



## 2022 Japan Consumer Survey on Next-Generation Automobiles

Deloitte Tohmatsu Group

June 2022



# Contents

---

	<u>Items</u>	<u>Page</u>
	Survey results	3
	Headings	
1	Attitude toward 'Car Ownership'	4
2	Purchase behavior	12
3	Consumer profiles and powertrain selections	17
4	Implications for next-gen automobile market in Japan	22
	Survey outline	28

---

# Consumers' ideal specifications of PHEV/EV are not an 'empty wish'. It is quite likely that Next-Gen automobile markets will grow in Japan soon.

## Summary of the Results

1

### Attitude toward car ownership

- 50% of the domestic residents do not own a car while 70% of rural residents assume cars as their daily necessity. Whoever own cars as of now do not terminate car ownership.
- Mobility needs are satisfied with public transportations and privately-owned cars.
- Shared services of cars need to become more accessible, available and easily processed.

2

### Purchase Behavior

- Cost is the most important factor for purchasing a car (Purchase cost, fuel efficiency, and maintenance costs)
- Japanese minicars are the most popular car segment. Small car segment prevails while SUVs follow.
- ICE and HEV are the most popular choices as of now. PHEV/EV are becoming popular too.
- Pay 2 to 2.5M JPY in cash is the typical purchase behavior. Deferred payment and auto loan are the minor methods.

3

### Consumer profiles & Powertrain selections

- ICE is more preferred by rural residents while PHEV/EV are slightly more popular among urban dwellers.
- The higher income, the more PHEV/EV. The income level and acceptance level of PHEV/EV are proportional.
- EV is least accepted among rental house tenants; Installation of electric chargers are a factor.
- The environmentally friendliness and cheaper TCO of PHEV/EV are viewed favorably.

4

### Implications for next-gen automobile market in Japan

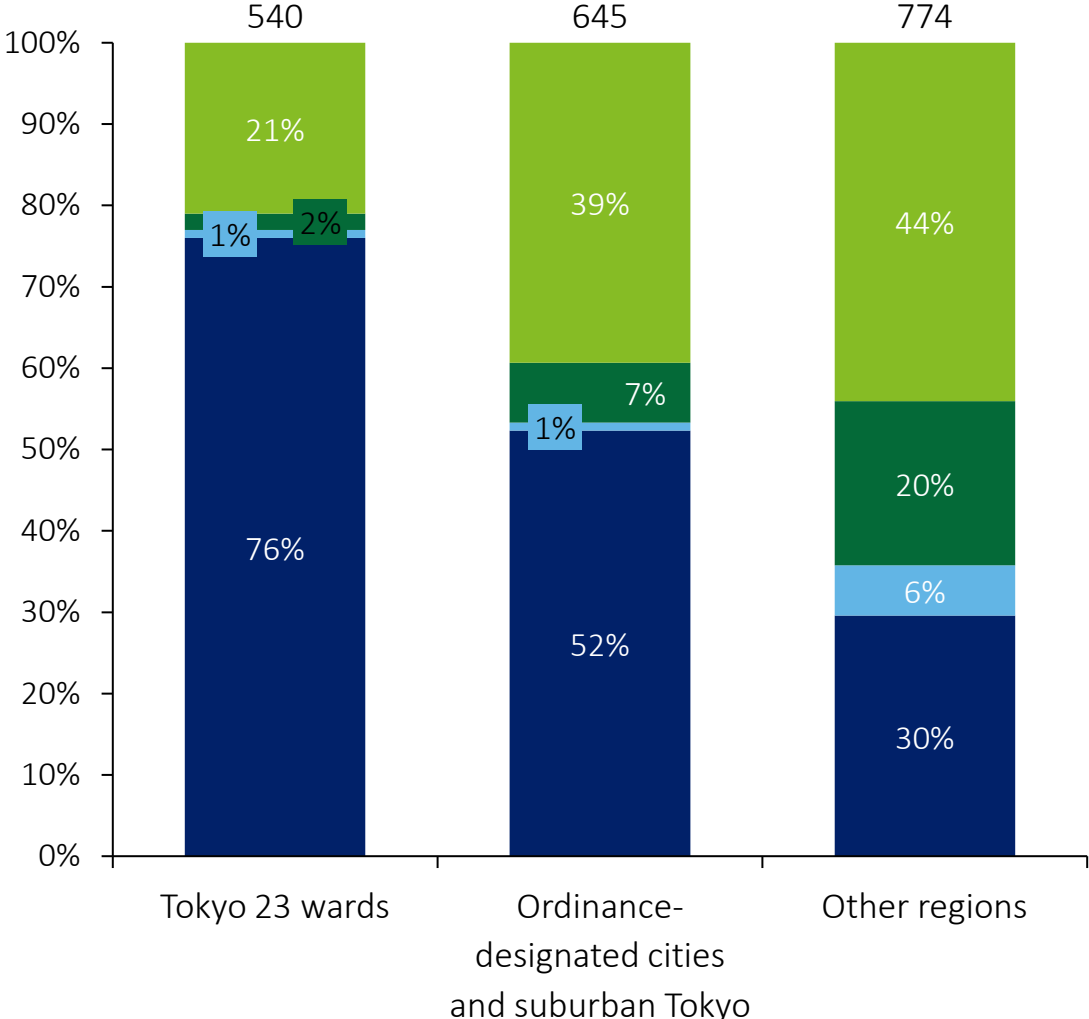
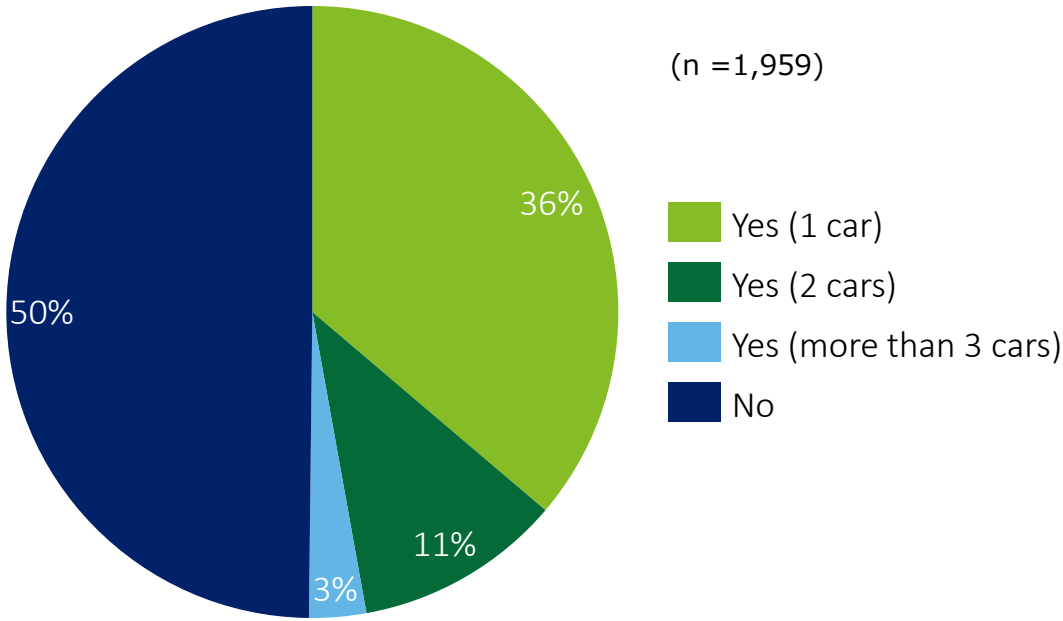
- More than 40% of consumers want to buy PHEVs and EVs in the future.
- PHEV/EV purchase are lagged behind due to (1) Expensive purchase price and (2) Unprevailing charging spots
- Ideals conditions to buy PHEV/EV; (1) Up to 2.5M JPY to buy (2) ≥30% of resale value 5 years later (3) Japanese minicar, Compact car segments (4) ≥500km mileage at a charge (5) Home electric charger (6) Less than 10 mins for quick-charging on the go

# 1 Attitude toward 'Car ownership'

50% of the domestic residents do not own a car, while 70% of rural residents own cars; car ownership is more pronounced in rural areas.

Car Ownership

Q: Does your family own car(s)?

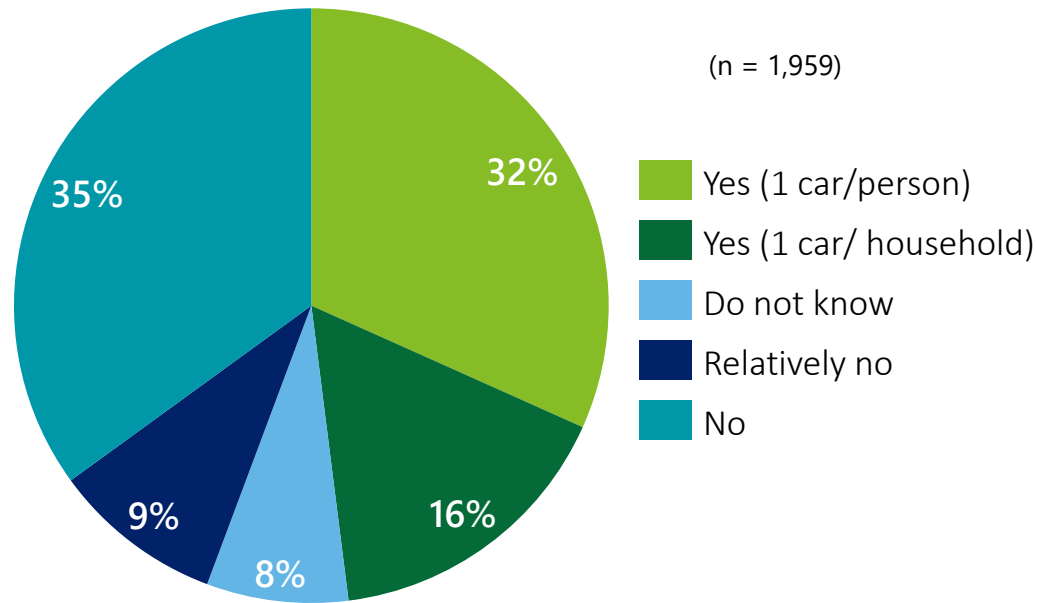


Respondent: People up to the age of 20 ~ 69 who hold driver's licenses nationwide

# Most rural residents assume a car as a daily necessity while only a half do so nationwide.

## Needs for cars

Q: Do you need car(s)?

