they are “overall likely” to consider an EV. Without a second vehicle, shoppers tend to be more critical of the logistics related to EV ownership.

The U.S. Electric Vehicle Consideration (EVC) Study is an industry benchmark focusing on gauging fully electric or battery electric vehicle shopper consideration, simply referred to as EVs in the study. Study content includes overall EV consideration by geography; demographics; vehicle experience and use; lifestyle; and psychographics. It also includes model-level consideration details such as “why buy” findings and analysis of reasons for EV rejection. This year’s study measures responses from 8,179 consumers and was fielded from January through April 2024.

For more information about the U.S. Electric Vehicle Consideration (EVC) Study, visit <https://www.jdpower.com/business/automotive/electric-vehicle-consideration-study>.

See the online press release at <http://www.jdpower.com/pr-id/2024043>.

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Media Relations Contacts

Geno Effler, J.D. Power; West Coast; 714-621-6224; media.relations@jdpa.com

Shane Smith; East Coast; 424-903-3665; ssmith@pacificcommunicationsgroup.com

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