

EY Mobility Consumer Index 2025 Canada*

■ ■ ■ ■
The better the question. The better the answer. The better the world works.



Shape the future
with confidence

*This study captures consumer sentiment regarding vehicle purchase intent and technology preferences. These insights reflect what respondents say they are likely to do, which may differ from actual market behaviours due to evolving policy, incentives, and economic conditions

EY Mobility Consumer Index Wave 6 (2025 study) overview

ABOUT THIS REPORT

This report covers major highlights from the sixth edition of the EY Mobility Consumer Index (MCI) Study. It captures insights specific to Canada and focus on themes including shifts in consumer mobility behaviours and preferences, offering insights into how these trends can help ecosystem players in making informed decisions and shaping the future of mobility.

ABOUT THE STUDY

- Launched in 2020, the EY Mobility Consumer Index (MCI) is an annual survey that tracks car buying intent, powertrain preferences, EV adoption trends, charging infrastructure challenges, interest in connected and autonomous features, and the overall purchase journey.
- MCI 2025 (Wave 6) builds on this foundation to explore emerging trends—shift towards Internal combustion engine (ICE) vehicles, softening electric vehicle (EV) demand, evolving retail expectations, and growing curiosity around connected and autonomous experiences.



KEY THEMES

32
COUNTRIES

~21k
GLOBAL RESPONDENTS

1,001
CANADIAN RESPONDENTS
were interviewed, and their
feedback was analyzed across
the following four key themes.



Car buying intent
and Powertrain mix



EV concerns and
charging behavior



Retail
journey



Connected and
autonomous driving



ABOUT THIS REPORT

This EY MCI study captures consumer sentiment around vehicle purchase intentions and technology preferences, reflecting what respondents say they are likely to do, which may differ from actual market behaviour as policies, incentives and economic conditions evolve. These slides present a detailed analysis of 1,001 Canadian respondents, with insights drawn from their feedback across four key themes.

CONTENTS

- 04 Executive summary
- 06 Car buying intent and powertrain preferences
- 09 EVs - drivers, barriers and charging behaviour
- 13 Retail purchase experience
- 15 Connectivity and autonomous driving

CONTACTS



Jason Clifton
EY Canada
Partner, Consulting



Jennifer Rogers
EY Canada
National Automotive and
Transportation Leader



Sara Ganowski
EY Canada
Senior Manager, Consulting



Rafael Figueroa
EY Canada
Public Relations Specialist

Executive summary: latest EY MCI study examines shifting powertrain choices, top EV concerns, buying channel preferences and practical tech considerations

CONTEXT

WHAT HAPPENED IN 2025?

- **Federal EV rebate program paused:** The federal Incentives for Zero-Emission Vehicles (iZEV) program, which offered up to \$5,000 for new EVs, was paused in January 2025 after allocated funds were fully committed.¹
- **Some provincial incentive uncertainty:** British Columbia’s Go Electric passenger vehicle rebate program was paused in May 2025 pending review, and Québec temporarily reduced and then modified its rebates for EVs and PHEVs.²
- **Federal EV availability standard review announced:** Government announcements in late 2025 indicated a review and reassessment of Canada’s electric vehicle availability standard and interim sales targets in light of economic pressures, as part of broader industrial and climate policy discussions.³
- **Inflation trends reflected mixed price pressures in 2025:** Headline inflation dipped below 2 % from April to August (in part due to carbon levy removal), but other measures indicated moderate price pressures. These macro price signals are often top of mind for consumers when considering large purchases and future expenses and can shape how they view costs like vehicle payments and fuel/energy.⁴
- Throughout 2025, the Bank of Canada lowered its policy rate multiple times, easing borrowing costs and supporting the economy. By December 10, 2025, the Bank held the overnight policy rate at 2.25 %, following a series of rate cuts earlier in the year. Lower and stable interest rates affect financing costs for durable goods, including vehicles.⁵

