



Consumer insights
shaping the electric
vehicle rental market

April 2024

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In brief

- **Consumer sentiment towards EVs:** 55% of consumers have a positive view of electric vehicles (EVs) and want to embrace cleaner transportation, but many still feel uncertain about this technology.
- **Hiring willingness and preferences:** Interest in hiring EVs varies with context. Some would consider an EV for short trips like a weekend away, but many have concerns about charging infrastructures.
- **Barriers and information needs:** Key barriers include knowledge of EVs, charging station availability and charging times. There is an underlying need for clear information on costs, range and charging logistics.

Introduction

Electric vehicles (EVs) are shaping the future of transportation, with the UK government setting the goal to electrify all new vehicles by 2035. Using the Vypr platform, we engaged with members of our community who hire vehicles at least once a year to find out their thoughts on this topic.

This report is a guide for vehicle mobility companies aiming to understand consumer sentiment and behaviour towards EVs. It offers insights into the current preference for hiring EVs, identifies hurdles consumers face and explores loyalty schemes alongside general vehicle hiring habits.

Using these insights, vehicle mobility companies can accelerate towards a greener future, ensuring their services align with consumer expectations and the upcoming government targets.

Attitudes towards EVs

To begin, we ran a sentiment analysis steer ('steer' is what we call questions) to gauge public opinion on electric vehicles. We found that 55% of consumers view EVs positively. This demonstrates a readiness among consumers to embrace cleaner modes of transportation, though with potential areas for enhancement and increased adoption initiatives.



What's your opinion of electric vehicles?

55%

Positive Responses

- I think they are the future. With climate change and global warming I think it is an inevitability that electric vehicles will become the norm in the near future.
Male aged 55-64
- I like it especially that it doesn't have any sound and clean. Also, there are incentives for buying such cars.
Male aged 35-44
- I've been in one and I like how quiet they are in comparison to a vehicle with petrol.
Female aged 25-34

20%

Negative Responses

- They're not trustworthy enough for long journeys.
Male aged 45-54
- I spend too much time charging, wouldn't trust them in rural areas and my local infrastructure isn't set up for EVs
Female aged 55-64
- I wouldn't have one - not as environmentally friendly as they make out
Female aged 45-54

25%

Neutral Responses

- I am all for them but affording one is another matter entirely.
Male aged 45-54
- No problem with electric vehicles but the current charging infrastructure isn't sufficiently well developed to convince me to buy one.
Male aged 55-64
- At the moment the technology is not fully proven so not keen to buy one.
Female aged 35-44

Sent to consumers who hire a vehicle at least once a year



It's reassuring that there is initial positivity towards electric vehicles. The next step is to understand the practicalities. How likely would they be willing to hire an EV?

Likelihood of hiring an EV

It's one thing to be positive about electric vehicles in general. But how do people feel about hiring them?

With this in mind, we wanted to understand how existing EV users currently use them. It revealed that 22% enjoy using them for holidays in the UK, while 11% use them as their everyday car.

Have you ever driven an electric vehicle?

No - I have not driven an electric vehicle



Yes - I'm using it for holidays in the UK



Yes - I have driven an electric vehicle for something else



Yes - I have driven one but I don't own one



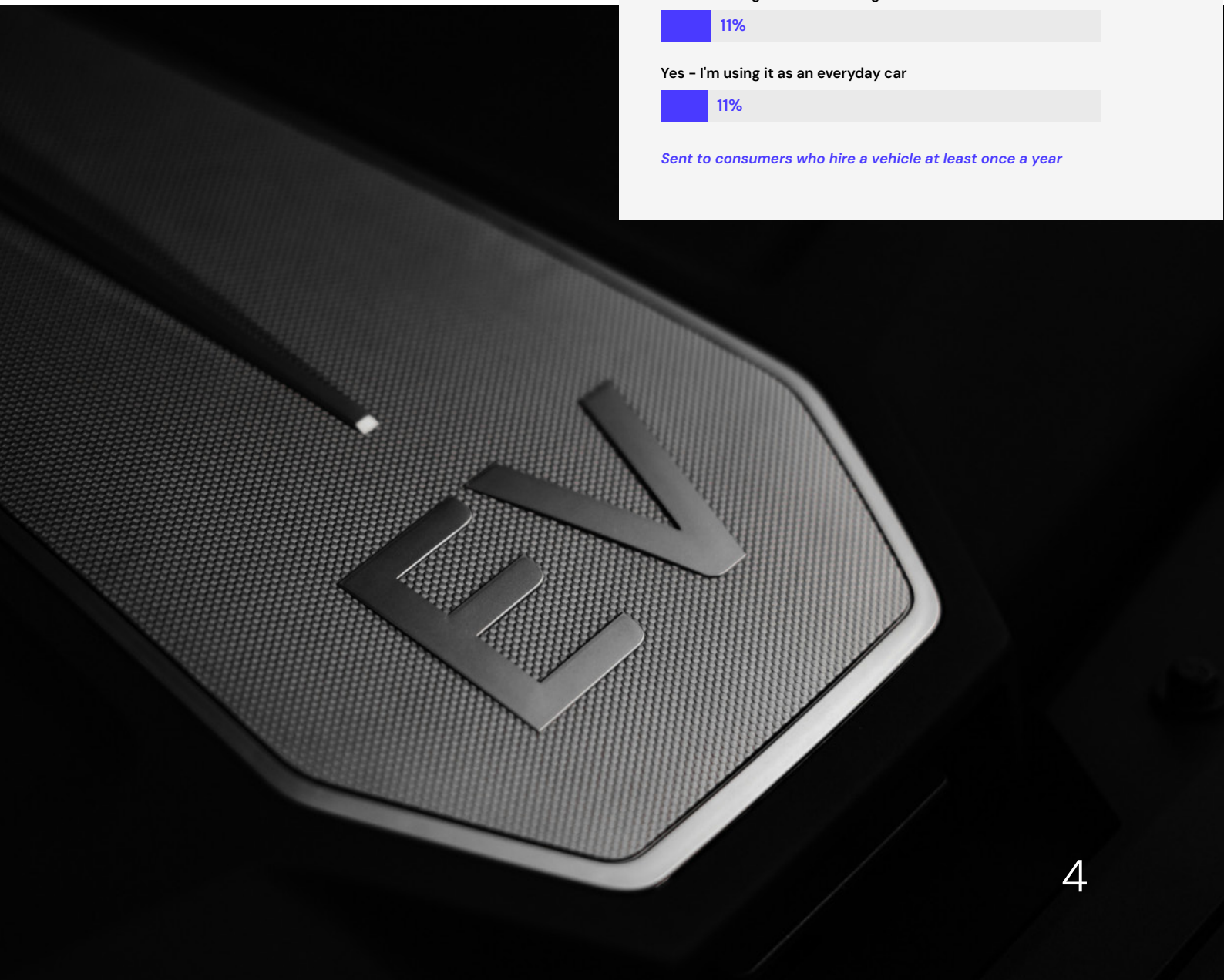
Yes - I'm using it for commuting to work



