

The Role of Car Dealerships in Promoting Electric Vehicles: Covert Participatory Observations of Car Dealerships in Sweden

Authors : Anne Y. Faxer, Ellen Olausson, Jens Hagman, Ana Magazinius, Jenny J. Stier, Tommy Fransson, Oscar Enerback

Abstract : While electric vehicles (both battery electric vehicles and plug-in hybrids) have been on the market for around 6 years, they are still far from mainstream and the knowledge of them is still low among the public. This is likely one of the reasons that Sweden, having one of the highest penetrations of electric vehicles in Europe, still has a long way to go in reaching a fossil free vehicle fleet. Car dealerships are an important medium that connects consumers to vehicles, but somehow, their role in introducing electric vehicles has not yet been thoroughly studied. Research from other domains shows that salespeople can affect customer decisions in their choice of products. The aim of this study is to explore the role of car dealerships when it comes to promoting electric vehicles. The long-term goal is to understand how they could be a key in the effort of achieving a mass introduction of electric vehicles in Sweden. By emulating the customer's experience, this study investigates the interaction between car salespeople and customers, particularly examining whether they present electric vehicles as viable options. Covert participatory observations were conducted for data collection from four different brands at in total twelve car dealers. The observers worked in pairs and played the role of a customer with needs that could be matched by an electric vehicle. The data was summarized in observation protocols and analyzed using thematic coding. The result shows that only one of twelve salespeople offered an electric vehicle as the first option. When environmental factors were brought up by the observers, the salespeople followed up with lower fuel consumption internal combustion engine vehicles rather than suggesting an electric vehicle. All salespeople possessed at least basic knowledge about electric vehicles but their interest of selling them were low in most cases. One of the reasons could be that the price of electric vehicles is usually higher. This could be inferred from the finding that salespeople tend to have a strong focus on price and economy in their dialogues with customers, regardless which type of car they were selling. In conclusion, the study suggests that car salespeople have the potential to help the market to achieve mass introduction of electric vehicles; however, their potential needs to be exploited further. To encourage salespeople to prioritize electric vehicles in the sales process, right incentives need to be in place.

Keywords : car dealerships, covert participatory observation, customer perspective , electric vehicle, market penetration

Conference Title : ICAFVFD 2018 : International Conference on Alternative Fuel Vehicles and Future Directions

Conference Location : Paris, France

Conference Dates : June 25-26, 2018