Consumers shift gears to traditional powertrains



- ~46% of consumers plan to buy a car in the next 24 months; ICE preference rises to 58% vs 44% in 2024, while BEV drops to 7% vs 15% in 2024.
- ICE vehicle buying intent grows across Canada, while BEV interest falls.
- 30% are delaying or reconsidering EV purchases due to geopolitical events. This is simply indicative of consumer sentiment and not EV purchase trends.
- Hybrid demand declines to 17% vs 26% in 2024 but remains the most preferred alternative powertrain

Purchase cost and infrastructure reliability are key impediments



- Upfront EV purchase cost (32%) is the top reason among consumers choosing ICE over EVs, followed by charging quality / interoperability (28%).
- Regional priorities differ: Americas focus on charging infrastructure gaps, Europe on range anxiety and upfront cost, APAC on charger reliability / quality and interoperability
- Charging pain points - locating stations (38%), high charging costs (32%), and long wait times (31%)

Executive summary: latest EY MCI study examines shifting powertrain choices, top EV concerns, buying channel preferences and practical tech considerations

CONTEXT

WHAT HAPPENED IN 2025?

- **Zero-emission vehicle (ZEV) registration share fluctuated in 2025:** Data from Statistics Canada shows that in Q3 2025 ZEVs (BEVs + PHEVs) represented 9.4% of new vehicle registrations, down from 15.7% in Q3 2024² and reflecting year-over-year shifts¹ in share across several quarters.^{1,2}
- **Battery EV registrations declined in some periods:** In the third quarter of 2025, battery electric vehicle registrations declined year over year, even as hybrid registrations grew relative to other vehicle types.³
- **Hybrid registrations grew relative to EVs in some quarters:** Statistics Canada reported hybrid electric vehicle registrations grew by nearly 30 % in the third quarter of 2025 compared with the same quarter in 2024, contrasting with declines for battery EVs and plug-in hybrids.²
- **Industry commentary tied sales to incentive changes:** Multiple industry sources linked slower EV sales in early 2025 to the elimination of rebate programs, highlighting how policy changes may be affecting consumer and dealer expectations.⁵
- **Infrastructure funding and deployment continued:** The Zero Emission Vehicle Infrastructure Program (ZEVIP) continued to provide funding streams for EV chargers and hydrogen refuelling stations across Canada in 2025, with project calls and allocations aimed at expanding access through 2027-29.⁴

Dealership still leads as online preference grows



- Despite a steep decline from last year, 41% of buyers (vs 62% in 2024) still prefer completing purchases in person at dealerships / showrooms.
- Online channels gain traction, rising to 27% compared to 22% in 2024.
- Nearly a third (32%) would want to evaluate both online and offline options.
- Compared to ICE buyers, EV buyers show slightly higher preference for online channels.

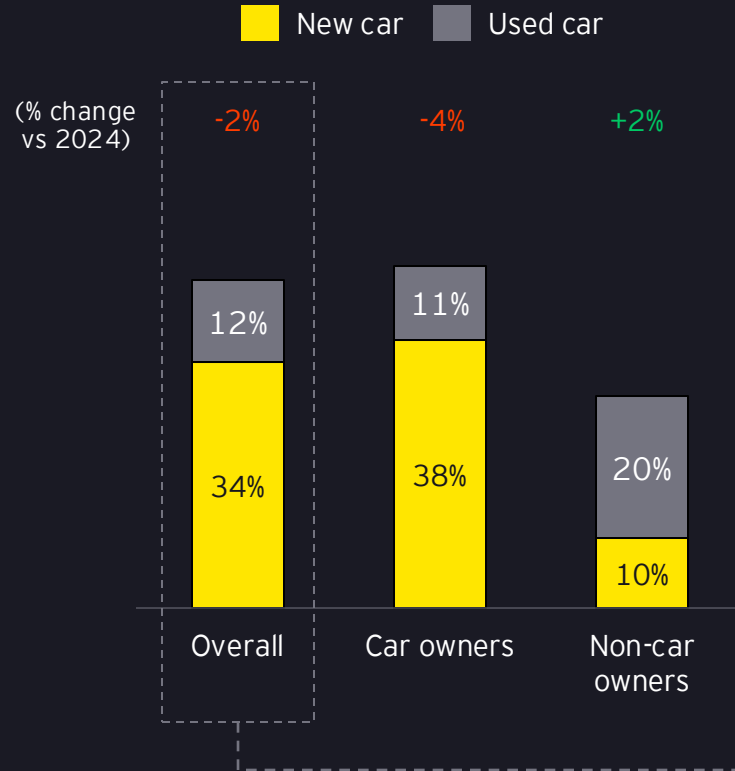
Essential connectivity preferred to advanced autonomy



