

Press release

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Lower fuel costs, not climate change, boost interest in electric vehicles

2023 Global Automotive Consumer Study

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- While the number of Belgians who plan to buy a gasoline/diesel vehicle is down from 51% last year to 47% this year, the number that plan to buy a hybrid vehicle (35%) or all-battery powered vehicle (13%) is up
- The most important factor in choosing an electric vehicle (EV) is the cost of fuel
- 75% of respondents who intend to purchase EV plan to charge their car at home and 35% would like to charge it with an alternative power source
- Only 8% expect to wait less than 10 minutes to charge their car, challenging conventional wisdom that matching the gasoline/diesel public charging experience is ‘table stakes’

Belgian consumers are increasingly interested in electric vehicles, motivated by lower fuel costs, less maintenance, extra taxes on traditional engines, government incentives, and a better driving experience, reveals Deloitte’s 2023 Global Automotive Consumer Study. However, there are a variety of challenges standing in the way, including affordability, range anxiety, charging time, and the availability of charging infrastructure.

Aled Walker, Automotive Leader at Deloitte Belgium: *“We are moving toward an electric mobility future, especially for company cars, but whether we will move fast enough to achieve the ambitious goals that have been set for carbon emissions reduction remains to be seen. From the cost to charging facilities, providers still need to convince private Belgian consumers that choosing electric will benefit them, as well as the environment.”*

Electric vehicles gain traction, but challenges remain

The top reason that Belgian consumers choose an electric vehicle is lower fuel costs, followed by less maintenance and extra taxes on traditional combustion engine vehicles.

Twenty-seven percent of consumers are concerned about the resale value of the vehicle given questions around long-term battery condition/health. This is especially true for those intending to buy a used BEV (Battery Electric Vehicle) (35%) compared to a new BEV (24%).

“The perception that fuel costs will be significantly lower remains the primary draw to go electric, outweighing any concerns about climate change. The majority of both internal combustion engine and electric intenders expect to pay less than €50K for their next vehicle, signalling a potential affordability risk. The current financial crisis is clearly driving consumer decisions,” explained Walker. *“With most electric vehicles starting at €50K, the gap between the haves and have nots will become increasingly apparent.”*

Seven in 10 non-BEV intenders would expect a fully charged BEV to have a driving range of at least 400 km in order to consider it as a viable option for their next vehicle. Six in 10 consumers cite up-front purchase price as the biggest hurdle to BEV penetration, underlining the need to address elevated transaction prices and highlighting an opportunity for mobility providers to offer BEVs via leasing or subscription models. Three of the top five concerns directly relate to charging, highlighting that consumers still suffer from range anxiety and perceive charging infrastructure as a key issue for mobility providers to solve going forward.

Interestingly, more than 4 in 10 respondents would rethink their decision to purchase an EV if an environmentally sustainable, synthetic combustion fuel was available.

When it comes to charging, convenience is king

Most Belgian EV intender respondents (75%) plan to charge their vehicle at home with 31% intending to use the regular power grid. An alternative power source is preferred by 35% (compared to 29% in Germany and 13% in the Netherlands), while 21% prefer a mix of regular and alternative power. Those not intending to charge at home cite high installation costs.

Half of Belgian consumers would prefer to pay for public EV charging via credit/debit card payments (41% 18-34 years old; 44% 35-54 years old; 63% 55 or older), signalling the demand for standardising the public charging experience to maximise utility and convenience. Convenience is also a priority when it comes to the public charging location with the majority of consumers wanting amenities such as restrooms, Wi-Fi connectivity, and quick beverages.

Fifty-five percent of Belgian respondents would wait between 10 and 40 minutes for their vehicle to charge from empty to 80% at a public charging station.

“Interestingly, only 8% of Belgians expect to wait less than 10 minutes to charge their car at a public location, challenging conventional wisdom that matching the petrol/diesel station experience is ‘table stakes’,” stated Walker.

New vs. used vehicles

One in three Belgian consumers intends to buy a used vehicle next, primarily because they cannot afford a new vehicle (41%) or see it as better value for money (31%). Forty-nine percent, compared to 39% in our neighbouring countries, intend to buy a new vehicle, citing reliability (31%) as the most important factor.

The majority of Belgian consumers (7 in 10) who purchased their current car as new intend to buy a new vehicle again motivated by reliability and manufacturer warranty, while only 2 in 10 people who acquired a used vehicle said the same.

Some things never change as consumers still want a good deal (60%) with transparent pricing (52%) and getting their queries resolved (41%) before they commit to buying a vehicle.

Dealers engender the most trust

When asked who they trust most, 79% of Belgian consumers point to the relationship they have with either their selling or servicing dealership, highlighting the important role dealers play in the automotive value chain. More than 7 in 10 consumers who originally acquired a new vehicle routinely take it back to the dealership to be serviced, whereas only 34% of used vehicle owners do the same. Trust in dealers (servicing or selling) is similar in our neighbouring countries.

Data challenges

On one hand, Belgian consumers trust dealers (19%) and car manufacturers (17%) the most to manage the data generated by their vehicle. On the other hand, 28% don't trust anyone. Yet, they are willing to share personally identifiable information if it helps them get traffic/road safety updates, maintenance costs/updates, and ways to lower service expenses. Sharing data related to the vehicle's location, connected services, and biometric data is a concern for 4 out of 10 Belgians.

“Connected vehicles can enhance the mobility experience, but more than one in four Belgian consumers still do not trust anyone with their data. In an increasingly competitive global market, those who manage to earn that trust will unlock a critical advantage, enabling new digital services for consumers,” concluded Aled Walker.

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About the Global Automotive Consumer Study

From September through October 2022, Deloitte surveyed more than 26,000 consumers in 24 countries, including 1,019 consumers in Belgium, to explore opinions regarding a variety of critical issues impacting the automotive sector. The 2023 Global Automotive



Consumer Study, the 13th annual report, provides important insights that can help companies prioritise and better position their business strategies and investments in the year to come.

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