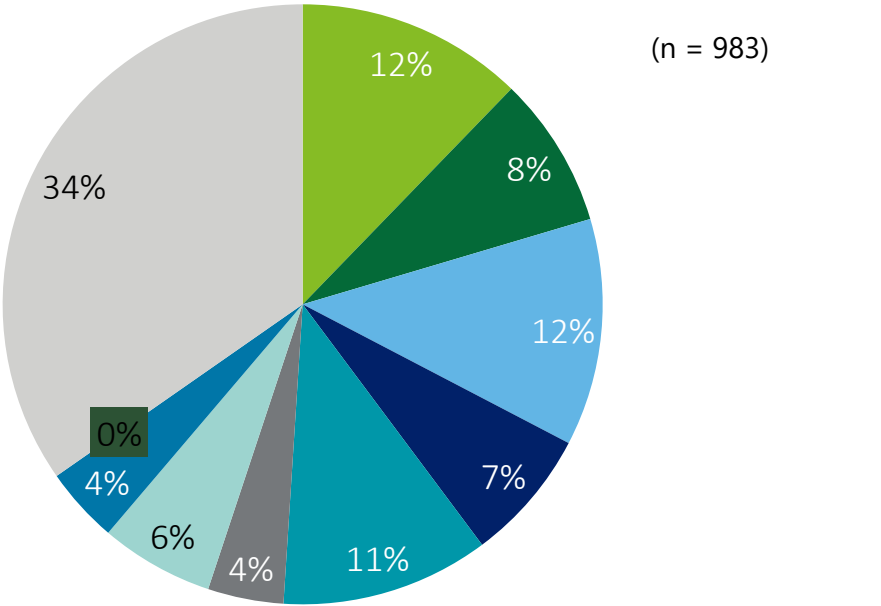


Respondent: People up to the age of 20 ~ 69 who hold driver's licenses nationwide

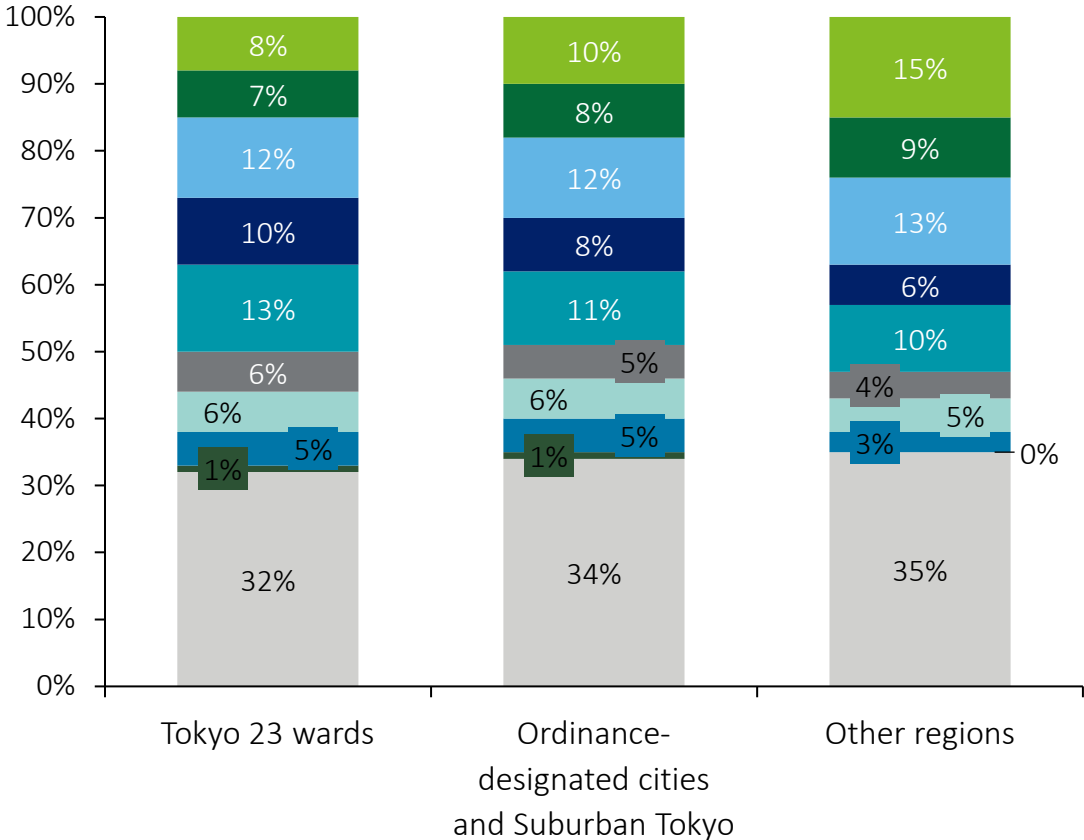
# Rural residents lack means of transportation and own cars out of daily necessity, while urban residents own cars for other reasons.

## Reasons to own car(s)

Q: What is the No.1 reason to own car(s)?



- Necessary for daily life
- No alternate transportations
- Cheaper than rental/sharing cars
- Status of car ownership
- Necessary for weekend leisure
- No favorite rental/sharing cars available
- Anxious of sharing cars with strangers
- Enjoy customizing cars
- Other reasons
- Nothing fit to my thought

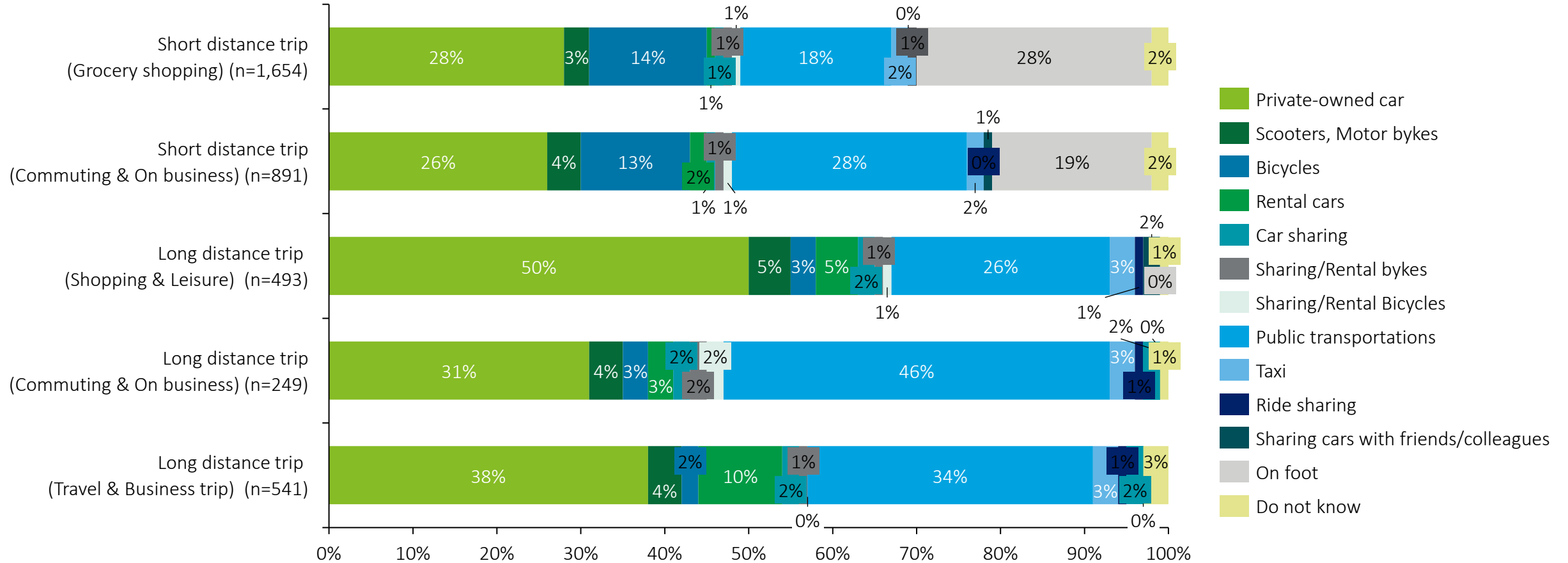


Respondent: People who currently own at least one car in their household

# Public transportation and private-owned cars fulfill mobility needs; Car Sharing & Car Rental Services are minor choices for many people in Japan.

## Mobility needs & methods

Q: What are your travel patterns and methods?



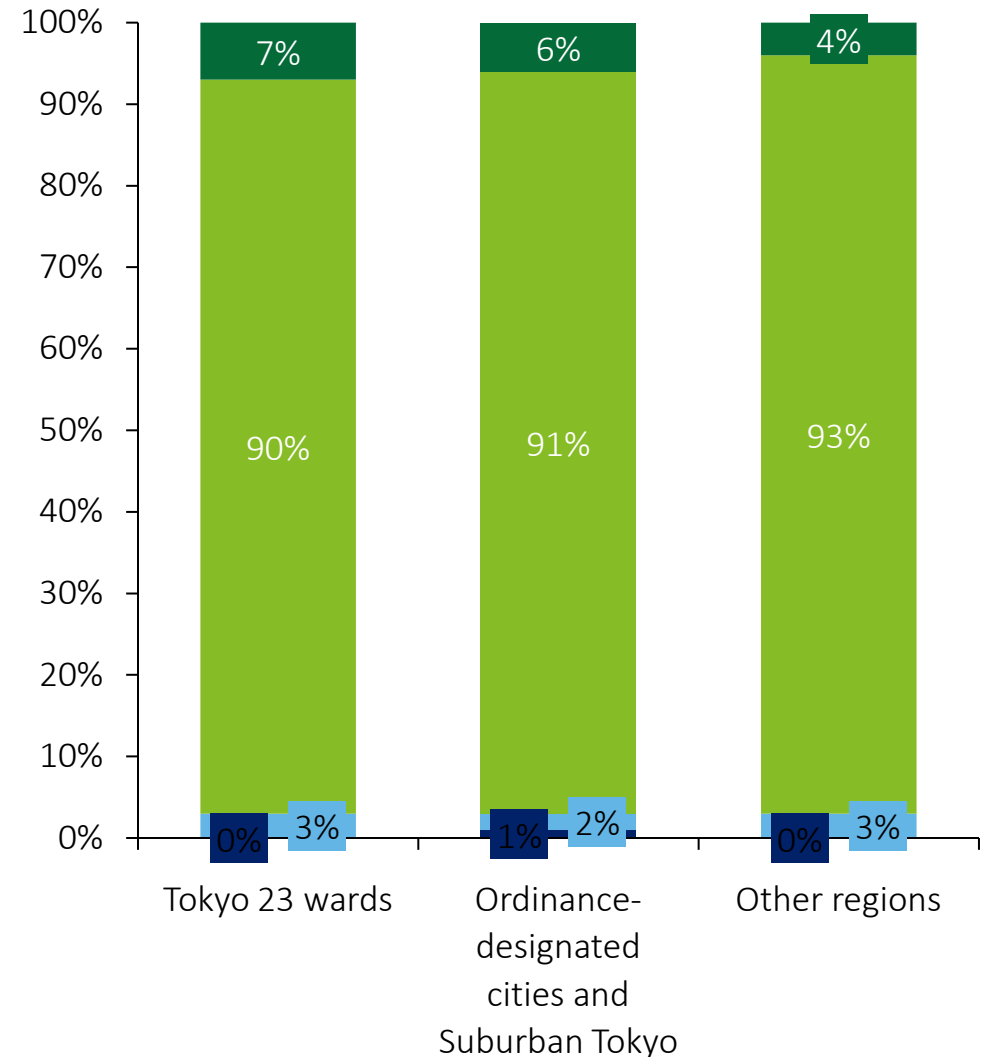
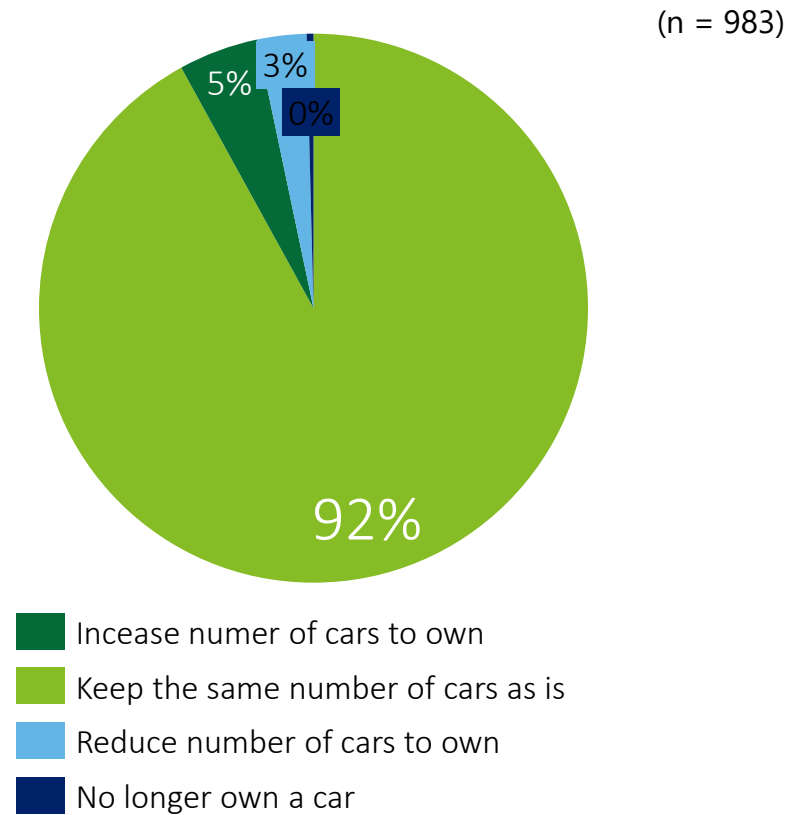
Respondents: Those who answered their travel patterns and means of travel (\* the number of respondents differs depending on their travel patterns)