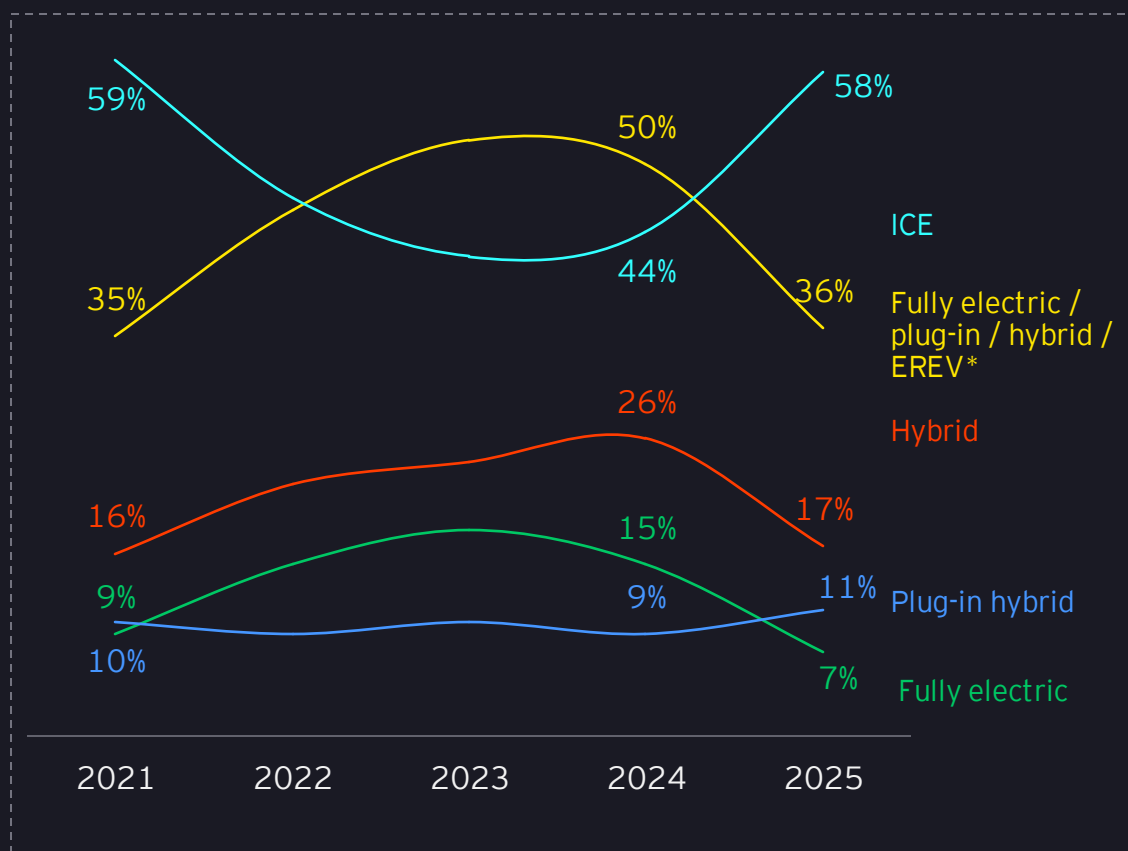
- Navigation, safety and maintenance remain top priorities, while performance upgrades and ADAS features rank lower.
- Advanced autonomy adoption faces hurdles such as high price points (47%), distraction concerns (34%) and software glitches (30%).
- Majority of consumers (68%) are comfortable with up to L2 autonomy vs 18% for L3 or higher
- Key concerns include accident risk (62%), loss of vehicle control (54%) and tech failure (52%).