Yes - I'm using it as an everyday car



Sent to consumers who hire a vehicle at least once a year

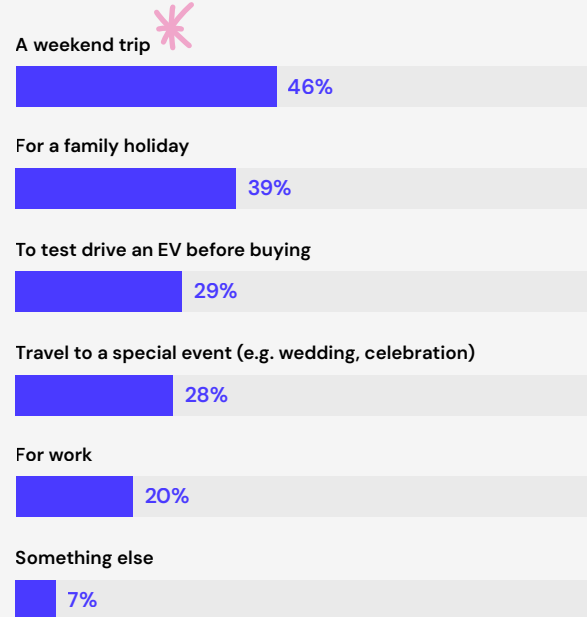


Likelihood of hiring an EV

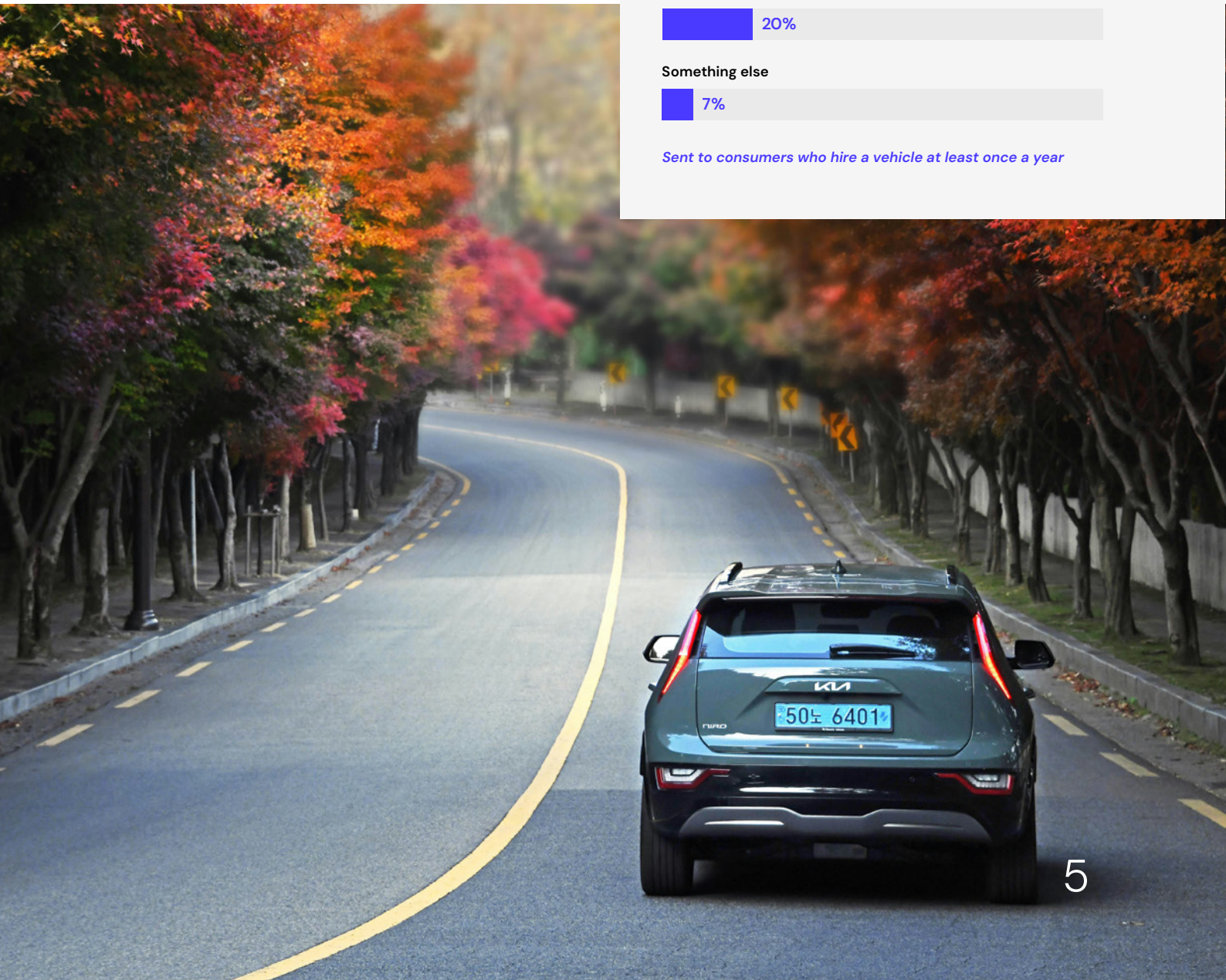
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This too is mirrored when it comes to on what occasions they would hire an EV. 46% would consider it for a weekend away and 39% for a family holiday. Interestingly, 29% think about hiring an EV as a test drive before making a purchase commitment. This highlights curiosity with some reservations about making the full switch.

