

AUTOMOTIVE & ASSEMBLY PRACTICE

Learning from Japan's early electric-vehicle buyers

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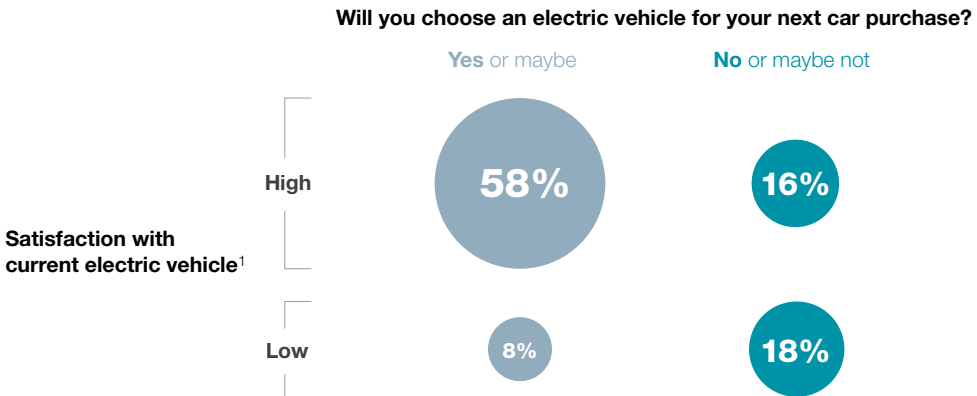
About one-third of early buyers in Japan say their next car may not be an electric vehicle. Companies should heed their complaints.

If electric vehicles (EVs) are to develop from a niche into a mass market, car-makers should learn from early adopters who say they may not buy one again. Our recent research on such consumers in Japan finds that about one-third of them fall into this category. These buyers said they were “seduced” by low energy costs, attractive subsidies, and a good test drive. But they were less well informed about EVs than were environmentally conscious “green enthusiasts” (who love EV technology for its low energy costs and comfortable driving experience) and became less

enthusiastic about their purchase when they faced issues such as higher electric bills and locating places to charge their cars. To lock in the reluctant buyers, EV makers should adopt retention and education programs to avoid negative market feedback that could “poison the well” for new buyers. We also found that although early adopters weren’t concerned about price, nonbuyers were. Until prices drop to the point where the level of mass-market uptake stimulates infrastructure development, manufacturers must learn how to build customer loyalty to broaden the market for EVs. ○

Approximately one-third of early adopters in Japan may not buy an electric vehicle next time.

% of electric-vehicle buyers



¹High satisfaction = respondents who answered “very satisfied” or “satisfied”; low satisfaction = respondents who answered “somewhat satisfied” or “unsatisfied.”

Source: 2012 McKinsey online survey of 1,300 respondents, including 106 early electric-vehicle buyers, who had bought a car in Japan in the last 24 months; in-depth interviews; observational research; and focus groups

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