


HOW CAR ADVERTISERS CAN PREPARE AS ELECTRIC VEHICLE FEVER (FINALLY!) REACHES THE U.S.

An Ipsos Point of View

By Laura Dranschak

GAME CHANGERS





Electric vehicles in the U.S. are entering the mainstream, according to a recent [Ipsos Auto Global Study](#). A widening selection of vehicle types, tech advances and geopolitical changes might finally be able to overcome worries about cost, distance and where to plug it in. In the last year there has been a 15% increase in consideration of battery electric vehicles among U.S. consumers, according to Ipsos' Mobility Navigator study.

This boost in interest from a once-difficult market has major implications for how car makers advertise. The industry must be smart in how it teaches American consumers about the vehicles. Despite the excitement, buyers will need a clear guide on how to own the vehicles and evidence from companies and marketers that their purchase will be manageable.

Here are four key themes Ipsos sees emerging from advertising research in the U.S. and other markets that will apply.

Key Guidance

- Consumers need to be persuaded through a mix of seduction and information.
- Advertising must inspire prospective buyers to explore ownership.
- As more car models become electric, they must compete not just as electric cars, but as cars.
- Marketers must replace the now-dated electric vehicle narrative with a new one for Americans.

1. Desire and information = persuasion

When it comes to the electric vehicle industry, advertisers must unveil as much information as possible to consumers hungry to know about the features of the car, the driving range and so on.

Ipsos' John Kiser, Senior Vice President, U.S. Automotive & Mobility, says a correlation between greater familiarity and greater interest can be seen in America.

"In the U.S., knowing a fair amount about BEVs more than doubles consideration for them. Increasing future sales for BEVs will rely on companies improving awareness of their product. The auto industry has seen this need to improve familiarity in the past, with some advanced driver assist features such as ACC and even autonomous driving. A growing consumer awareness led to an increased desire to have them in vehicles."

Extensive Ipsos creative testing across auto categories shows that information helps to boost persuasion. The top two drivers of persuasion are perceptions that the ad is "Informative" and "Believable."

When the characters in the ads are shown interacting with the vehicle features, like plugging it in and driving it, these scenes help to boost engagement levels. Conversely, communicating that a BEV is environmentally friendly is not necessary, or even interesting, to mainstream consumers. When ads mention "electric," people automatically make the association, freeing up valuable ad seconds to communicate information that will help overcome barriers. For example, a tested ad that included many visuals of nature and the environment achieved low scores on both short- and long-term effects, and did not come across as unusually informative or engaging emotionally.



2. Advertising must inspire consumers to explore ownership

As with the communications funnel for any vehicle, BEVs will need a mix of desire-generation and information-provision. This is especially important for BEVs because owning an electric vehicle is quite different from owning a conventional car, and this novelty is a barrier to prospects. Yet while new technology places a lot of demand on informational advertising, the creation of desire is just as critical. Desire is what will propel people to explore ownership and seek out information.

Ipsos conducted a regression analysis to reveal the benefits that are most impactful for BEV consideration. The top driver focused on convenience, but after

convenience, a nice-looking vehicle proved to be very important. Connecting with human emotion is a key role for advertising in the U.S. market.

Ipsos concluded after a recent ad assessment for a U.S. auto brand that “the release of an electric vehicle from this brand is exciting, surprising and new. It is intriguing to many consumers, which is driving interest to take action and learn more after seeing the ad.” As one respondent told us, “I really enjoyed the commercial, but I don’t know anything about electric cars. So maybe a little education about that would be helpful because I know nothing.”



ULTIMATELY, PEOPLE WANT CARS THAT THEY ENJOY DRIVING; THIS IS WHAT TRADITIONAL MANUFACTURERS KNOW HOW TO DO. “THIS IS WHAT WE’RE REALLY, REALLY GOOD AT. THAT’S THE ADVANTAGE,” SAYS STEFAN NIEMAND, HEAD OF ELECTRIFICATION AT AUDI. “IF YOU COMPARE THE E-TRON (AUDI’S ELECTRIC SUV) TO OTHER FULLY ELECTRIC CARS FROM NEWCOMERS, THEN YOU SEE THE KNOWLEDGE THAT WE HAVE IN BUILDING CARS.”