# Car owners intend to keep the number of cars owned as is.

## 3 Years' plan of Car ownership

Q: What is your next 3 years' plan to own car(s)?



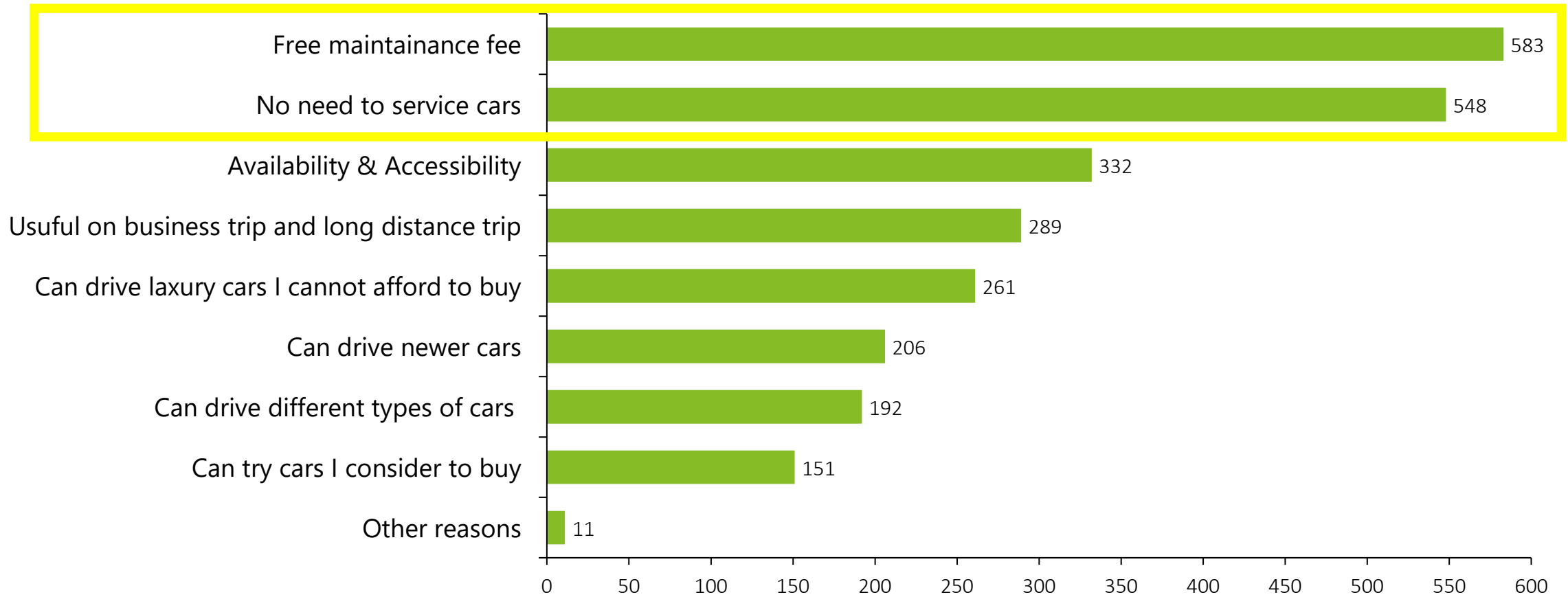
Respondent: People who currently own at least one car in their household

# Free cost & maintainance fees are recognized as the benefit of car sharing and car rentals

## Benefits of car sharing and car rentals

Q: What are the benefits of the shared-car services? (MA up to 5 choices)

(n = 980)



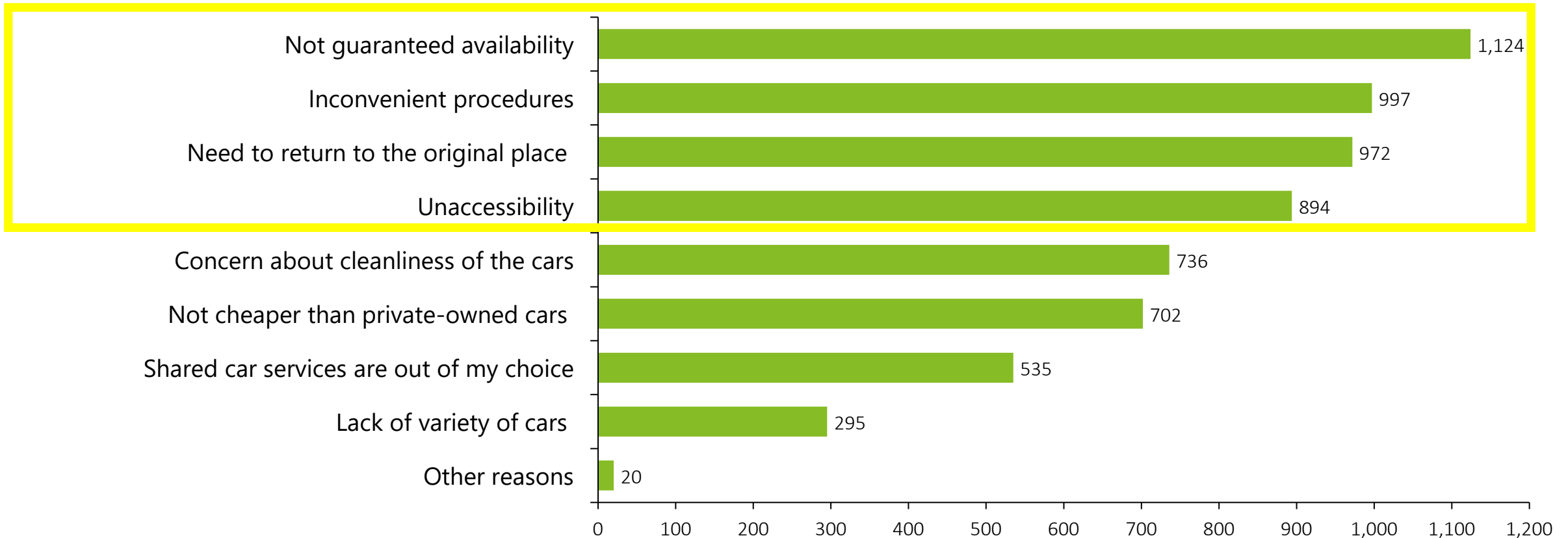
Respondents: Among consumers up to the age of 20 ~ 69 who hold a driver's license nationwide, those who answered that car-sharing services are beneficial

# Lack of availability & inconvenient procedures are recognized as disadvantages of the shared car services

## Disadvantages of "shared services" for cars

Q: What are the disadvantages of the shared-car services? (MA up to 5 choices)

(n = 1,959)



Respondents: Among consumers up to the age of 20 ~ 69 who hold a driver's license nationwide, those who answered that car-sharing services have disadvantages

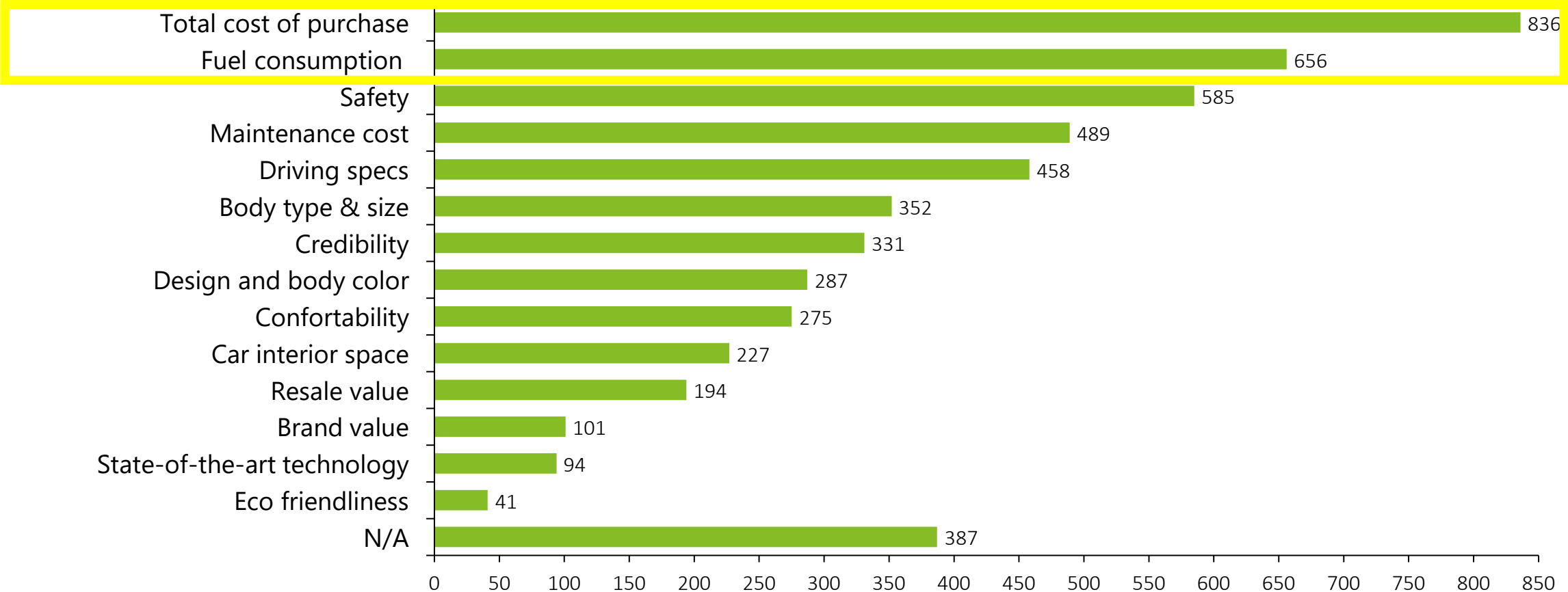
## 2 Purchase behavior

Purchase price is the most important factor. In addition, TCO, such as fuel consumption and maintenance fees also weighed heavily.

