

Selling Electric Vehicles: Experiences from Car Salesmen in Sweden

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Abstract : Sweden has the second highest electric vehicle (plug-in hybrid and battery electric vehicle) sales per capita in Europe but in relation to sales of internal combustion engine electric vehicles sales are still minuscular (< 4%). Much research effort has been placed on various technical and user focused barriers and enablers for adoption of electric vehicles. Less effort has been placed on investigating the retail (dealership-customer) sales process of vehicles in general and electric vehicles in particular. Arguably, no one ought to be better informed about needs and desires of potential electric vehicle buyers than car salesmen, originating from their daily encounters with customers at the dealership. The aim of this paper is to explore the conditions of selling electric vehicle from a car salesmen's perspective. This includes identifying barriers and enablers for electric vehicle sales originating from internal (dealership and brand) and external (customer, government) sources. In this interview study five car brands (manufacturers) that sell both electric and internal combustion engine vehicles have been investigated. A total of 15 semi-structured interviews have been conducted (three per brand, in rural and urban settings and at different dealerships). Initial analysis reveals several barriers and enablers, experienced by car salesmen, which influence electric vehicle sales. Examples of as reported by car salesmen identified barriers are: -Electric vehicles earn car salesmen less commission on average compared to internal combustion engine vehicles. -It takes more time to sell and deliver an electric vehicle than an internal combustion engine vehicle. -Current leasing contracts entails relatively low second-hand value estimations for electric vehicles and thus a high leasing fee, which negatively affects the attractiveness of electric vehicles for private consumers in particular. -High purchasing price discourages many consumers from considering electric vehicles. -The education and knowledge level of electric vehicles differs between car salesmen, which could affect their self-confidence in meeting well prepared and question prone electric vehicle buyers. Examples of identified enablers are: -Company car tax regulation promotes sales of electric vehicles; in particular, plug-in hybrid electric vehicles are sold extensively to companies (up to 95 % of sales). -Low operating cost of electric vehicles such as fuel and service is an advantage when understood by consumers. -The drive performance of electric vehicles (quick, silent and fun to drive) is attractive to consumers. -Environmental aspects are considered important for certain consumer groups. -Fast technological improvements, such as increased range are opening up a wider market for electric vehicles. -For one of the brands; attractive private lease campaigns have proved effective to promote sales. This paper gives insights of an important but often overlooked aspect for the diffusion of electric vehicles (and durable products in general); the interaction between car salesmen and customers at the critical acquiring moment. Extracted through interviews with multiple car salesmen. The results illuminate untapped potential for sellers (salesmen, dealerships and brands) to mitigating sales barriers and strengthening sales enablers and thus becoming a more important actor in the electric vehicle diffusion process.

Keywords : customer barriers, electric vehicle promotion, sales of electric vehicles, interviews with car salesmen

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