<https://www.cnn.com/interactive/2019/08/business/electric-cars-audi-volkswagen-tesla/>



3. People want to know more about the ‘car’ part of electric cars.

As more car models become electric, they compete not just as electric cars, but as cars. A key change is that BEVs are no longer a subsegment of the auto category. Increasingly they are the auto category. And this both reflects and drives a key change—the recognition that BEVs are no longer one-size-fits-all. As with conventional vehicles, advertisers must gain insight into the key motivators of their subset of the BEV category.

In advertising this development leads to storytelling outside the confines of ‘it’s an electric vehicle.’ The story being told needs to be clear and engaging in order for the ad to perform well. This is an instance in which desire may be generated by advertising that sticks to car ad conventions. If it is a performance vehicle, it must roar and corner. If it is a truck, it must look and behave like a truck. One example of how advertisers could approach this? A sense of “It’s a Mustang first, then an electric vehicle.” Or, “it’s an SUV with the heart of a Mustang,” versus, say, just a gas-guzzling GMC Hummer.

Ipsos conducted a live test of car advertising during the 2020 Super Bowl, including four ads for BEVs. This mini-laboratory found that among the BEV examples were both the most engaging and the least engaging car ad. There is nothing intrinsic about the technology that drives success—advertisers must as usual be creative to drive engagement. An important note about noise: Silence in ads will not reassure consumers on performance. This issue also emerged in the 2020 Super Bowl. One ad—GM’s Quiet Revolution—failed to resonate with consumers because of a lack of traditional auto cues. GM’s choice

to focus on the silence of its vehicle may have been a risky creative move within the cluttered, loud Super Bowl environment. In fact, peak engagement with the ad occurred during a loud interlude. The marketing for electric vehicles should take note of this—while consumers may enjoy quieter vehicles while driving them, silence often backfires in vehicle advertising.

Super Bowl 2020 Auto Ads	Maximum Engagement %	Average Engagement %
Electric Vehicle Ad 1	67	45
Non Electric Vehicle Ad 2	64	38
Electric Vehicle Ad 3	64	42
Non Electric Vehicle Ad 4	64	29
Non Electric Vehicle Ad 5	61	40
Electric Vehicle Ad 6	61	34
Non Electric Vehicle Ad 7	59	32
Non Electric Vehicle Ad 8	48	26
Electric Vehicle Ad 9	44	28

Finally, BEVs bring entirely new benefits into the car category around for example storage, seating and portable power. These are benefits that consumers may not even yet know they want. In this regard, advertising BEVs is more like advertising a new technology such as a tablet or virtual reality headset. There is a need to help people understand why they might want it. Expect to see advertising showing people enjoying a camping excursion into nature with their campsite powered by their BEV.

4. A conquering new narrative

The U.S. has long had a narrative about the electric vehicle that challenges its practicality in a huge country where people drive a lot. Marketers need to replace that narrative with a new one; that narrative must focus on knocking down barriers and finding new benefits as well as creating desire.

Previously, barriers for electric vehicles in the U.S. have included concerns about battery range, charging infrastructure and higher prices. Now, falling battery costs, government regulation and generous subsidies are driving growth. How are advertisers addressing practical concerns and challenges in their messaging? The answer will be the key that unlocks this huge trend in a country that has long been wary of it—and will mean a major payday for both automakers and the advertisers selling their electric vehicles.

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What's Next:

- Update messaging to tackle the key barriers preventing drivers from switching to electric vehicles.
- Stress the substantial driving range and easy access to charging to ease American's worries.
- Boost emotional engagement levels in ads to make the electric vehicle—more desirable and covetable to buyers.