When would you consider hiring an electric vehicle?



Sent to consumers who hire a vehicle at least once a year



Likelihood of hiring an EV

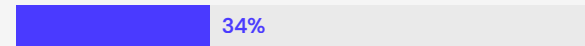
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There is a clear interest in EV amongst consumers, but how much do they know about the technology behind them?

Our research indicates that while 54% of consumers have a basic awareness of EVs, there's still a substantial 46% who lack familiarity. This highlights a prime opportunity for educational campaigns to enhance consumer knowledge and drive informed decisions in the EV market.

How familiar/knowledgeable are you about Electric Vehicles (EVs)?

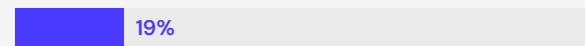
Somewhat familiar



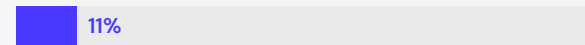
Not very familiar



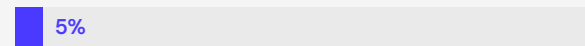
Familiar (understands how they work/drive/charge etc)



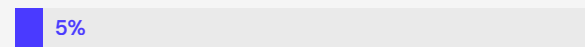
Very familiar (e.g you own or rent EVs)



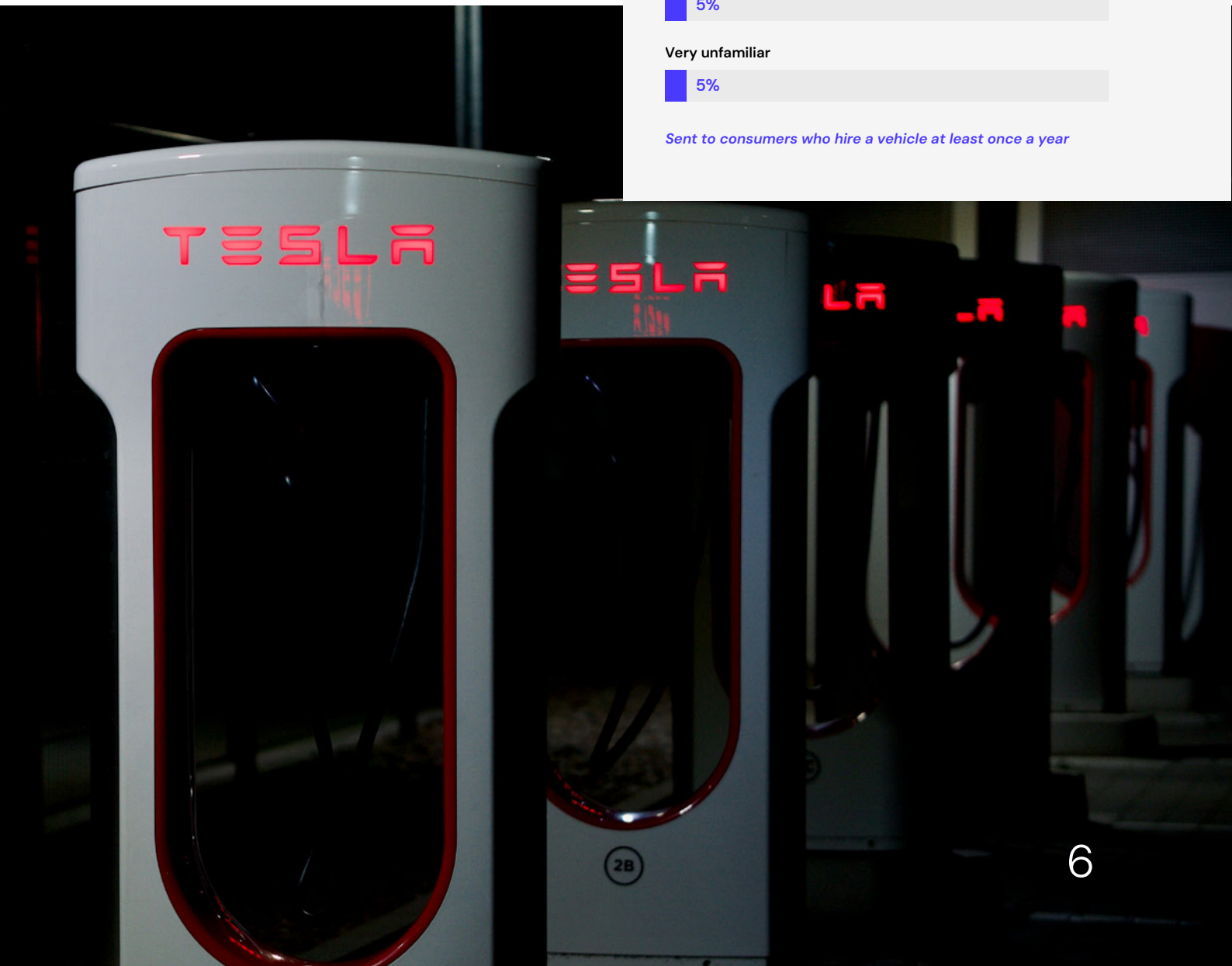
Do not know anything about EVs at all



Very unfamiliar



Sent to consumers who hire a vehicle at least once a year

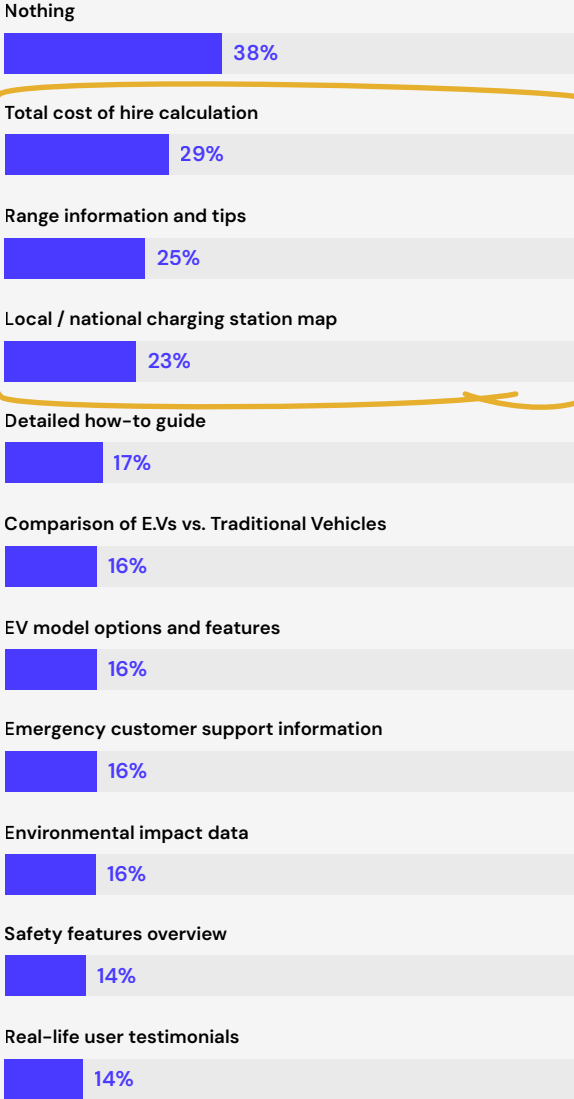


Likelihood of hiring an EV

Continued

Consumers require a need for straightforward information when considering hiring an EV. They highlighted the importance of transparent cost breakdowns (29%), range insights and tips (25%), along with comprehensive charging station maps (23%).

What additional information would make you more likely to hire an electric vehicle?



Sent to consumers who hire a vehicle at least once a year

Likelihood of hiring an EV

Continued

Yet hurdles remain on the road to hiring EVs. Concerns were raised by those who aren't willing to consider electric. The main reasons why all centred around charging. They include finding available charging stations (34%), the long wait for a full charge (27%), and limited driving range (25%). This loops back into the lack of familiarity with EVs: If clear education is provided, it might help alleviate these anxieties around charging and support making EVs their preferred choice for hiring.

Comments on why consumers don't wish to hire an EV:



I'm used to driving a manual car and I don't really know much about electric cars

Female aged 55-64



I hire cars on holiday I would worry about where I could charge it and costs

Male aged 45-54

Why **WOULDN'T** you hire an electric vehicle?

Finding available charging stations



Long charging time



Limited driving range before needing a recharge



I would consider hiring an EV



Lack of familiarity



Performance concerns



I'm just not interested



Limited choice of vehicle size options



I don't think they're good for the environment



Sent to consumers who would not consider hiring an EV



I don't think the driving range is long enough and I wouldn't want to be driving around looking for a charging point

Female aged 35-44

Expectations on hiring an EV

With the increasing interest in electric vehicles, understanding consumer expectations becomes vital. EVs, which are still relatively new to consumers in the automotive market, present an opportunity to gauge whether brand familiarity influences consumer choices or if there is an openness to exploring less established brands.

Our results reveal that 41% of consumers are willing to consider lesser-known EV brands, provided they come with positive reviews. Additionally, 25% indicated they would choose it but only if it's cheaper, with another 25% admitting they're just not sure. This data highlights the importance of accessible information, such as reviews, and competitive pricing in shaping consumer preferences.

Would you be open to hiring an EV if it's an **unknown brand**?

Yes, but only if it has good reviews



I'm not sure



Yes, but only if it's cheaper



No, I would not consider this



Sent to consumers who hire a vehicle at least once a year



Expectations on hiring an EV

Continued

Providing additional services and features also emerged as a key differentiator. Consumers would like free or discounted charging options (36%), fast charging access (33%), and the inclusion of In-car EV Navigation Systems to locate charging stations (25%). This suggests that the ease of use when it comes to charging is a significant concern and addressing it could be instrumental in encouraging trials among potential EV users.

