

Consumer choice – the move to low carbon cars

14th April 2005

SMMT

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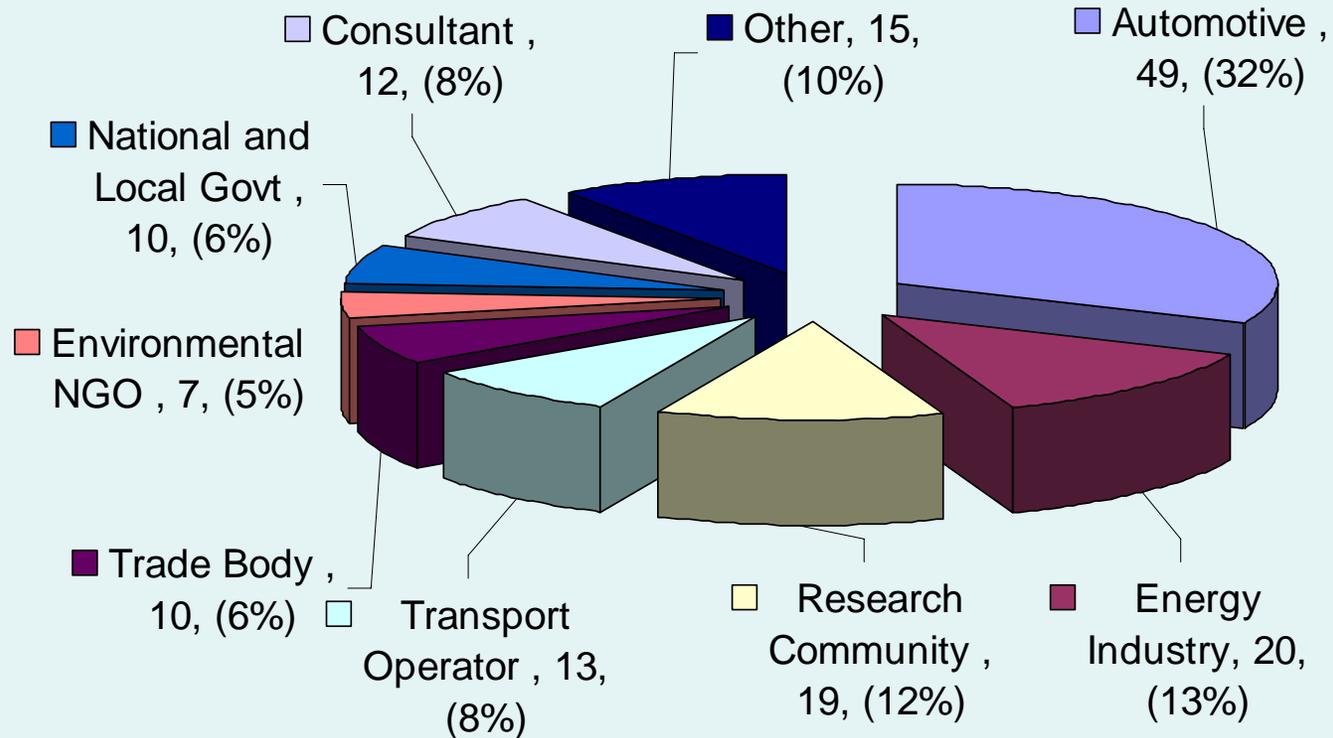
Low Carbon Vehicle Partnership