Important factors of purchasing a car

Q: What are the important factors of buying a car? (MA up to 5 choices)

(n = 1,062)

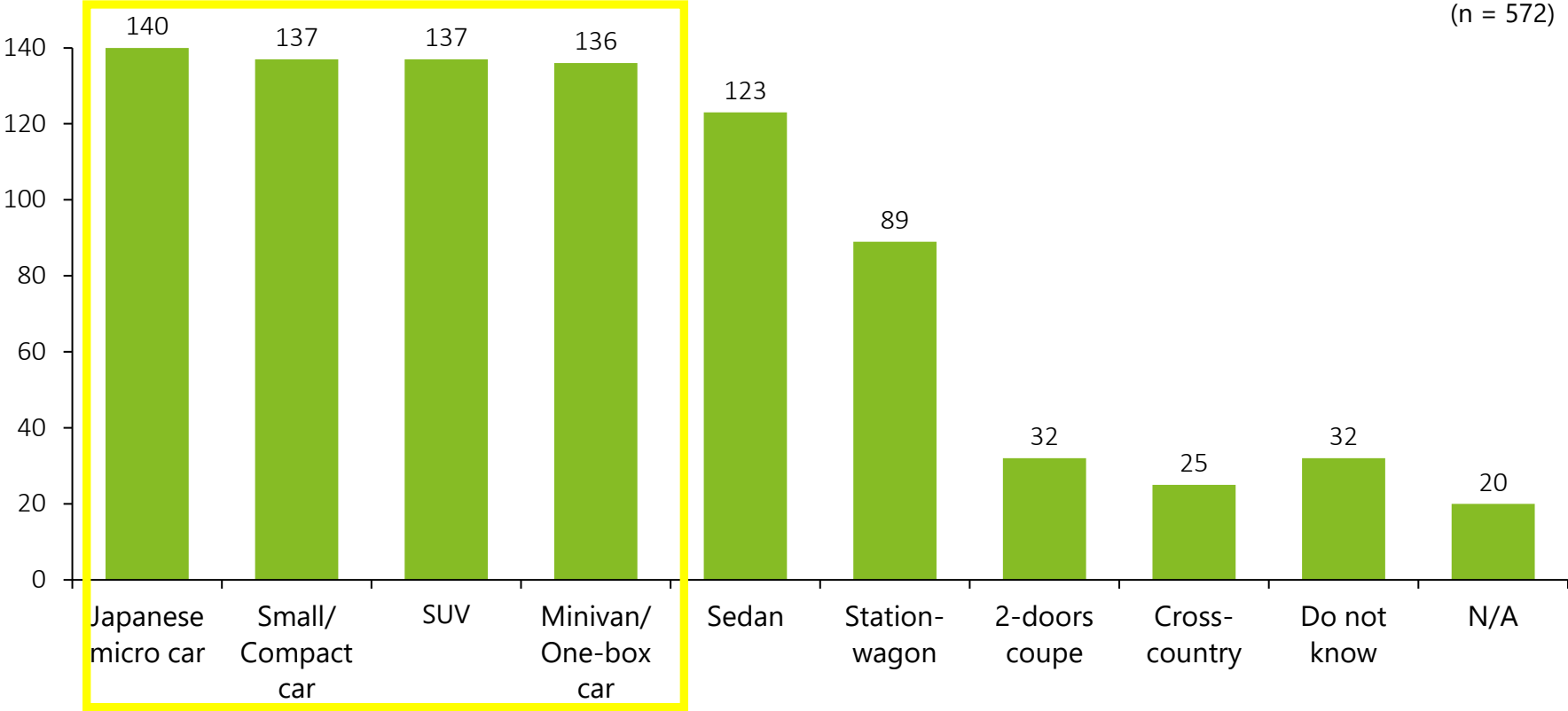


Respondent: Among consumers up to the age of 20 ~ 69 who hold a driver's license nationwide, those who plan to purchase a car in the future

Japanese micro-car is the most popular. Small car(≒ A seg) and SUVs/minivans follow. Japanese consumers prefer small cars.

Body type of a car to buy

Q: Which body type(s) of cars do you consider to buy within the next 3 years? (MA up to 3 choices)



(n = 572)

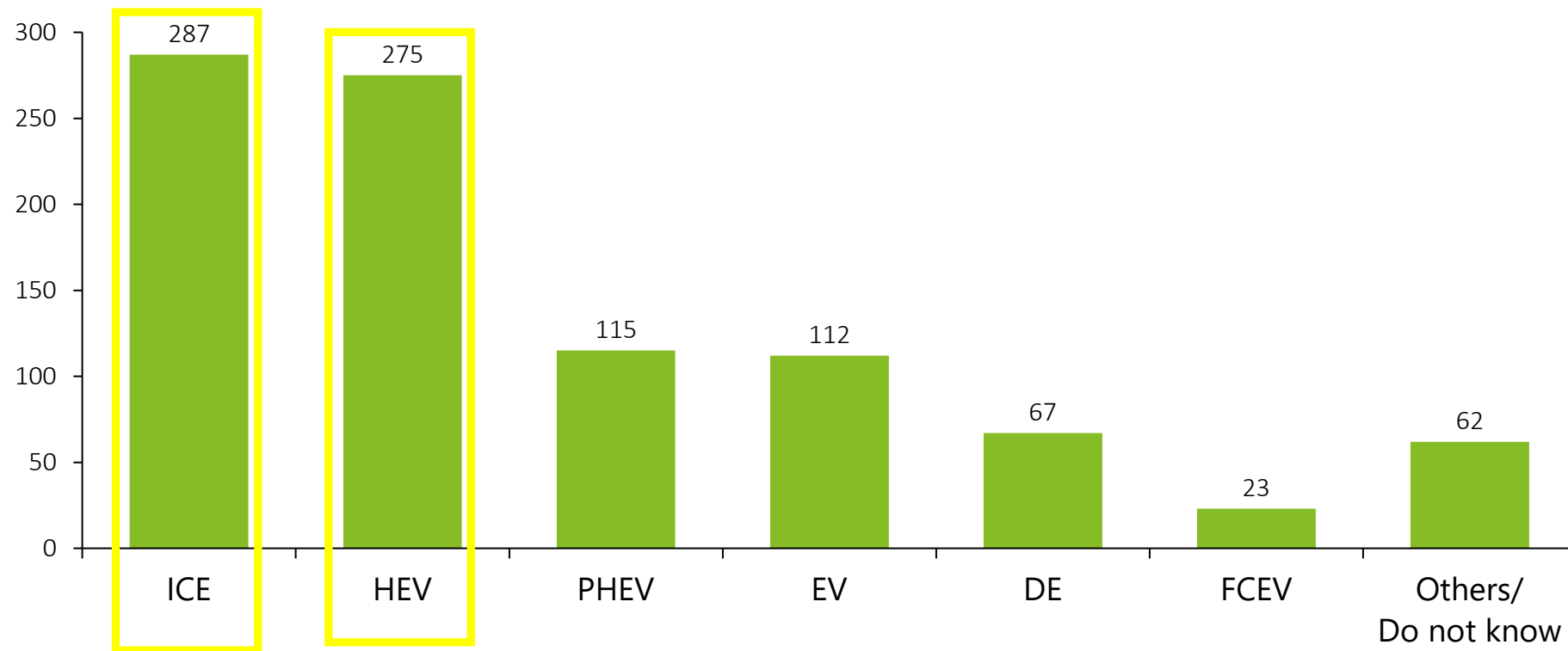
Respondent: Among consumers up to the age of 20 ~ 69 who hold a driver's license nationwide, those who plan to purchase a car within the next 3 years

# ICE and HEV are the choices as of now, while PHEV and EV are becoming popular.

## Selection of the Powertrains

Q: Which powertrains are you going to buy within the next 3 years? (MA)

(n = 572)



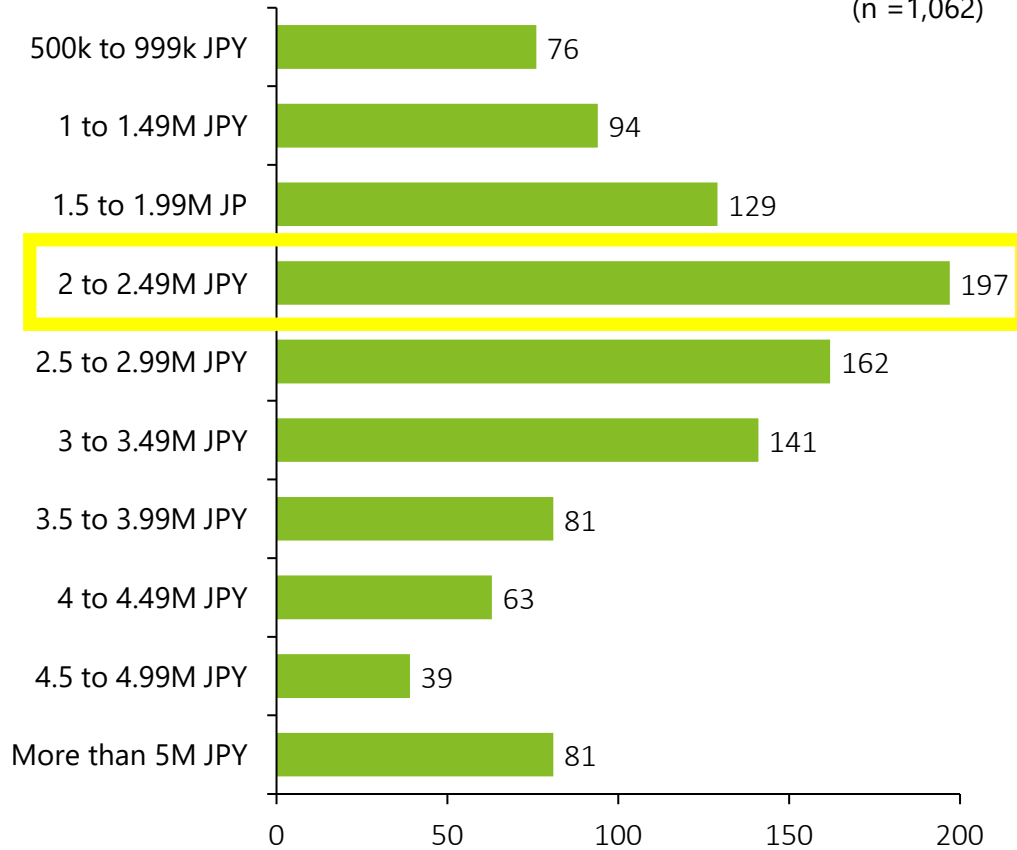
Respondent: Among consumers up to the age of 20 ~ 69 who hold a driver's license nationwide, those who plan to purchase a car within the next 3 years

# '2 to 2.5M JPY in cash' is the typical budget payment method. Monthly payment and interest rates are less concerning than the total purchase amount.

