

Abstract #: 251

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Abstract Title: New Car Dealers and Retail Innovation in California's Plug-in Electric Vehicle Market

Abstract Text: Do new car dealers help or hinder the growth of the EV market? The success of innovative new products often rests on innovation in product distribution. This is especially true where technical advances break from historic industry patterns of innovation, entails new modes of consumer behavior or involves new support infrastructure on which customers rely. I examined national survey data collected from new car buyers by market research firm J.D. Power & Associates and conducted 48 interviews with automakers, new car dealers and electric utilities in California's core PEV markets. The analysis revealed that PEV buyers reported lower retail satisfaction and intended make loyalty, despite a greater opportunity for automakers to win customers from competing makes. By contrast, buyers from start-up PEV manufacturer Tesla Motors, noted for using a direct-to-consumer distribution model, reported industry-high retail satisfaction and intended make loyalty. The research offers insights on this disparity and posits that critical aspects of the traditional retail model may hinder uptake of these technologies by independent dealers and end customers. I identify critical areas for policy attention and call for more "retail friendly" policies to improve the effectiveness of government incentive programs.