Director

Low Carbon Vehicle Partnership

Accelerating a sustainable shift to low carbon vehicles and fuels in the UK

Stimulating opportunities for UK businesses

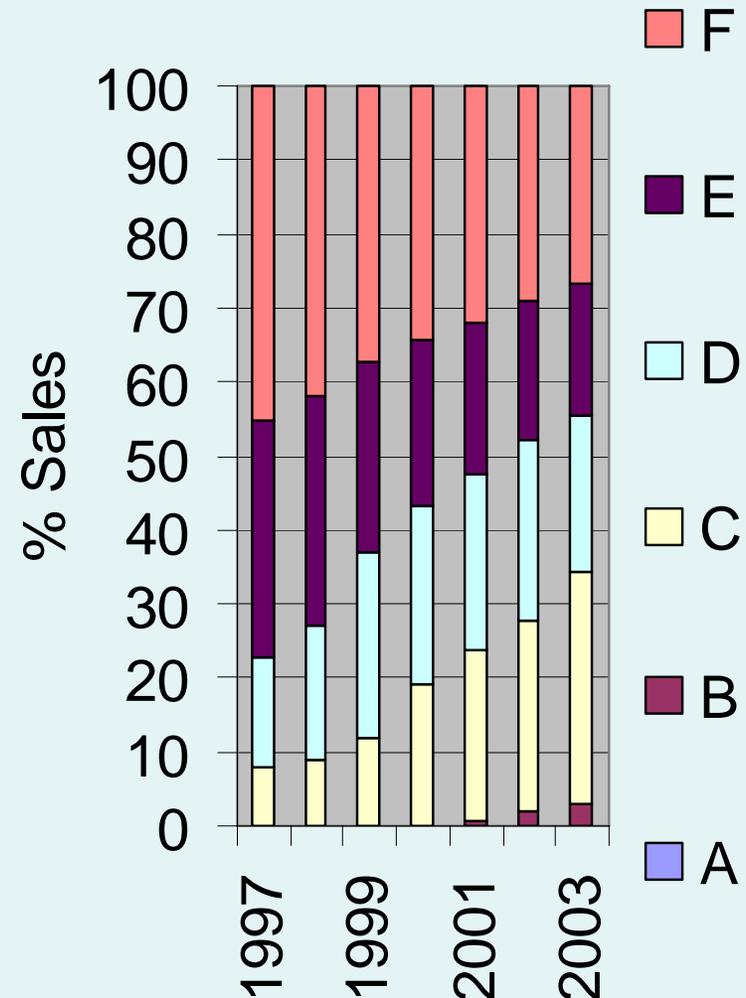


Study objectives

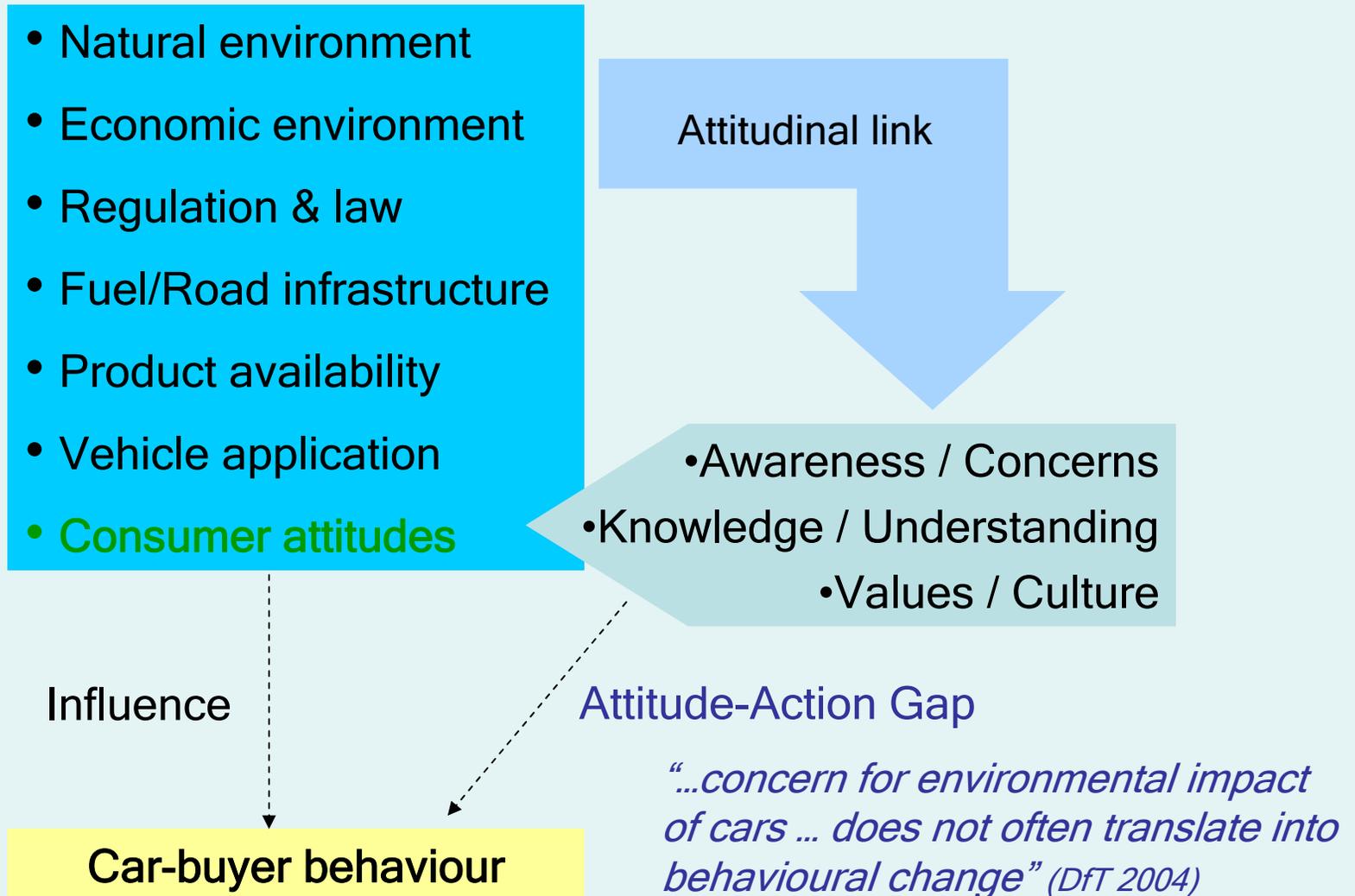
To investigate -

- Awareness, knowledge and understanding of low-carbon and/or fuel-efficient passenger cars
- Attitudes to the environment in relation to low-carbon passenger cars
- Likely adoption of fuel-efficient/low-carbon passenger cars, including barriers and motivations.
- Desk research conducted by Ecolane Consultants