## Budget and payment method

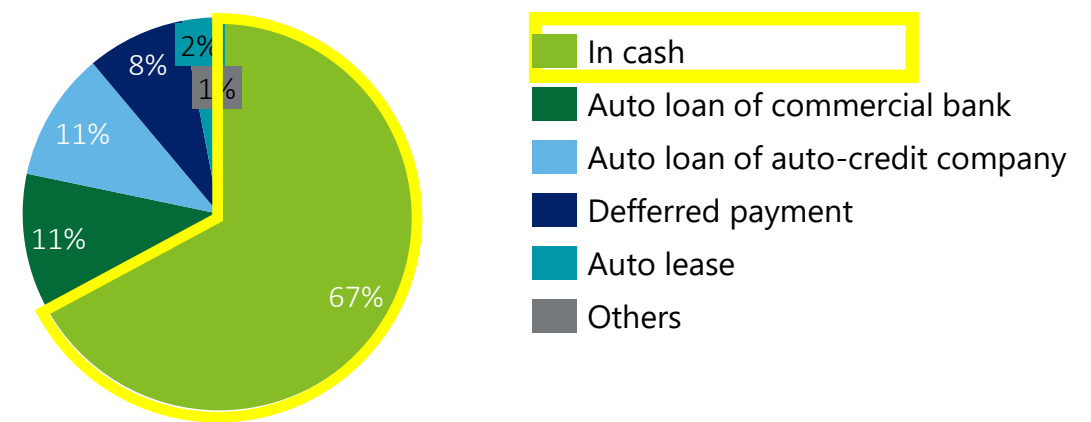
Q: What is the expected purchase price? (SA)

(n = 1,062)



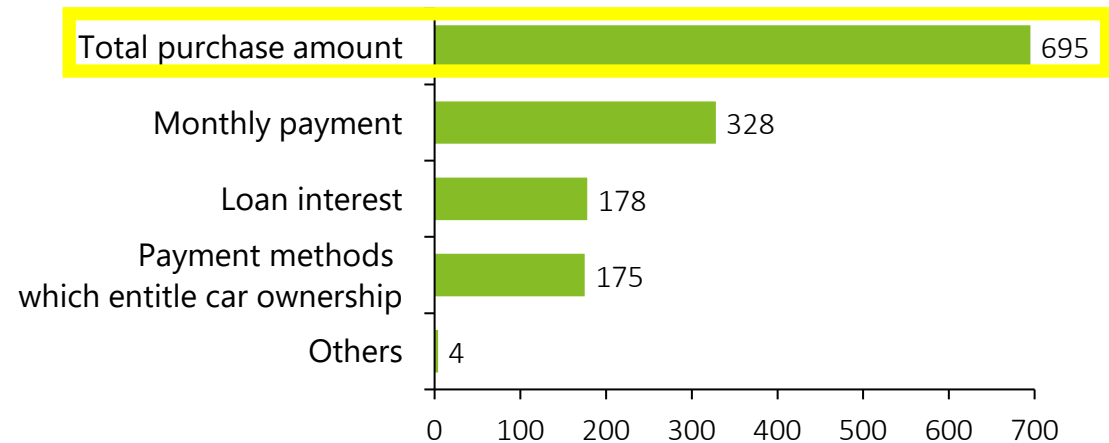
Q: What is the expected payment method? (SA)

(n = 1,062)



Q: What do you value in your payments? (MA)

(n = 1,062)



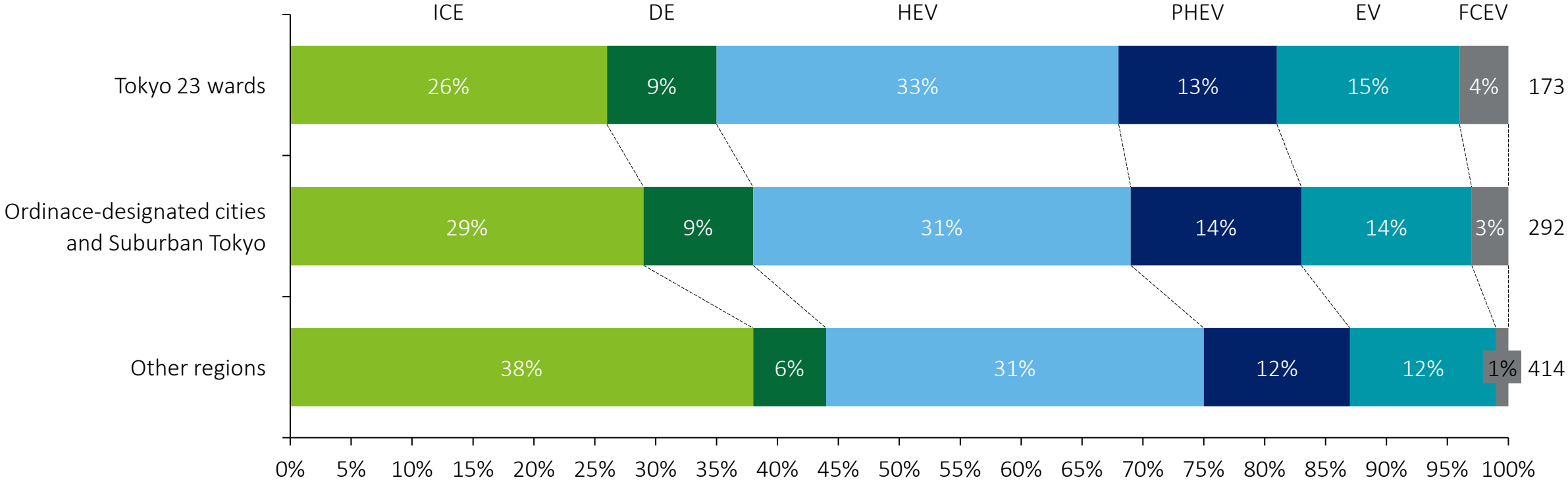
Respondent: Among consumers up to the age of 20 ~ 69 who hold a driver's license nationwide, those who plan to purchase a car in the future



## 3 Consumer profiles and powertrain selections

# ICE is more popular in rural areas while PHEV/EV are slightly more accepted in urban areas.

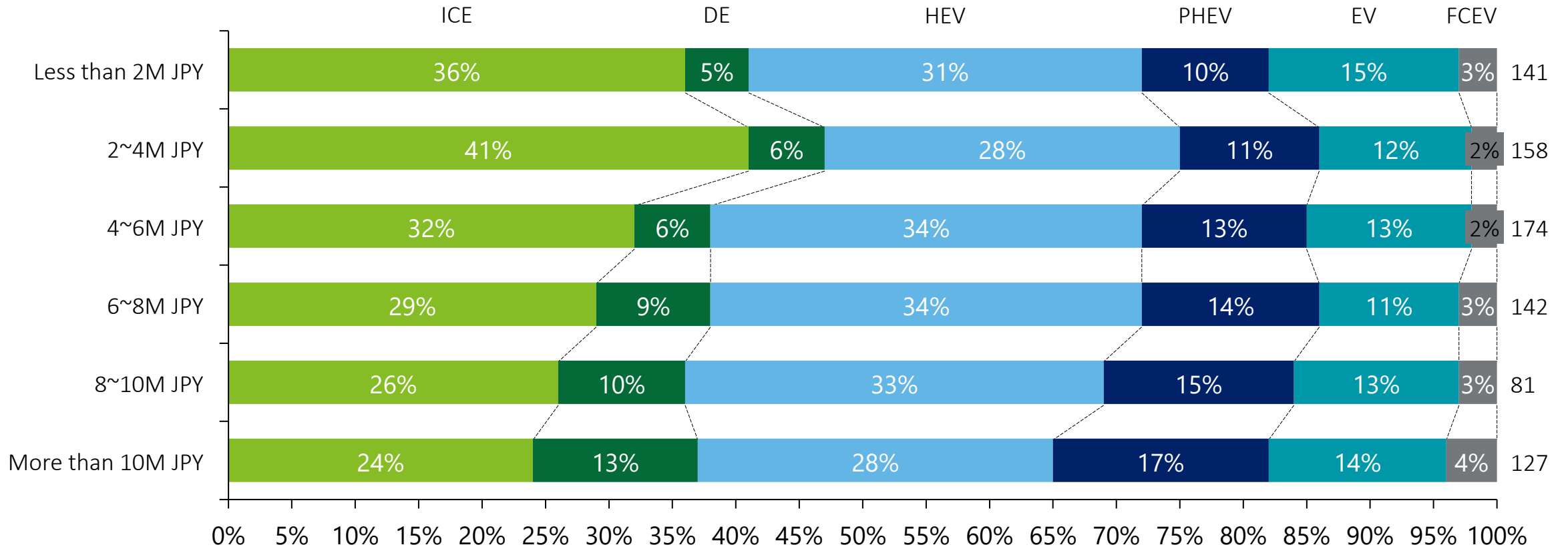
## Powertrain choices and resident areas



Respondent: Among those who plan to purchase a private car in the future, those who answered their own attributes (area of residence)

# Higher incomes, more PHEV/EVs. Subsidies are widely available for purchase of EVs but the prices would be still not affordable for lower income earners.