What would help consumers choose to hire an EV:



I'd like it to be fully charged on collection and no need to top up on return

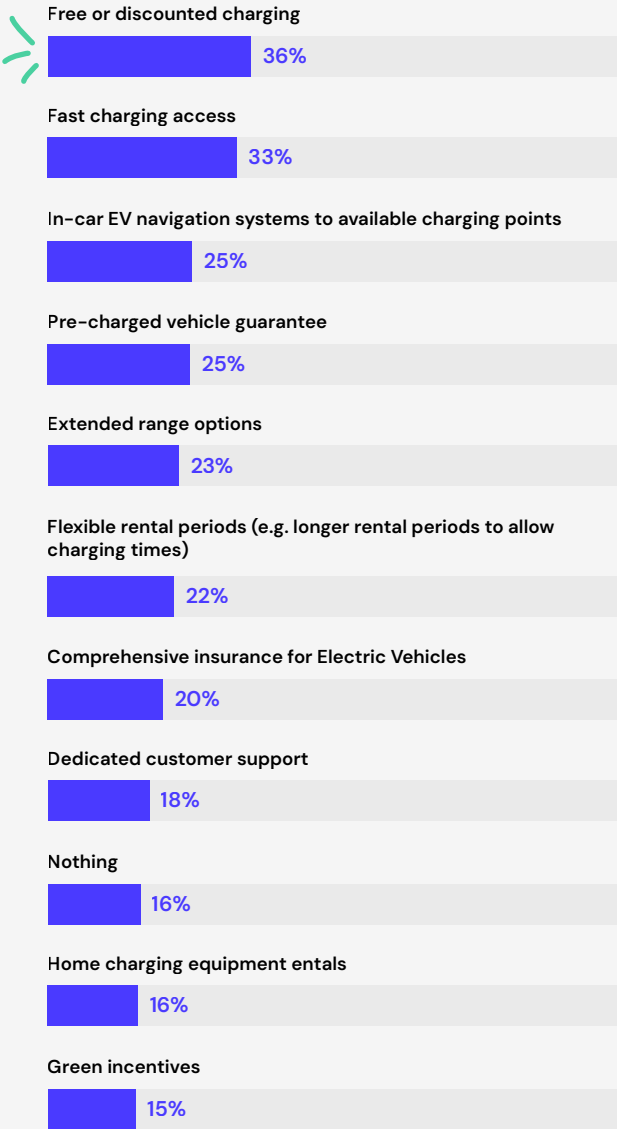
Male aged 55-64



A map of all available recharging points, and a quick instruction on how to drive it

Female aged 35-44

What additional service or feature would make you more likely to hire an EV?



A breakdown service to be included

Male aged 35-44

Expectations on hiring an EV

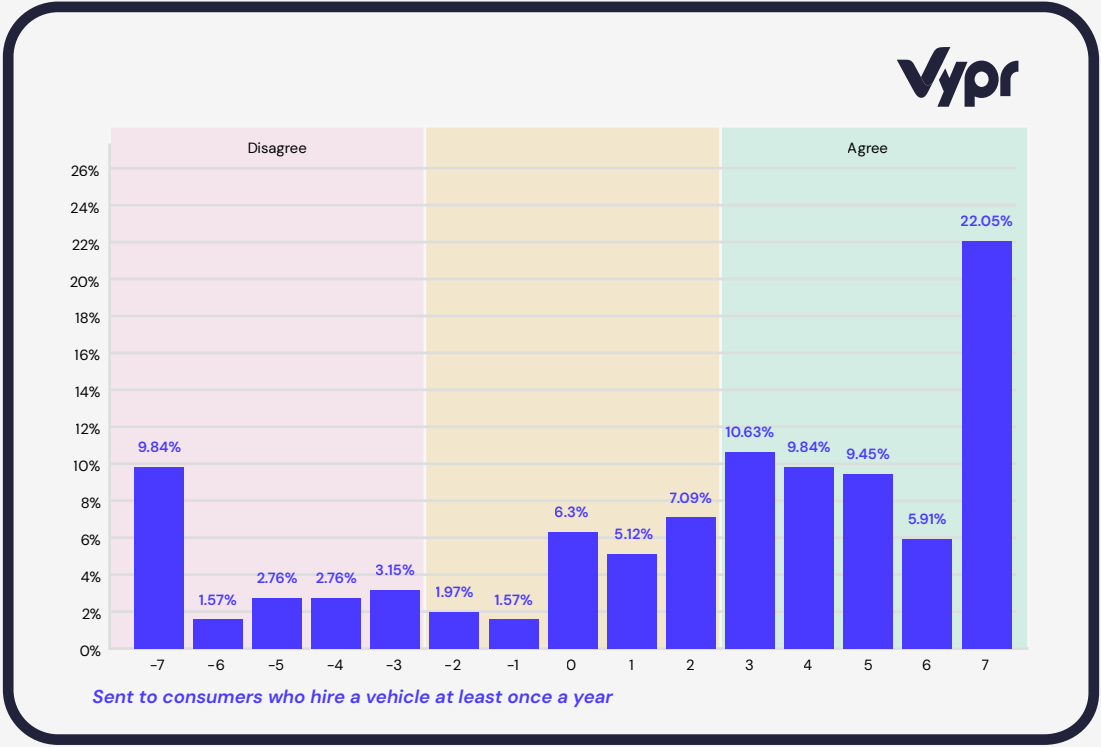
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The process of charging electric vehicles is a concern for consumers. We went further to understand how consumers felt towards returning a vehicle fully charged by running a Vykert steer (Vypr’s version of a Likert scale).