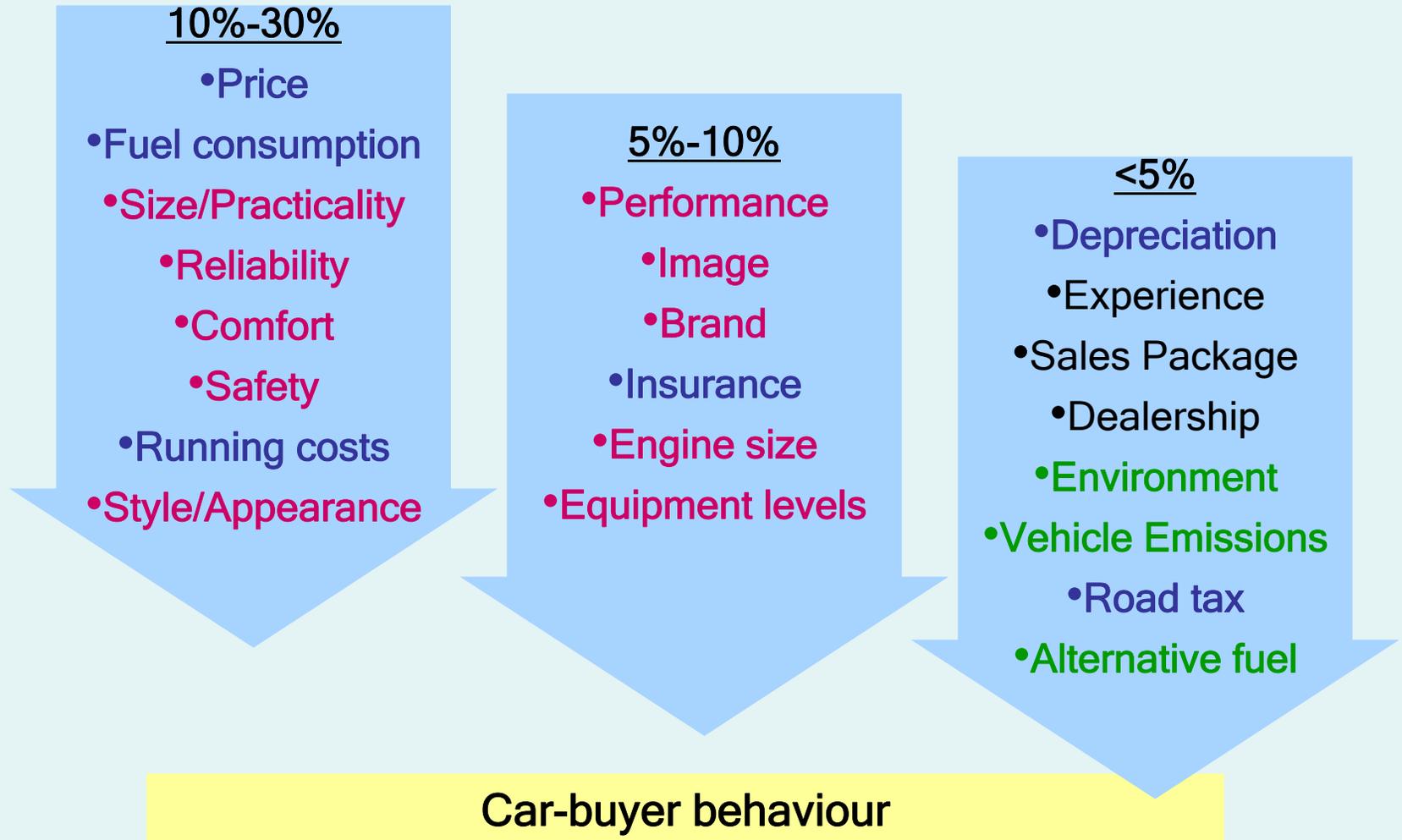
Sales of new vehicles



Car-buyer attitudes & behaviour



Running (fuel) costs are reported as an important factor influencing new (private) car buyers