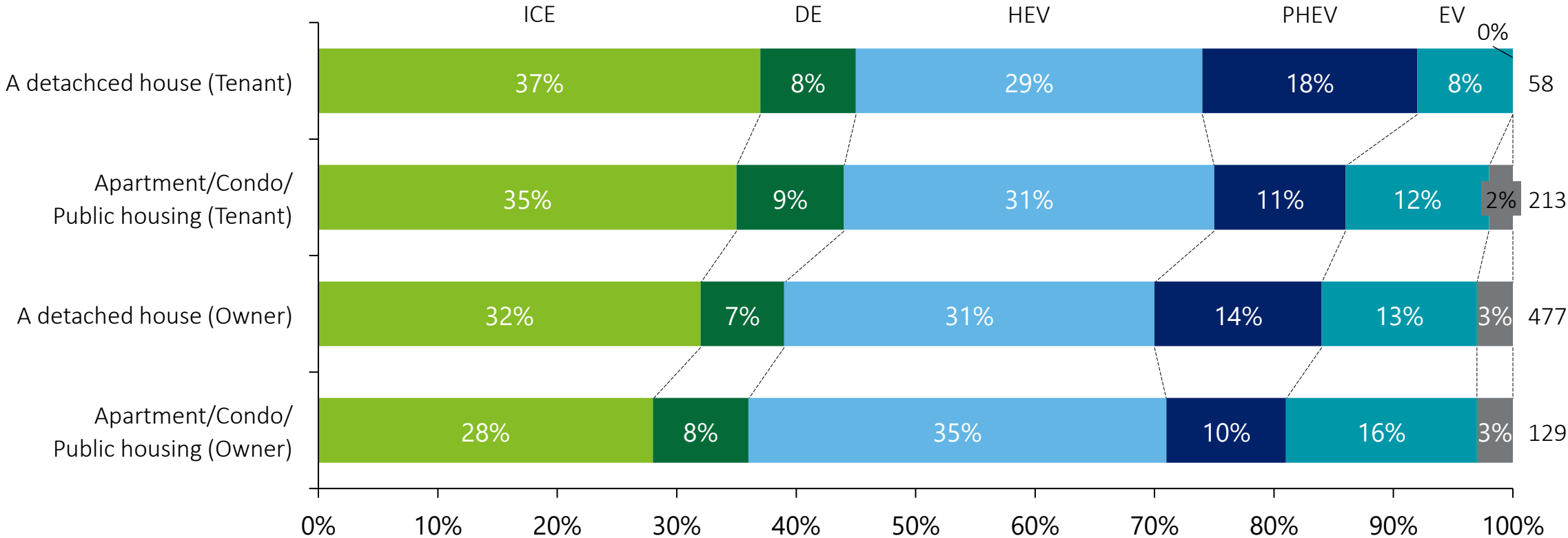
## Powertrain choices and income levels



Respondents: Those who are planning to buy a private car in the future and who answered their own attributes (annual income)

# Ratio of EV purchasers is relatively low among rental-house tenants. Difficulty to install the electric charger at home would be an obstacle for them to buy EV.

## Powertrain choices and resident status



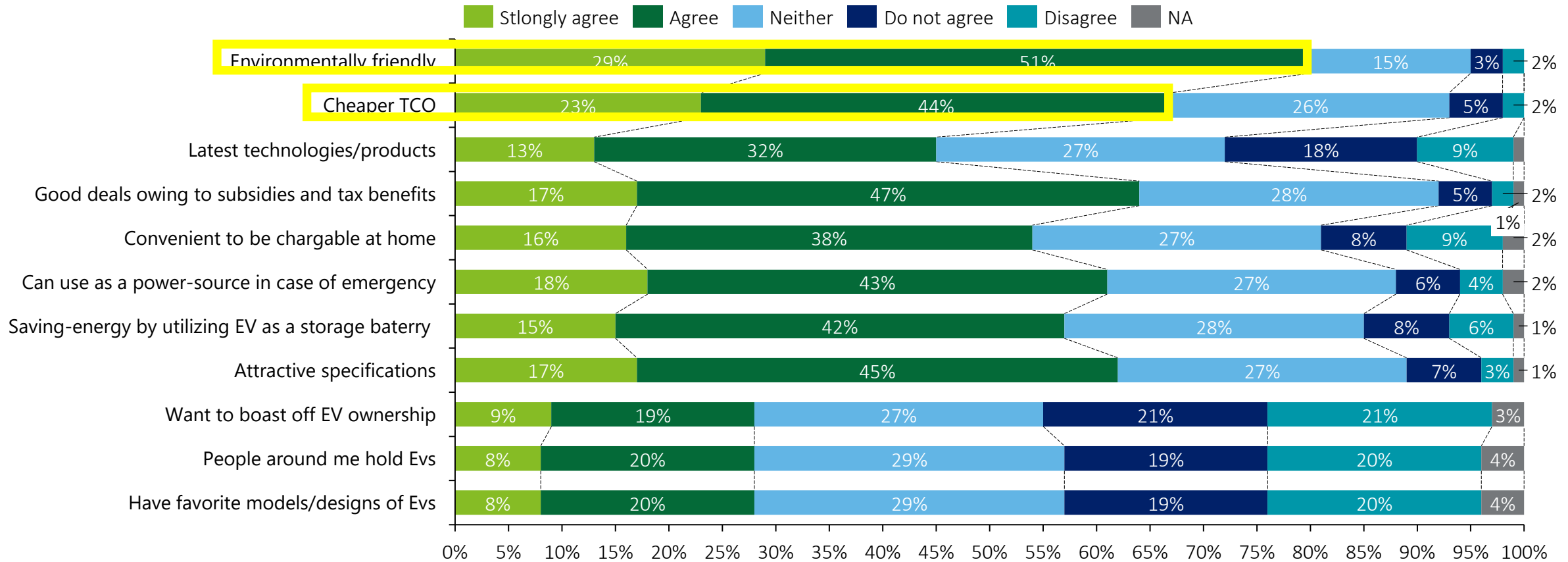
Respondent: Among those who plan to purchase a private car in the future, those who answered their own attributes (type of residence)

# Environmentally friendliness and cheaper TCO of PHEV/EV are highly appreciated.

## Reasons to select PHEV/EV

Q: Why did you /are you going to buy PHEV/EV? Rate each opinions toward PHEV/EV.

(n = 636)



Respondent: Among 20 ~ 69 year-old consumers nationwide who hold a driver's license, those who answered that they would like to purchase PHEVs/EVs someday (including those whose timing is undecided)

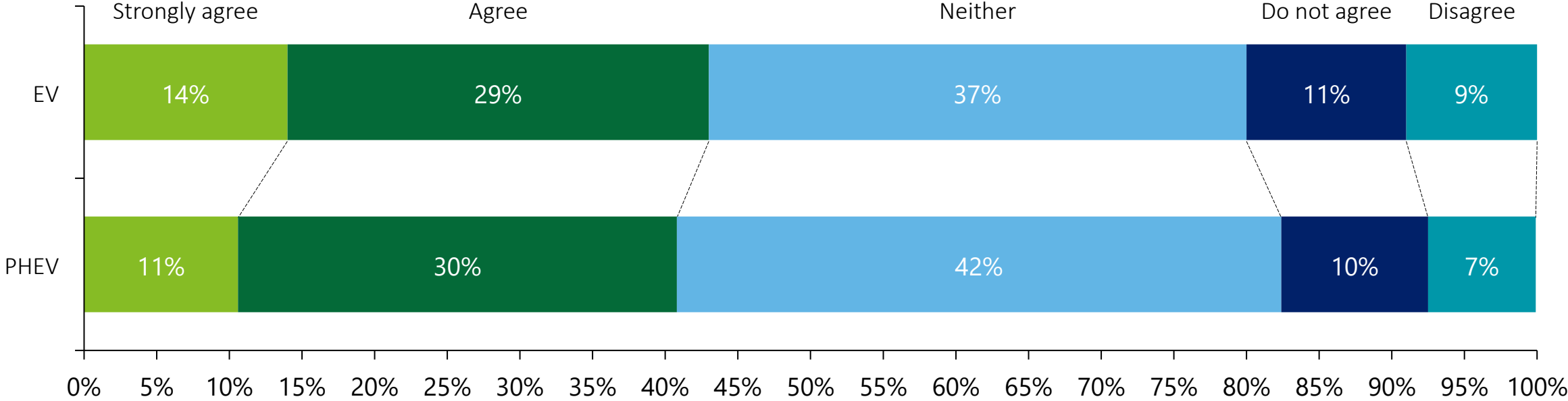
## 4 Implications for next-gen automobile market in Japan

40% want to buy PHEVs and EVs someday, which shows potential growth of the market.

### Intention to buy PHEV/EV in the future

Q: Are you interested in an EV/PHEV and do you want to buy it someday?

(n = 1,062)



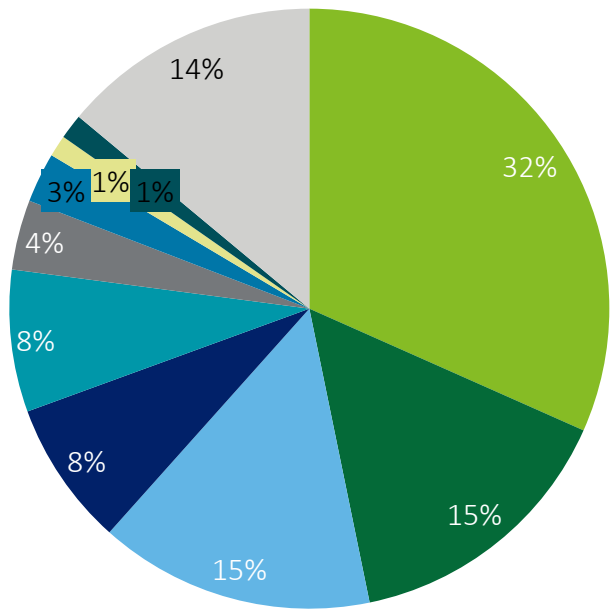
Respondent: Those who plan to buy a private car in the future

# Expensive purchase prices and underdeveloped charging infrastructure are the main concerns to buy PHEV/EV in Japan.

## Concerns

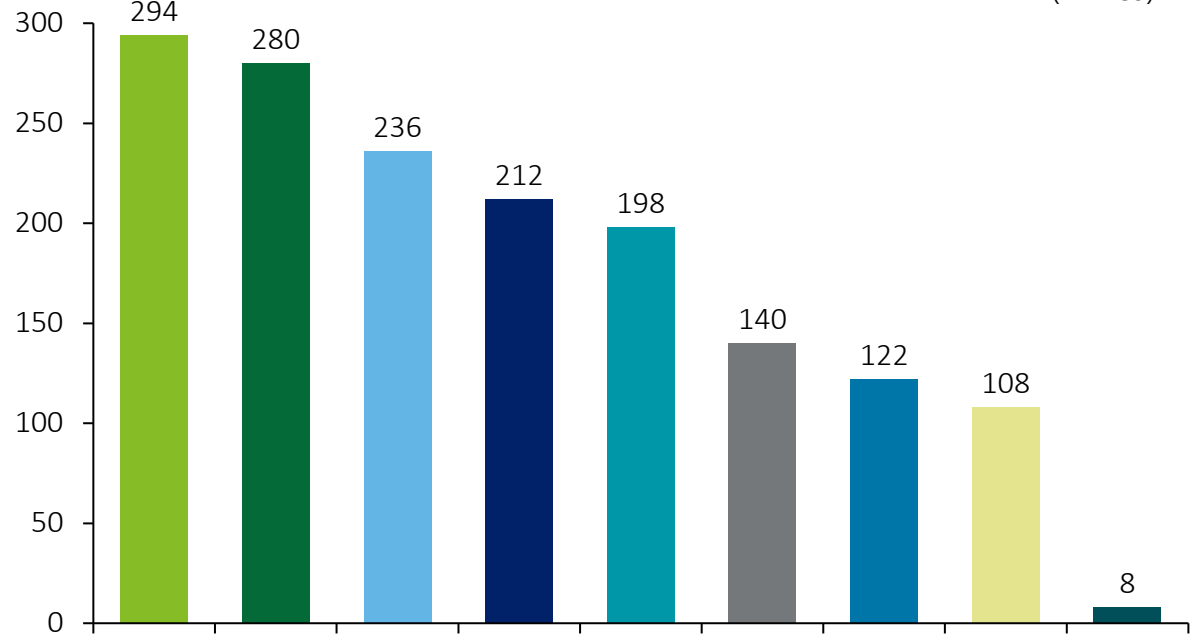
Q: Why are PHEV/EV/FCEV not included in your purchase list? (MA)

