

ELECTRIC VEHICLES

November 2021 CATEGORY INSIGHTS

FOX Portfolio Strategy & Solutions



CATEGORY REVIEW

EV Brand Marketing Expansion	<p>According to MAGNA, advertising for the EV market is still limited. EVs, while a growing market, remain unprofitable for most OEMs. However, legacy automakers have taken on investment as they look to position themselves for future growth and brand recognition.</p> <ul style="list-style-type: none"> Examples are GM's 2021 Super Bowl commercial and Ford's 2021 Olympics commercial in which both automakers showcased their EV technology and products.
EV Investment & Adoption	<p>IHS Markit forecasts EV sales could be as high as 32% of total light vehicle sales by 2030 and could reach 45% by 2035. The Biden administration said in August that it was aiming for half of all new vehicles sold by 2030 to be electric powered, however some analysts feel that goal is unlikely. Charging station infrastructure and range anxiety are still the biggest barriers for acceptance. In the short term, more compelling models, especially in the pickup truck segment, should help increase EV adoption.</p> <ul style="list-style-type: none"> According to Bank of America, 119 electric vehicles are expected to be offered for model years 2022-2025 and many of them will be in the popular light truck segment.
EV Sales Forecast Charged Up	<p>The all-electric car segment is thriving in the U.S. with first half 2021 sales of over 255k units, up +133% YoY. The market share for all-electric cars stands at about 2.6%, vs. 1.6% a year ago. California led the way with about 36% of EV registrations, followed by Florida (7%) and Texas (6%).</p> <ul style="list-style-type: none"> There were 19 dedicated EV models on sale in the first half of 2021, and virtually all new upcoming car and truck models promise to have some sort of electric option. According to data from Experian, Tesla is the biggest player in the all-electric segment with 168K registrations (+75% YoY), which is almost 66% of total EV sales. A year ago, Tesla's share was closer to 80% which demonstrates how other manufacturers (in particular, Audi, Ford, and GM) are gaining share.

KEY FACTS AND FIGURES

>50%

Car owners expect to own an EV in the next ten years, up from just 34% in 2018 (source: CarGurus)



Tesla continues to be the most trusted brand to develop EVs, but nearly 80% of those interested in EVs say they're open to several brands when it comes time to buy (source: CarGurus)

Evolution of Key EV Buyer Demographics

	2012	2015	2019
Age	40 - 44	45 - 54	40 - 55
Avg Income	\$114k	\$114k - 150k	\$125k - \$150k
Mileage	~100 per week	~180 per week	~250 per week
Gender	67% male	74% male	75% male

Top Selling EVs 1H2021

Tesla Model Y	132,000
Tesla Model 3	94,900
Chevy Bolt EV & EUV	24,803
Ford Mustang Mach-E	18,855
Volkswagen ID.4	12,279
Nissan Leaf	10,074
Audi e-tron	7,793
Hyundai Kona Electric	7,656
Porsche Taycan	7,228
Tesla Model S	5,400