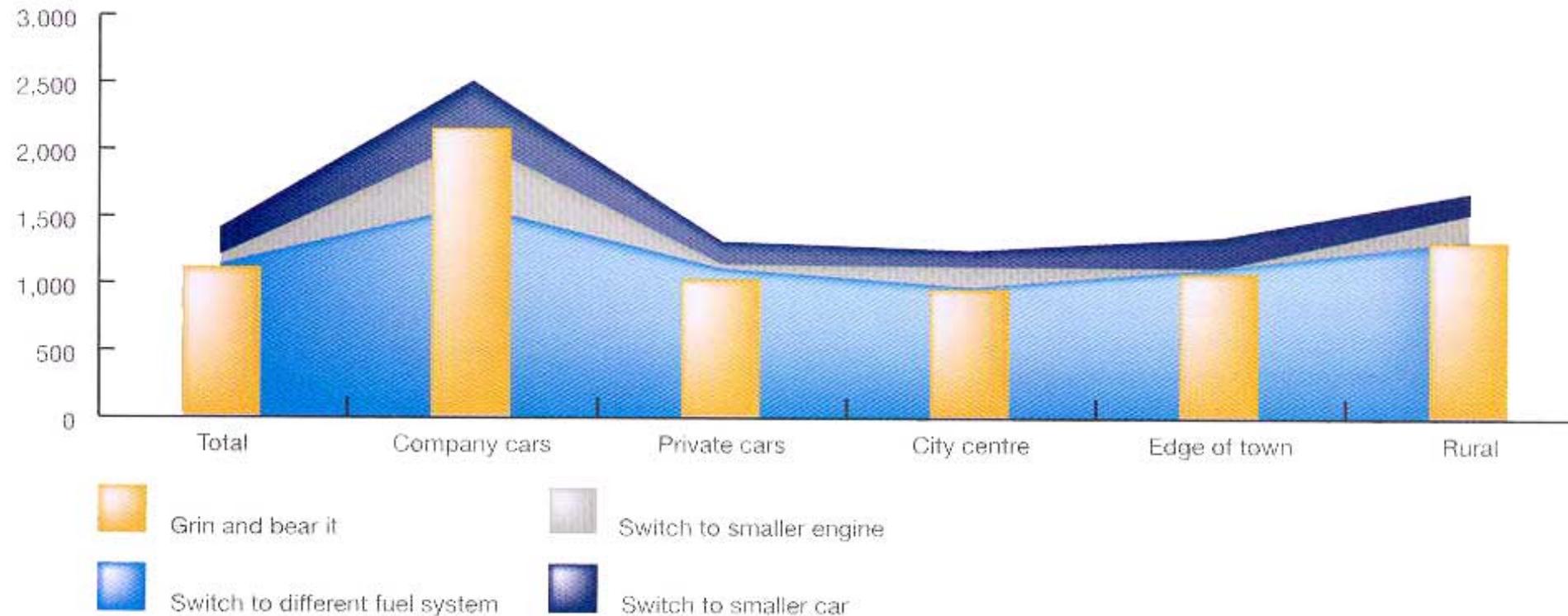


But - evidence indicates (private) car buyers pay little attention to mpg in their decision making

Many car-buyers –

- Cannot confidently estimate their fuel costs
- Assume that there is little difference in ‘mpg’ between cars within a class (eg within diesels, superminis, etc)
- Consider ‘mpg’ as an aspect of car design that can only be achieved by compromising performance and safety (TRI/ECI 2000)
- Do not trust test-cycle results – undermining confidence in reported fuel economy
- Consider fuel costs as part of “household budget”
- Will endure significant price increases before considering switching to low carbon vehicles
- Assume buying new means buying best

Motorists will also endure significant additional costs before switching to an alternative vehicle