Reason for not buying PHEV/EV (%)



- Purchase price
- Not enough charging points
- No best body type and size
- Safety
- Others
- Anxiety in purchase process
- Mileage
- Time to charge
- Low resale value
- NA

Reasons for not buying PHEV/EV (n) (n = 459)



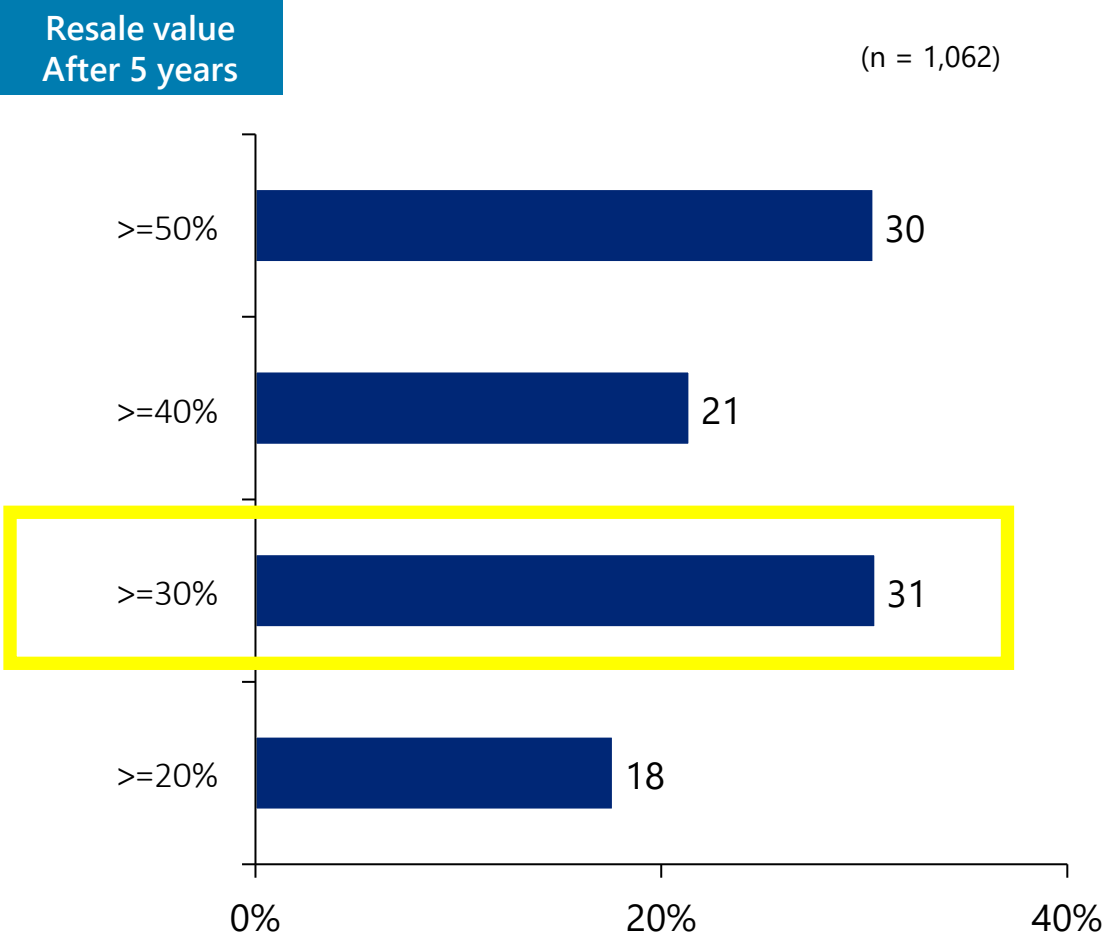
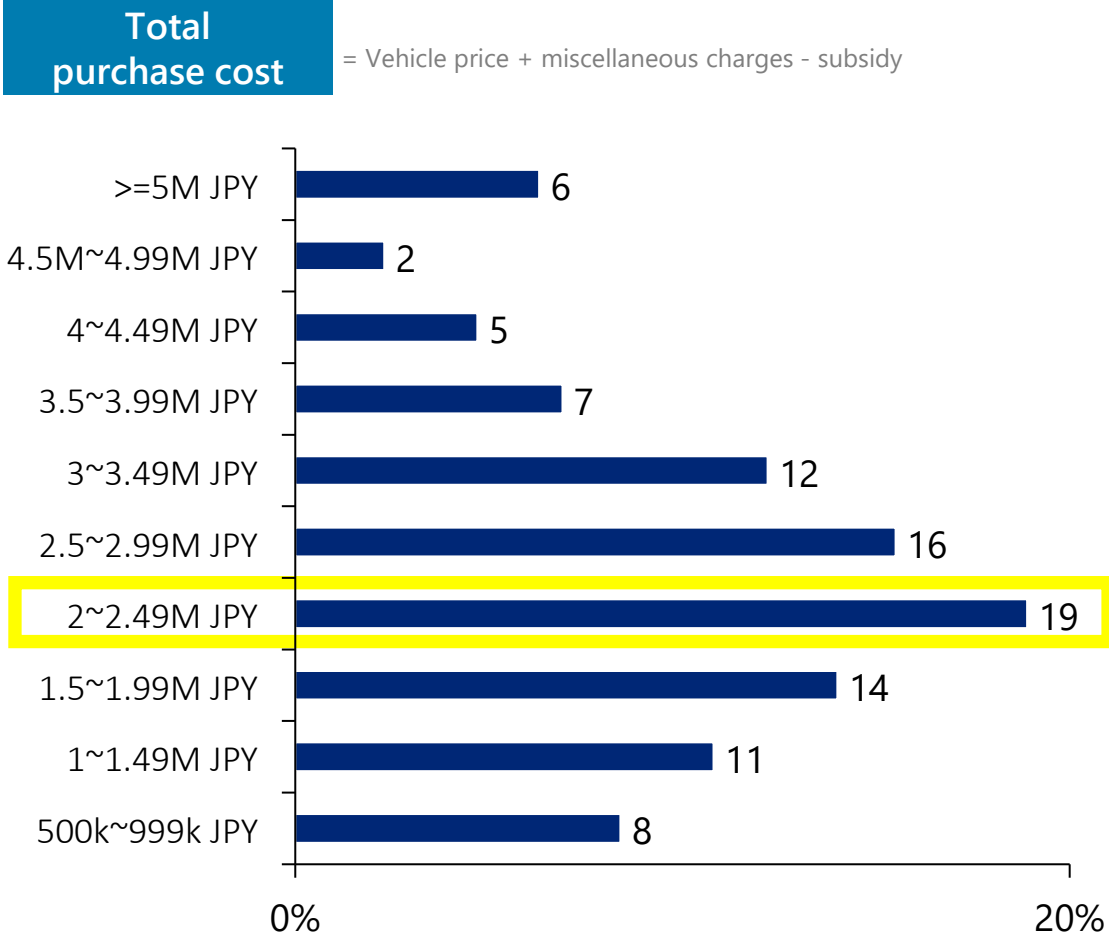
Respondents: Those who are planning to purchase their own cars in the future and exclude PHEVs and EVs from the candidates



# The ideal PHEV/EV is less than 2.5M JPY and its resale value is maintained at over 30% after 5 years of purchase.

## Ideal PHEV/EV (1/3)

Q: What are the ideal specifications of PHEVs and Evs which makes you consider purchasing it?

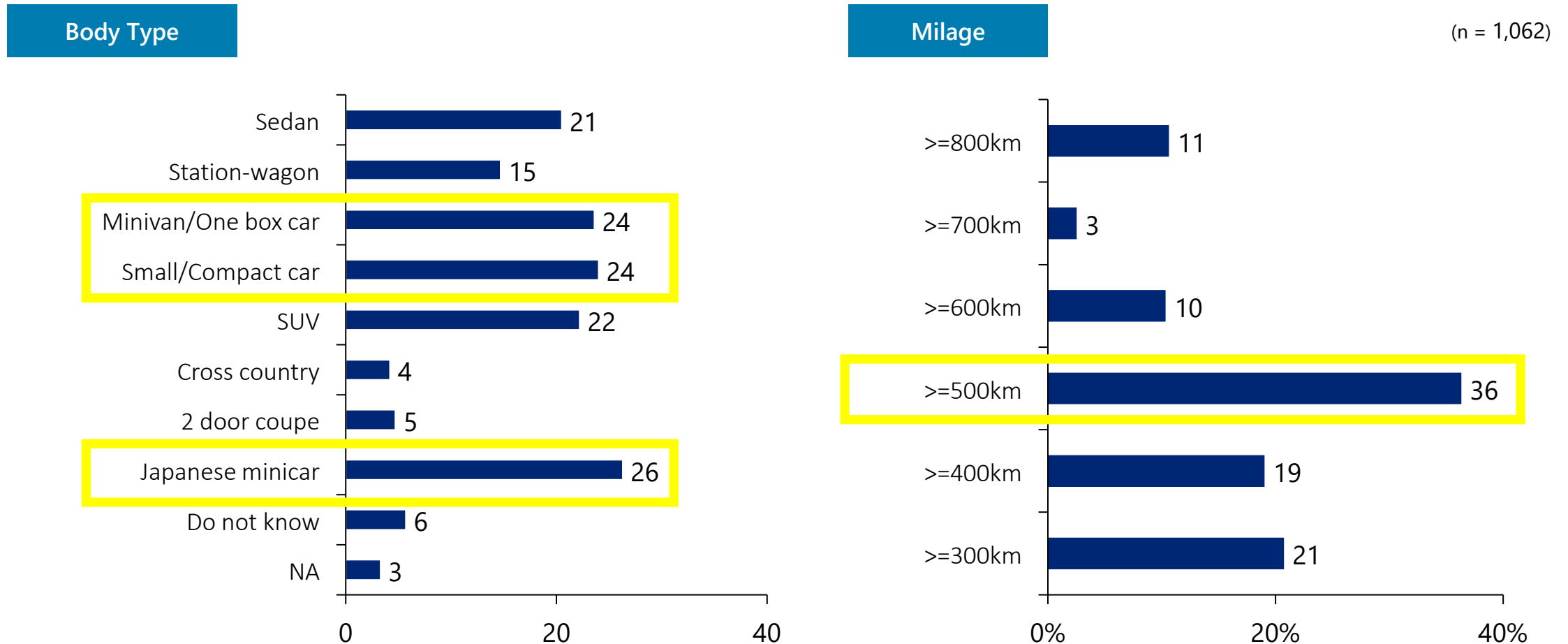


Respondent: Those who plan to buy a private car in the future

Body type of a car to buy is Japanese minicar/compact car, while ideal milage per charge is 500 km or more.

### Ideal PHEV/EV (2/3)

Q: What are the ideal specifications of PHEVs and EVs that makes you consider purchasing it?