We found that 58% indicated that they would be happy to return an EV not fully charged and pay a small additional fee. This outcome not only highlights the significant concern surrounding EV charging but also sheds light on the broader implications for consumer expectations and the readiness for EV adoption.



I'd prefer returning a hire EV not fully charged even if it means a small extra fee



Loyalty schemes

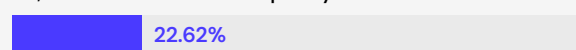
We were intrigued whether the presence of a loyalty scheme – similar to those offered by grocery retailers – would influence consumers to choose one vehicle mobility company over another. The results revealed that 20% of respondents would select a company that offers a loyalty scheme, while 46% considered it an influential factor among other considerations.

Are you more likely to choose vehicle hire if it had a loyalty scheme?

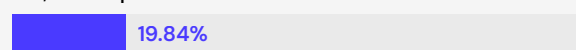
Yes, it would factor in but with other considerations



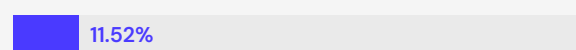
No, other factors would take priority



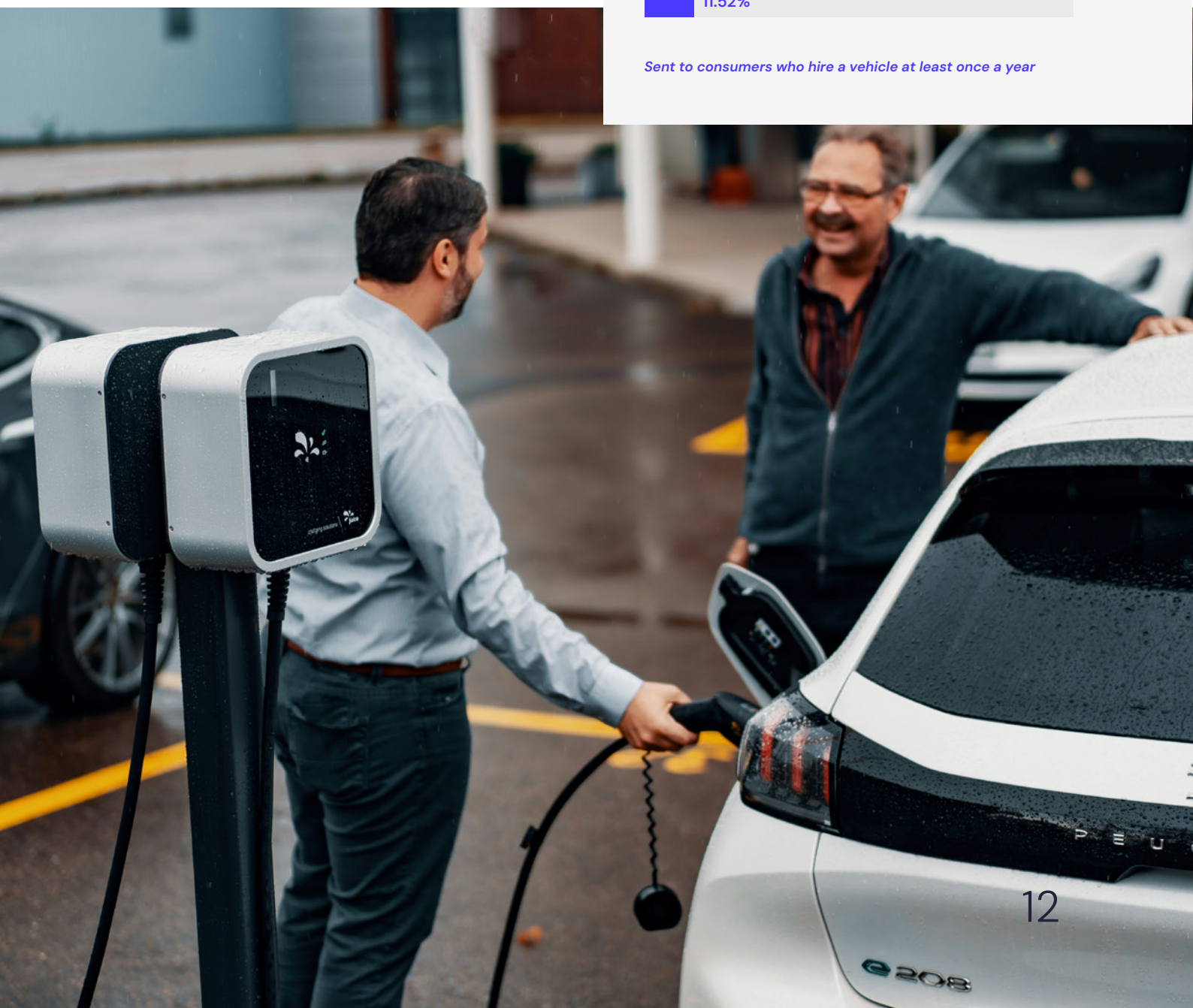
Yes, I would prioritise it over others



Not sure



Sent to consumers who hire a vehicle at least once a year



Loyalty schemes

Continued

What would you like to see in a loyalty scheme?



