



MAY 2021

# Electrification-Bound:

How Utilities Can Support Their Customers' EV Journey





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## INTRODUCTION

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We're alive at a really cool time in terms of new technology adoption. We went from stopping by a friend's house to calling them on our landline to shooting them a quick text message, all within a couple decades. What started as gathering around the family television for one program per week has turned into everyone streaming their own favorite shows on their own devices. And how quickly did seeing an electric vehicle on the road go from a fun novelty to an everyday occurrence?

Depending where you live, that answer may vary. But electric vehicle (EV) adoption has been gaining momentum for the past few years across the globe. In the United States, 2021 is especially poised to become a pivotal year for EV adoption, thanks to a broader selection of EV models, rising consumer interest, and a mixture of [federal and state legislation](#) designed to make EV ownership more beneficial. In fact, Edmunds recently predicted that by 2030, EVs will account for 19 million cars on the road.

But across the nation, EV adoption rates are inconsistent. California, for example, has mandated that by 2035, all new cars and passenger trucks sold in the state must be zero-emission vehicles. In contrast, other states like Wyoming have recently proposed an additional tax on electric and hybrid vehicles, potentially inhibiting EV growth within the state. And the South, most notably Alabama, Arkansas, and Mississippi, is experiencing the lowest EV adoption rates in the country due to lack of dealership inventory, and a shortfall in public charging stations. With these challenges and variances in mind, it's not surprising

that most utilities are still in the early stages of EV adoption and programming, or maybe don't even know where to start.

The United States is the world's second-largest producer of greenhouse gases, with transportation contributing the largest share of emissions. This means that regardless of where utilities find themselves across the nation, supporting the market shift to electrification is not only advantageous, it's vital to sustaining our environment and fighting climate change. And as local governments and car manufacturers continue doubling down on their commitment to electrification, [EVs are set to inevitably overtake gas-powered engines](#) eventually.

So, what's a utility's role in the customer journey of an EV purchaser? Standing on the sidelines and giving an intermittent thumbs-up of encouragement? Although many utilities might be unclear on how to support customers through the various stages of EV ownership, their involvement is vital. From generating additional revenue to managing charging behavior, a utility should accompany its customers in every step along their journey.



## THE UNIQUE JOURNEY OF AN ELECTRIC VEHICLE PURCHASER

For just a moment, forget we're talking about electric vehicles. Let's instead pretend we're talking about hiking. Oh, and you're not a utility, you're in the hiking industry.

First, hiking wasn't very popular. It was only perceived as a pastime for the rich and privileged, and so you watched on as hikers picked out their walking sticks, laced up their boots, and headed out onto the trail. You heard rumors that their hiking may be beneficial for your business, but you weren't really sure if it was true, so you left it alone.

But now, you've begun seeing droves of hikers! They all want to know which walking stick will be best for them and why they should choose it, whether their new hiking boots will actually fit their needs or require replacement within a year, which national park regulations will apply to them, and they're hitting the trails with no signs of slowing down. Hiking is gradually becoming the new normal, and you realize it's time to figure out where your organization fits in the grand scheme of things. You know there are plenty of ways to support these hikers, but where do you begin?

It all starts with breaking down the customer journey. And yes, we're back to talking about EV adoption. Supporting customers on their unique journey of EV adoption is a massive opportunity for utilities to boost their bottom line, support their customers, and help develop beneficial charging habits early. The key is to provide personalized support that's actually helpful for each customer—you wouldn't recommend boots to someone who was looking for a walking stick.



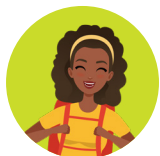
## EV customers generally fall within three well-defined segments:



Early Shoppers: they aren't quite ready to shop for an EV, but they're interested in learning about them.



Advanced Shoppers: they're actively in the market, looking for information to support a purchase decision.



Owners: they are early adopters searching for the right chargers and enrolling in utility programs to potentially reduce their cost of ownership.

## So, how can your utility cater to each of these segments?

First, it's helpful to understand exactly what they're looking for, how they're motivated, and what it will take for them to move forward in their journey. Let's break down each of these three main segments to take a closer look at the typical EV customer's journey.



## SERVING THE RIGHT SEGMENT: THE EARLY SHOPPER

“Why would I buy an EV instead of an internal combustion engine vehicle?”