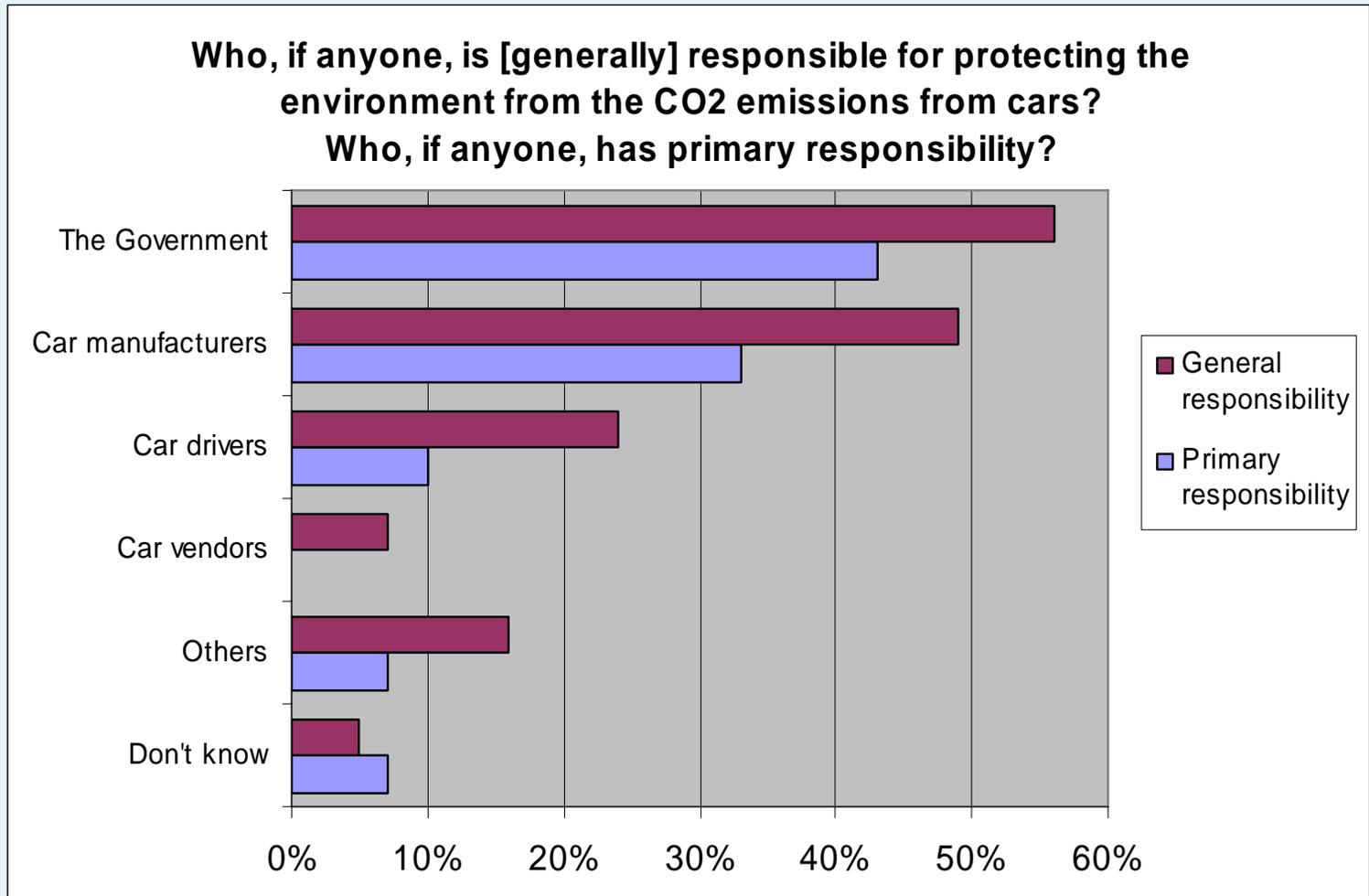


Public understanding of climate change and vehicle emissions are limited

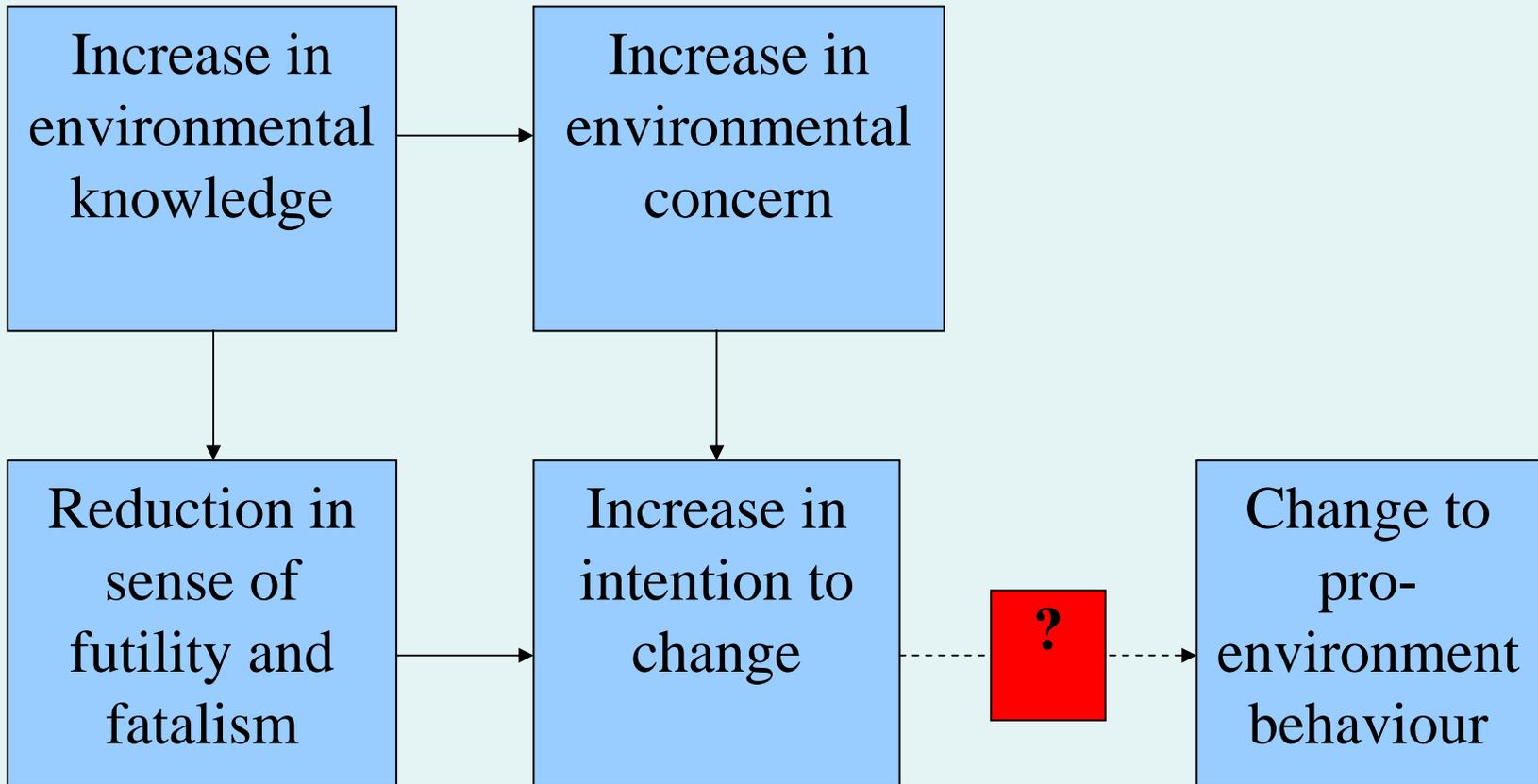
- ❑ There are widespread public pre / misconceptions concerning alternative fuelled / low carbon vehicles
- ❑ Public concern about climate change is very high – but understanding of the causes and solutions more limited
- ❑ The new car label will raise awareness of vehicle emissions and the link with mpg and running costs

Fuel Economy		Ford Fiesta 1.4 TDCi ZETEC
CO₂ emission figure (g/km) 		B 117 g/km
Fuel cost (estimated) for 12,000 miles <small>A fuel cost figure indicates to the consumer a guide fuel price for comparison purposes. This figure is calculated by using the combined drive cycle (town centre and motorway) and average fuel price. Re-calculated annually, the current cost per litre is as follows – petrol 76p, diesel 78p and LPG 36p (VCA May 2004).</small>		£662
VED for 12 months <small>Vehicle excise duty (VED) or road tax varies according to the CO₂ emissions and fuel type of the vehicle.</small>		£85
Environmental Information		
<small>A guide on fuel economy and CO₂ emissions which contains data for all new passenger car models is available at any point of sale free of charge. In addition to the fuel efficiency of a car, driving behaviour as well as other non-technical factors play a role in determining a car's fuel consumption and CO₂ emissions. CO₂ is the main greenhouse gas responsible for global warming.</small>		
Make/Model Ford Fiesta 1.4 TDCi ZETEC	Engine capacity (cc): 1399 Transmission type: 5 speed manual	
Fuel Consumption:		
Drive cycle	Litres/100km	Mpg
Urban	5.4	52.3
Extra-urban	3.8	74.3
Combined	4.4	64.2
Carbon dioxide emissions (g/km): 117g/km Important note: Some specifications of this make/model may have lower CO ₂ emissions than this. Check with your dealer.		

Few motorists take personal responsibility for reducing CO2 emissions from the vehicles they drive



Awareness raising will not alone bridge the attitude action gap and change consumer behaviour



Strategies to promote sales of low carbon vehicles

- Improve information provision and educational campaigns
- Increase economic incentives and reception of price signals
- Promote image and amenity value
- Target early adopter segments
- Improve understanding of the most effective strategies to influence consumer behaviour



Thank you

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