Note: Tesla sales are estimated
Source: Experian

AUTOMAKER EV PLANS

Company	Date for All Electric*	Planned Spending on EVs	Key Models	Notes
	2035 (GM) and 2030 (Cadillac)	\$36B through 2025	Hummer, Chevy Silverado, Cadillac Lyriq	GM admits that its plan to stop selling gas and diesel vehicles by 2035 is more of an aspiration rather than a commitment. However, the Cadillac brand is deeply dedicated to be all-electric by 2030, starting with the Lyriq CUV in 2022. The electric Hummer will arrive in dealerships in late 2021 or early 2022. The electric Silverado is expected to arrive in late 2023. GM said it will launch over 30 new EV models globally by 2025.
	N/A	\$22 billion through 2025	F-150 Lightning, Mustang Mach-E	Ford is investing \$22B through 2025 to deliver battery EVs, but the company still sees a role for hybrids with gas engines. Ford will likely continue to develop electric versions of its popular models such as it has done with the Mustang and F-150. The company is rumored to be launching at least 12 EVs globally by 2025.
	N/A	\$35.5B through 2025	Ram 1500, Jeep Grand Cherokee 4xe, Jeep Wrangler 4xe	An all-electric full-sized Ram 1500 pickup will arrive in 2024 as will an electric Dodge performance car. Every Jeep will have an EV option by 2025. Stellantis will have 55 electrified cars and trucks on sale in the U.S. and Europe by 2025. It is planning that 40% of its U.S sales will be either battery electric or plug-in hybrid within four years, but it hasn't given an all-electric date.
	N/A	N/A	Toyota bZ4X, Lexus LZ-F (concept)	Toyota is the market leader among hybrids—with the RAV4, Highlander, Prius and Camry hybrids. The company will have 70 electrified models by 2025, including hybrids. 15 of the electrified models will be battery EVs and 7 of them will be part of the new Beyond Zero bZ sub-brand. Pickups will also get electrified versions. Lexus aims to offer electric variants of all its models by 2025. The Lexus LZ-F concept previews what a flagship EV would look like.
	2040 (North America)	N/A	Honda Prologue, unnamed Acura CUV	By 2030, Honda says 40% of its North American vehicle sales will be either battery electric or hydrogen, and by 2040 all gas cars will be phased out. Honda's first two EVs (the Honda Prologue CUV and an unnamed Acura CUV) will be built by GM and are set to arrive in 2024. Honda is one of the few manufacturers that is focusing on hydrogen fuel cells instead of batteries.
	N/A	\$1.3 billion on EV hub in England	Nissan Ariya, Nissan Leaf	Nissan says it will have 8 EVs on sale by the end of 2023. The highly anticipated Ariya CUV is arriving in late 2021. The company announced a £1B (\$1.3B) Electric Vehicle Hub, in England, where it will build an all-electric CUV. The new hub is designed to bring together EVs, battery production, and renewable energy development.
	N/A	N/A	MX-30 EV (initially only on sale in CA)	The company's tagline is "Sustainable Zoom-Zoom 2030." Mazda will continue to develop gas-powered engines but will also introduce a new EV platform. The platform will be used to develop 5 hybrids, 5 plug-in hybrids, and 3 battery EVs by 2025.
	N/A	\$7.4B in the U.S. by 2025	Hyundai Ioniq 5, Kia EV6	While Hyundai Motor Group hasn't made a commitment to go all-electric, it said that it would invest \$7.4B to produce future EVs in the U.S. by 2025. A 50% cut in internal-combustion models was announced in May. Kia is adding 7 dedicated EVs to its lineup by the end of 2027. In North America, EVs are expected to be 20% of Kia sales by 2025. The Hyundai brand is launching the all-electric Ioniq sub-brand in late 2021 with the Ioniq 5 model.
	All new platforms EV-only in 2025	\$47 billion between 2022 and 2030	EQS, EQB, EQE	Starting in 2025 all new vehicle platforms will be EV-only. Mercedes has not given a date for eliminating gas engines but spending on gasoline technology will be "close to zero" by 2025 according to management. 2030 is the company's stated goal for going fully EV. Electric models will arrive under the "EQ" branding.
	N/A	\$6.5B (last reported in 2019)	iX, i4	CEO Oliver Zipse says that gas engine development will continue and that demand for internal combustion engines "will remain robust for many years to come." However, most of BMW's best-selling models will have plug-in versions. The company said that by 2030 about half its global sales will be EVs, but that will likely include plug-in hybrids.
	50% EV sales in U.S. by 2030	\$86 billion through 2025	VW ID.4, Audi Q4/Q6 e-tron	The VW brand's goal is more than 50% full electric vehicle sales by 2030 in the U.S. Its parent company, the VW Group, has 70 new electrified models in development. Audi's Project Artemis is set to launch a "highly efficient" EV by 2024. VW said that 2026 will be the last year it launches an internal-combustion platform. VW's first global mass market EV, the ID.4 CUV, arrived in early 2021.
	2025, 50% of global sales; fully electric by 2030	\$1B annually	C40 Recharge, XC90	The brand has changed its sales strategy so that all fully electric models will be available online only. The Volvo "Concept Recharge" model introduces new design language and technologies that will be incorporated on production EVs from the automaker moving forward. In order to meet its target, the company will remove vehicles with internal combustion engines — including hybrids — from its global offering by the end of the decade.

*All electric excludes hybrids and plug-in hybrids

Source: Forbes, Automotive News, MotorTrend, Car And Driver

FOR QUESTIONS OR MORE DETAIL

Please contact the FOX Portfolio Strategy & Solutions team to help you with strategic marketing intelligence, insights and solutions.

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