“EVs must be expensive to maintain; what is the cost of ownership?”

What’s the difference between an electric vehicle and a plug-in hybrid electric vehicle?”

“What if I don’t live near a charging station?”

“I’ve heard EVs are expensive. How much do they cost?”

“How far can an EV go before it needs to be charged?”



### DESCRIPTORS

Looking for trusted sources to provide EV information

Just window shopping—for now

**MAIN CONCERN: LEARNING THE BASICS**

In order for a utility to meet the needs of an early shopper, they must provide educational information in broad strokes. At this stage, a utility’s primary goal is to convert the early shopper to an advanced shopper. This means convincing them of the benefits an EV presents—both to themselves as well as their community.

While providing customers with EV education will vary from utility to utility, some basics should stay the same. Early shoppers will benefit from an engaging database with trustworthy content designed to address the most common EV purchase barriers, including range anxiety, maintenance costs, and availability of charging infrastructure.



## SERVING THE RIGHT SEGMENT: THE ADVANCED SHOPPER



### DESCRIPTORS

Debating which EV will best meet their needs

Utilizing online tools to compare EVs

Shopping around and test-driving different EV models

**MAIN CONCERN:** MAKING A COST-EFFECTIVE PURCHASE

When a utility is seeking to meet the needs of an advanced shopper, it's important to provide them with hard data and numbers. They're considering making a purchase, but they need to understand how it will affect their budget and bottom line. Comparison tools are the perfect solution for helping shoppers make a decision.

Whenever a utility leverages an online tool, it's important to invest the proper resources into building an intuitive and seamless user experience. No one likes a clunky online tool—especially someone thinking about a sleek new car.

Providing access to federal, state, and local rebates and incentives is another great way to encourage EV adoption. When a customer is in their budgeting mindset, every penny saved will bring them one step closer to making that purchase.



## SERVING THE RIGHT SEGMENT: THE OWNER

“I know I’m not paying for gas anymore, but I wasn’t expecting the energy bill to be so high!”

“What is the best home charger for my needs?  
Where do I find an installer for my home charger?”

“How does managed charging work? Would it be inconvenient/ worth the incentive?”

“When is the best time to charge my EV?”



### DESCRIPTORS

Adjusting to the ins and outs of an electric vehicle

Considering a faster home charger purchase

Looking for even more ways to save money

**MAIN CONCERN:** GETTING THE MOST OUT OF THEIR INVESTMENT

Once a customer has officially purchased their electric vehicle, they will have a whole new set of questions. Their utility can help by providing ongoing education and resources for new owners. Customers who are now charging their cars may also take some time to adjust to their new energy bill. To alleviate some of the associated stress, a utility can promote time-of-use (TOU) rates, vendor partnerships with charging infrastructure, and incentives for chargers.

With a growing charging load that can be both flexible and intelligent, EVs represent the evolution of the grid. Through managed charging programs, utilities can shape behavior and better manage peak demand. Encourage owners to purchase the right Level 2 charger that allows them to participate in managed charging programs by providing incentives to customers that are tied to EV charging behavior. A managed charging program could encourage EV customers to shift charging to align with the utility’s grid optimization plan, matching renewable energy availability and/or avoiding peak demand.



## CONCLUSION

Just like our metaphorical hikers hitting the forest in droves, electric vehicles are increasingly gaining popularity. As more auto manufacturers throw their hats into the ring, choices will broaden and prices will decrease, driving adoption even higher. Throw state and federal incentives and regulations into the mix, and it's a no-brainer: utilities should be supporting their EV customers at every stage of their buyer's journey.

From primary researcher to card-carrying EV aficionado, every customer is looking for trusted EV resources. Now is the ideal time for utilities to get involved or deepen the existing engagement with their EV customers. Once positioned as knowledgeable advisors within a hot new market, EV communication and resources open the door for utilities to influence home charger selection, encourage enrollment in demand response programs, and ultimately drive responsible charging behaviors to manage grid impact.

**Contact Franklin Energy to find out how we can help you target, educate, and empower customers through their EV journeys and beyond with our streamlined integrated marketplace platform and interactive EV programming.**

**CONTACT US**



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To help all people use our world's precious resources more efficiently



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