Points that can be collected to spend on vouchers of my choice

Female aged 55-64



Maybe like some cash back towards charging your car up

Male aged 25-34



Points that would be equal to upgrades and priority booking

Female aged 35-44

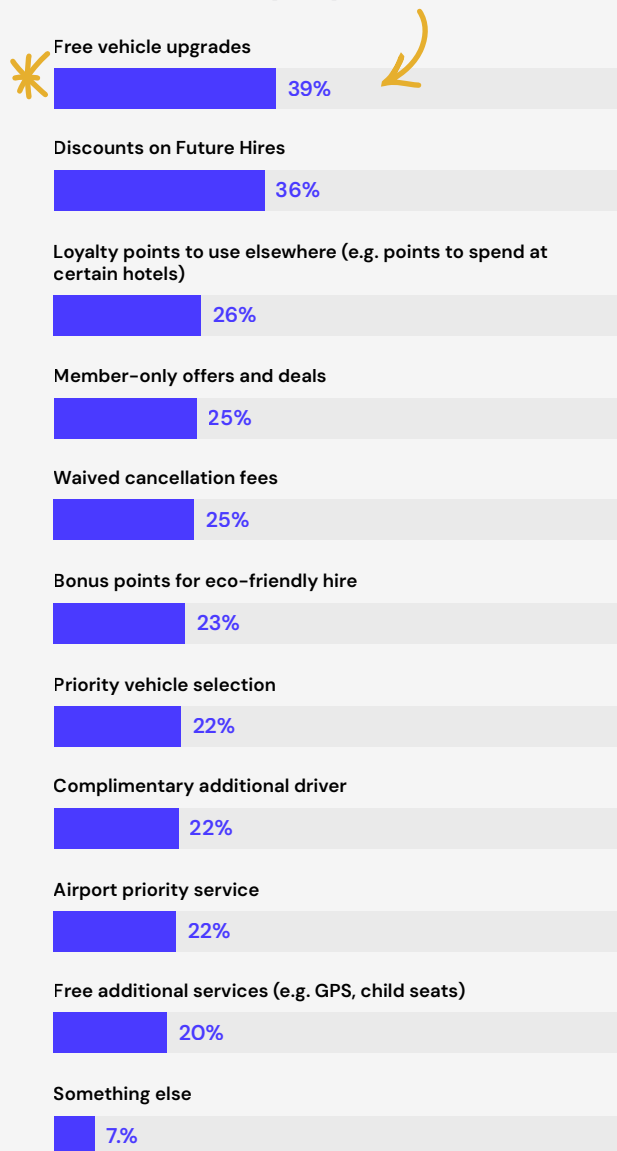


Loyalty schemes

Continued

So, what's an effective loyalty scheme in the vehicle hire sector? Consumers expressed clear preferences in exchange for their loyalty. 39% would like free vehicle upgrades, 37% are drawn towards discounts on future hires, and 26% voted for the option to use loyalty points across different services like hotels.

What would you like to see in a vehicle hire loyalty scheme?



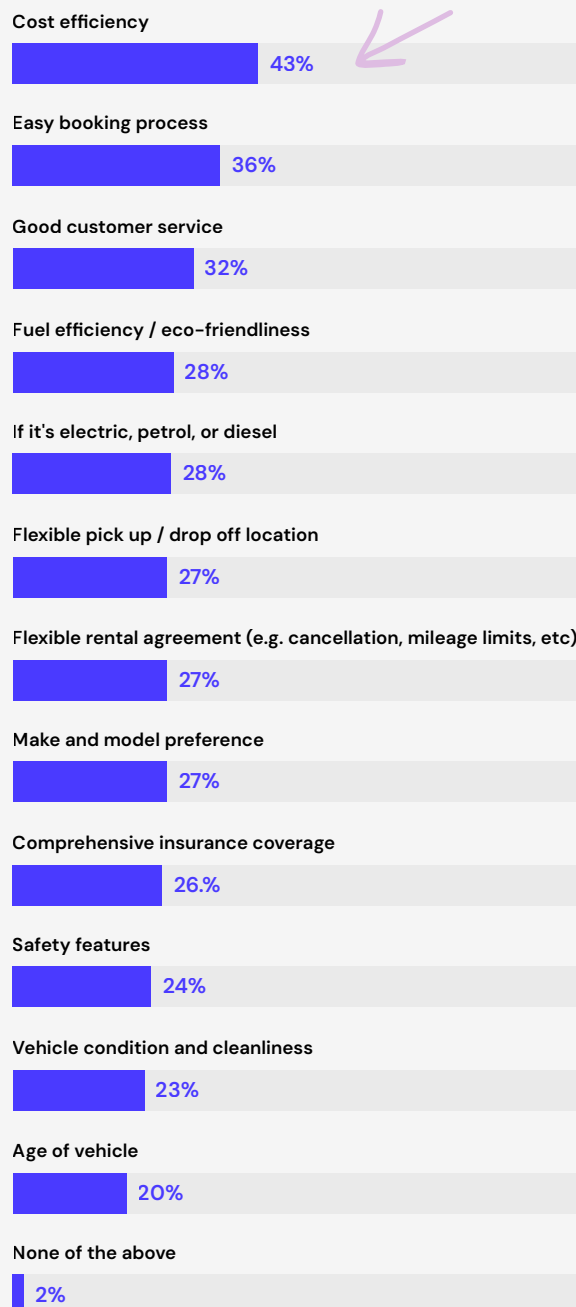
Sent to consumers who hire a vehicle at least once a year

Vehicle hire habits

When arranging vehicle hire, consumers prioritise cost efficiency (43%), a straightforward booking process (36%), and exceptional customer service (32%). These factors are crucial in enhancing customer satisfaction and loyalty.

Additionally, 27% of consumers consider the availability of a range of makes and models to hire, as well as the flexibility of pick-up options and flexible rental agreements. This reflects a need for convenience and choice. To cultivate a loyal customer base, businesses must combine competitively priced options with seamless service experiences.

What do you look for when hiring a vehicle?