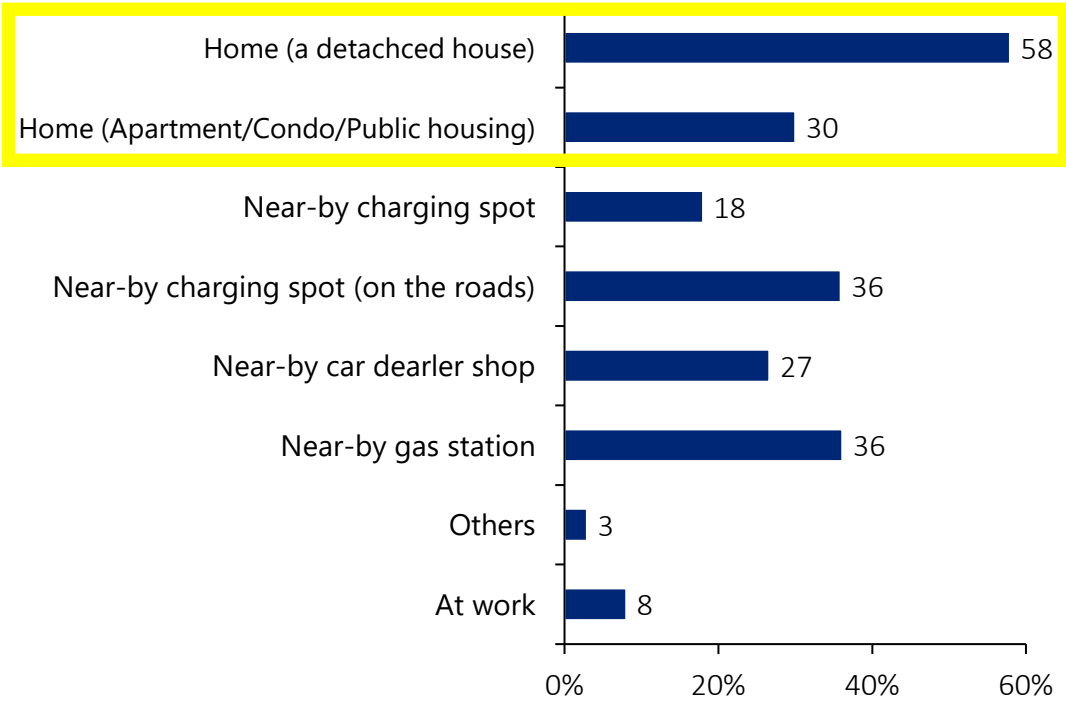
Respondent: Those who plan to buy a private car in the future

# The ideal charging spot is at home and 10 minutes or less for quick-charging on the go.

## Ideal PHEV/EV (3/3)

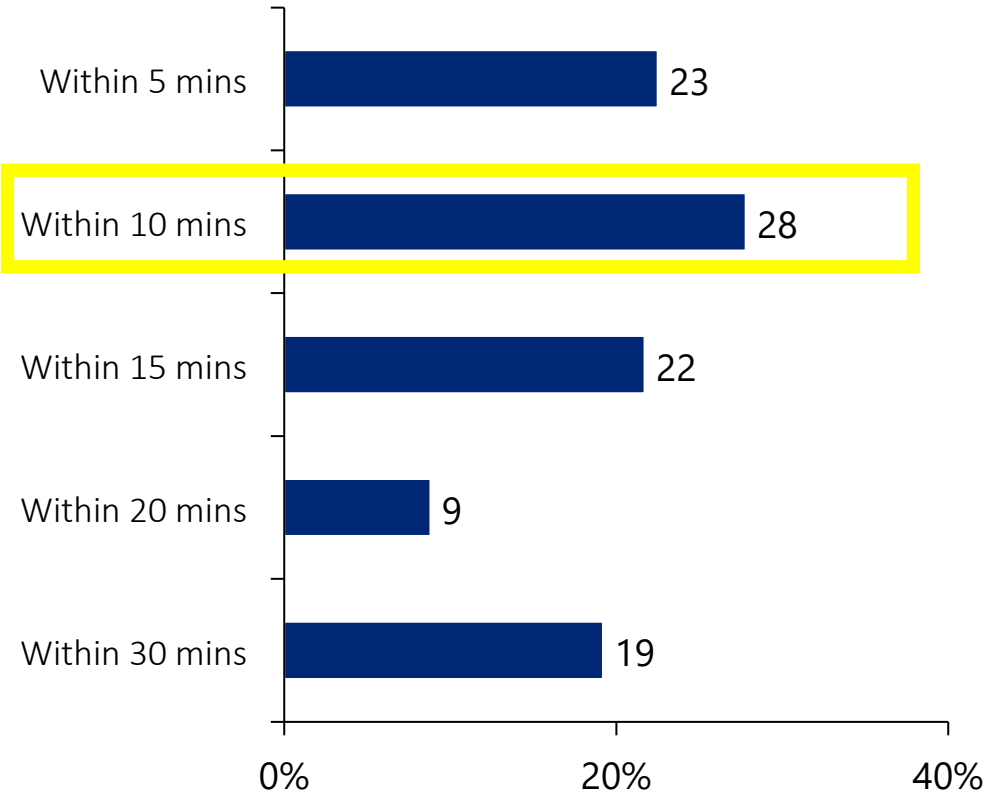
Q: In what kind of charging environment do you consider purchasing PHEV or EV?

### Charging spot



### Charging time on the go

(n = 1,062)



Respondent: Those who plan to buy a private car in the future

# Survey Outline

# [Survey outline]

1,959 respondents living in Japan

## Outline of the survey

Items	Contents																										
Period	April 28, 2022 - May 6, 2022																										
survey technique	Web survey																										
Respondents	20 -69 years old men and women living in Tokyo, ordinance-designated cities and other regions																										
Breakdown of surveys	<p>1,959 samples (*The survey results are weighted back.)</p> <ul style="list-style-type: none"><li>➤ Regions: 23 Wards of Tokyo (540 samples), Suburban Tokyo and ordinance-designated cities (645 samples), Other regions (774 samples)</li><li>➤ Ratio of males to females 54%: 46%</li><li>➤ Occupation:</li></ul> <table border="1"><caption>Occupation Breakdown</caption><thead><tr><th>Occupation</th><th>Percentage</th></tr></thead><tbody><tr><td>Public servants</td><td>4%</td></tr><tr><td>Business owners and executives</td><td>2%</td></tr><tr><td>Clerical workers</td><td>24%</td></tr><tr><td>Engineers</td><td>13%</td></tr><tr><td>Other office workers</td><td>13%</td></tr><tr><td>Self-employed professionals</td><td>5%</td></tr><tr><td>Liberal</td><td>3%</td></tr><tr><td>Dependants</td><td>11%</td></tr><tr><td>Part-timers</td><td>13%</td></tr><tr><td>Students</td><td>1%</td></tr><tr><td>Others</td><td>1%</td></tr><tr><td>Unemployed</td><td>10%</td></tr></tbody></table>	Occupation	Percentage	Public servants	4%	Business owners and executives	2%	Clerical workers	24%	Engineers	13%	Other office workers	13%	Self-employed professionals	5%	Liberal	3%	Dependants	11%	Part-timers	13%	Students	1%	Others	1%	Unemployed	10%
Occupation	Percentage																										
Public servants	4%																										
Business owners and executives	2%																										
Clerical workers	24%																										
Engineers	13%																										
Other office workers	13%																										
Self-employed professionals	5%																										
Liberal	3%																										
Dependants	11%																										
Part-timers	13%																										
Students	1%																										
Others	1%																										
Unemployed	10%																										

## Contacts

### Hisayoshi Takahashi

Deloitte Touche Tohmatsu LLC  
Automotive Sector Leader Partner  
hisayoshi.takahashi@tohatsu.co.jp

### Kazuki Fukudome

Deloitte Tohmatsu Consulting LLC  
Automotive Sector Leader Partner  
kfukudome@tohatsu.co.jp

### Hirota Kanno

Deloitte Tohmatsu Consulting LLC  
automotive sector partner  
hikanno@tohatsu.co.jp

### Kevin Ohkohchi

Deloitte Tohmatsu Consulting LLC  
(On assignment to Deloitte Southeast Asia)  
APAC Automotive Supplier Leader Partner  
keohkohchi@deloitte.com

### Maiko Hara

Deloitte Tohmatsu Corporate Solutions LLC  
Research & Knowledge Management / Automotive Sector  
maiko.hara@tohatsu.co.jp

Deloitte Tohmatsu Group is the collective name for Deloitte Tohmatsu LLC and its group corporations (Including Deloitte Tohmatsu LLC, Deloitte Tohmatsu Consulting GK, Deloitte Tohmatsu Financial Advisory GK, Deloitte Tohmatsu Tax Accountant Corporation, DT Lawyer Corporation and Deloitte Tohmatsu Corporate Solutions GK), which are members of Deloitte Asia Pacific Limited and Deloitte Network in Japan. The Deloitte Tohmatsu Group is one of the largest professional groups in Japan. Each legal entity provides auditing and assurance services, risk advisory services, consulting, financial advisory services, tax and legal services in accordance with applicable laws and regulations. We have more than 15000 experts in over 30 cities in Japan, serving multinational corporations and major Japanese companies. For details, please visit the Deloitte Tohmatsu Group website ([www.deloitte.com/jp](http://www.deloitte.com/jp)).

Deloitte refers to Deloitte Touche Tohmatsu Limited (“DTTL”), its member firms that make up its global network organization, and one or more of their affiliated companies (collectively “Deloitte Network”). DTTL (or “Deloitte Global”) and each of its member firms and affiliates are separate and legally independent entities and do not impose any obligation or bind each other with respect to third parties. DTTL and its member firms and affiliates are solely responsible for their own acts and omissions and are not responsible to each other for the acts and omissions of other firms or affiliates. DTTL does not provide service to clients. See [www.deloitte.com/jp/about](http://www.deloitte.com/jp/about) for more information.

Deloitte Asia Pacific Limited is a member firm of DTTL and a limited liability company. Each member of Deloitte Asia Pacific Limited and its subsidiaries is a legally separate and independent entity serving more than 100 cities in Asia Pacific (Including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei, and Tokyo).

Deloitte provides leading edge services in audit and assurance, consulting, financial advisory, risk advisory, tax and legal affairs to clients including nearly 90% of the Fortune Global 500® and many private companies. Deloitte is a group of professionals who deliver measurable and lasting results by increasing public confidence in capital markets, encouraging client change and prosperity, and leading the way toward a more prosperous economy, a just society, and a sustainable world. Since its founding over 175 years ago, Deloitte has been active in more than 150 countries and regions. Visit [www.deloitte.com](http://www.deloitte.com) to learn more about the work of some 345,000 Deloitte professionals who make an impact that matters.

Deloitte Touche Tohmatsu Limited (“DTTL”), its member firms that make up its global network organization, and their affiliated companies (collectively “Deloitte Network”) do not use this material to provide professional advice or services. Consult the appropriate experts before making any decisions or actions that affect your finances or business. No representation, warranty or commitment (express or implied) is made regarding the accuracy or completeness of the information in this document. Neither DTTL nor any of its member firms, affiliates, employees or agents shall be liable for any loss or damage arising directly or indirectly in connection with any person relying on this material. DTTL and each member firm and their associated legal entities are separate and legally independent entities.



**IS 669126 / ISO 27001**