



Market Report

A Snapshot of your Market Sector

Electric Vehicles & EV Charging

Cost of Doing Business Support

For information on **reducing the cost of running your business**, the [Find Business Support](#) website has links to advice, funding and regional support.

This pack has been designed to provide information on setting up a business in the **Electric Vehicles & EV Charging** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **August 2023**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Electric Vehicle & EV Charging market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ Recent years have seen growing demand for electric and hybrid car sales with new volumes benefitting from year-on-year growth and expanding 86.4% in 2020 and 65.6% in 2021. While Mintel estimates a more modest **19.0% increase in sales for 2022**, the expansion in demand has resulted in annual sales rising from just over 120,001 units in 2017 to over **676,000 units in 2022**. As the ban on new engine sales approaches in 2030, hybrid and electric cars are expected to account for **7 out of 10 new vehicles by 2027**. (Mintel, *Electric and Hybrid Cars - UK*, December 2023).
- ◆ Analysis of likely fuel preferences for 2021 and 2022 suggests that the recent cost of living crisis may be forcing some consumers to look towards more conservative technologies when it comes to their next car. Interest in plug-in hybrid and pure electric technologies has both fallen back with a **9-percentage decline noted for plug-in hybrid cars**. A potentially major barrier facing the automotive sector is the lack of appetite from those in rural areas for purchasing an EV or PH-EV car. Interest in the former is **32%** while the latter is **30%** with both seeing a decline in appetite between **2021 and 2022**. With the UK set to ban the sale of new petrol and diesel cars from 2030, ensuring that there are minimal barriers for buyers in less urbanised areas is essential. (Mintel, *Car Purchasing - UK*, 2023).
- ◆ Technavio has estimated the total market for electric vehicle charging infrastructure as **\$27.75 billion in 2022**, and is estimated to grow to **\$149.08 billion in 2027**. The Netherlands, Germany, France, the UK, and Norway are the main revenue contributors to the EV charging infrastructure in Europe. The demand for EV charging infrastructure, especially fast-charging infrastructure, from these countries, is encouraging vendors and governments in this region to invest in the installation of EV charging infrastructure to cater to the increase in demand. (Technavio, *Global Electric Vehicle (EV) Charging Station Market, 2023-2027*).
- ◆ The Alternatively Fuelled Vehicle Manufacturing industry is forecast to expand at a compound annual rate of **8.3% to £11 billion** over the five years through 2022-23. UK AFV manufacturers have invested significantly in developing new models over the past five years to take advantage of a rapidly growing market. According to the Society of Motor Manufacturers and Traders, AFVs accounted for **25% of new car registrations in 2022**. (IBISWorld, *Alternately Fuelled Vehicle Manufacturing in the UK*, July 2023).
- ◆ The national organisation for this industry is the **Society of Motor Manufacturers and Traders** (smmmt.co.uk). Other industry bodies include **UK Electric Vehicle Supply Equipment Association** (ukevse.org.uk), **Renewable Energy Association** (r-e-a.net) and **ChargePlace Scotland** (chargeplacescotland.org).



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Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ **Mintel - *Electric & Hybrid Cars - UK (February 2023)***. Despite the poor performance for the wider car market, demand for electric and hybrid cars remains strong. Yet with a cost-of-living crisis placing pressure on finances, even sales in this sector cannot be guaranteed to grow as predicted. Coupled with a need to invest in charging infrastructure to install further confidence from buyers, the UK market will remain constrained.
- ◆ **IBISWorld – *Alternatively Fuelled Vehicle Manufacturing in the UK (July 2023)***. The Alternatively Fuelled Vehicle Manufacturing industry is forecast to expand at a compound annual rate of 8.3% to £11 billion over the five years through 2022-23, including a projected revenue growth of 5.5% in the current year. The plug-in car grant, which provides subsidies towards consumer purchases of AFVs, has spurred demand for electric and hybrid electric vehicles over the past five years. Rising fuel prices and a significant reduction in demand for diesel and petrol vehicles has provided further growth opportunities for AFV manufacturers.
- ◆ **Technavio - *Global Electric Vehicle (EV) Charging Station Market (2023-2027)***. The global electric vehicle (EV) charging station market was valued at \$12,252.08 million in 2022 and is estimated to grow to \$31,276.96 million in 2027. This will create an incremental growth opportunity worth \$19,024.88 million between 2022 and 2027, which translates to around 156% of the market size in 2022. UK contributed 9.14% to the global electric vehicle (EV) charging station market in 2022, and its contribution will increase to 9.26% in 2027.
- ◆ **Statista – *Electric Vehicles: Market Data Analysis & Forecast (Sept 2022)*** The Electric Vehicles market plays a pivotal role in the drive toward CO2-neutral mobility and tackling climate change by extension. In 2021, unit sales of electric vehicles exceeded 6.5 million cars, and the market realized a total revenue of US\$350 billion.
- ◆ **ChargePlace Scotland** is Scotland's national Electric Vehicle (EV) charging network. They are owned and have been developed by the Scottish Government and funded in partnership through a public grant from Local Authorities and other organisations. They publish a summary of the number of public EV chargers, tickets, power drawn and sessions per month for the charge points within each of Scotland's Local Authority areas (chargeplacescotland.org/network-performance-2).
- ◆ **The Energy Saving Trust** offers information about electric vehicles and links to maps of charge points in UK and Scotland, including a summary of the difference between types of EV. (tinyurl.com/yxrgmmyh).

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#) ,[Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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