Sent to consumers who hire a vehicle at least once a year

Vehicle hire habits

Continued

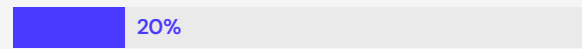
Amidst the ongoing cost of living crisis, there is concern about how consumers might adjust their spending habits in areas such as vehicle hire. To gain insight into this, we explored whether consumers anticipate a change in their vehicle rental usage over the next 12 months.

How do you think your usage of car rental **will change** over the next 12 months?

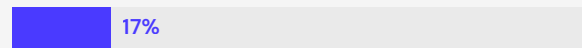
I will use vehicle hire the same



I will use vehicle hire less



I will use vehicle hire more



Sent to consumers who hire a vehicle at least once a year

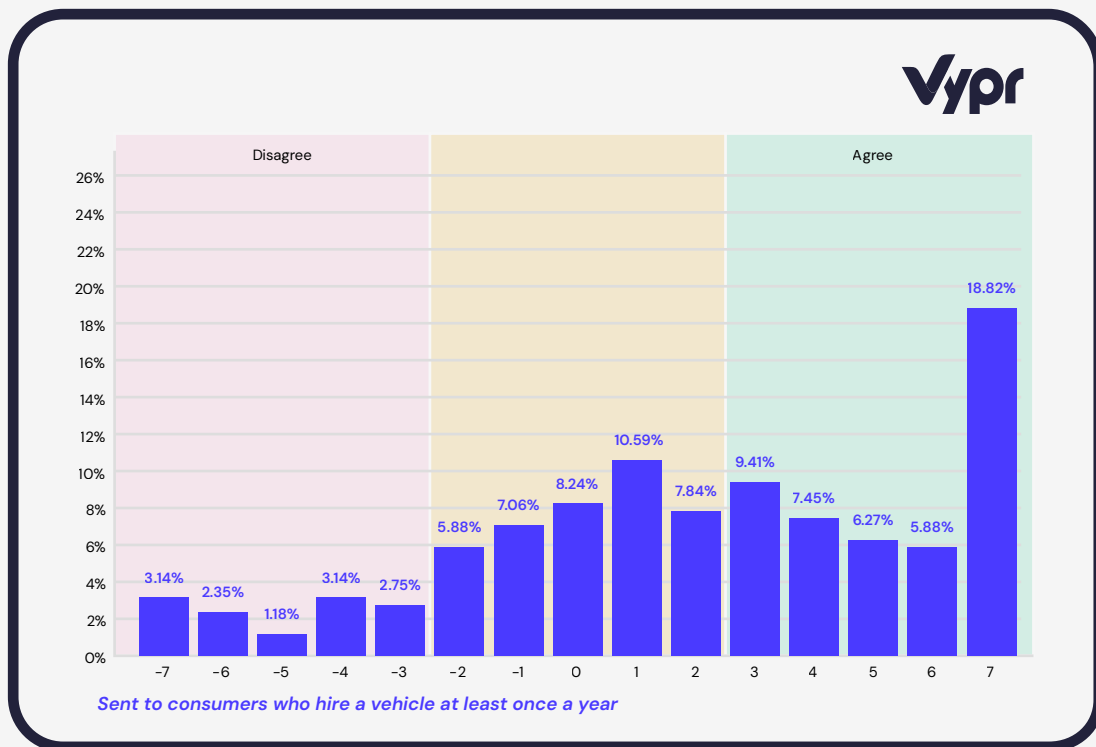
Vehicle hire habits

Continued

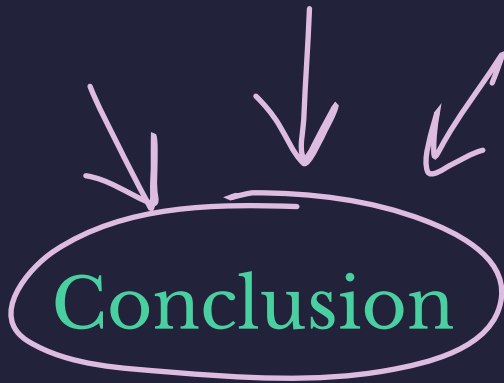
The findings are optimistic, with 63% of respondents indicating that they expect their use of vehicle hire to remain unchanged, while 20% predict a decrease in usage. Additionally, the perceived value offered by vehicle mobility companies remains strong, with 48% of consumers agreeing that these companies offer good value for the price.



I feel that vehicle mobility companies offer a good value for the price



Overall, consumer sentiment towards vehicle hire is positive but there is space to jump ahead. There is a clear demand for comprehensive, easily accessible information about the services being offered, coupled with high-quality customer service, to enhance the hiring experience.



Conclusion

Our exploration into electric vehicle hire presents actionable insights for businesses to steer towards compliant, sustainable mobility. By aligning with these recommendations, companies can accelerate their journey into the green revolution, ensuring environmental and economic benefits.

Here are some key takeaways:

1. Education is a must

Consumers are still unfamiliar with this technology which can be off-putting. Equip them with the knowledge they need to make informed decisions.

2. Leverage consumer insights

Use detailed consumer feedback to refine EV features and services, ensuring they closely align with user needs and understanding.

3. Emphasise sustainability

Highlight your commitment to sustainability not just through your EV offerings but also in your operational practices to attract eco-conscious consumers.

Vypr's platform is instrumental for businesses aiming to lead in the EV hire market. It can provide critical insights into consumer behaviour and preferences. You'll be equipped to make informed decisions, ensuring your services are aligned with evolving market demands and environmental goals.

Better decisions, **winning** products.

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Are you ready to redefine your product development strategy and secure a competitive advantage in your industry? Find out about the power of Vypr today.

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