Around 46% of the respondents in Canada intend to buy a car, with preferences shifting back towards ICE vehicles as interest in EVs declines

CAR BUYING INTENT



POWERTRAIN PREFERENCES OF POTENTIAL CAR BUYERS



KEY POINTS

Hybrid transition

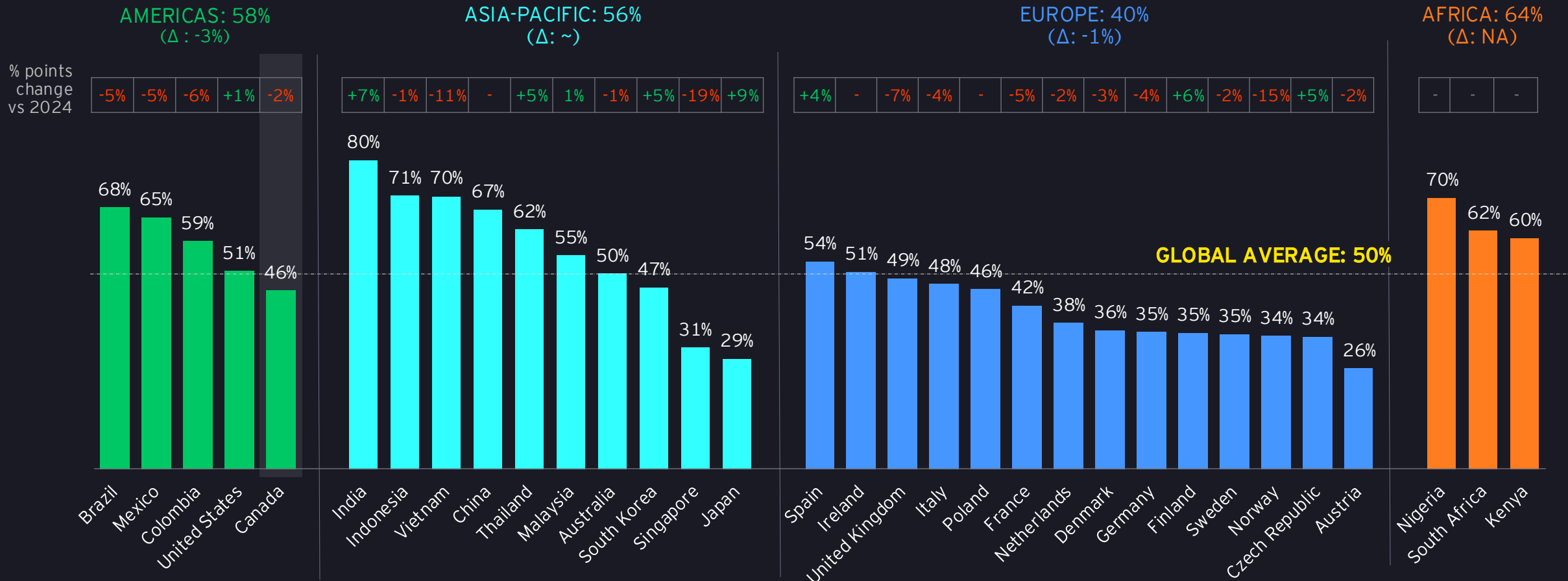
Interest in hybrids remains higher than other EV powertrains. Hybrids have emerged as a bridge between ICE vehicles and BEVs, helping consumers gradually adapt to EV technology

*The EREV option was introduced in the 2025 study and accounts for 1% of total powertrain preferences. The total for any particular year may not add up to 100% as respondents may have chosen 'unsure' or other powertrains (e.g. FCEV)

In Canada, the car buying intent witnessed a marginal decline compared to last year

CAR BUYING INTENT

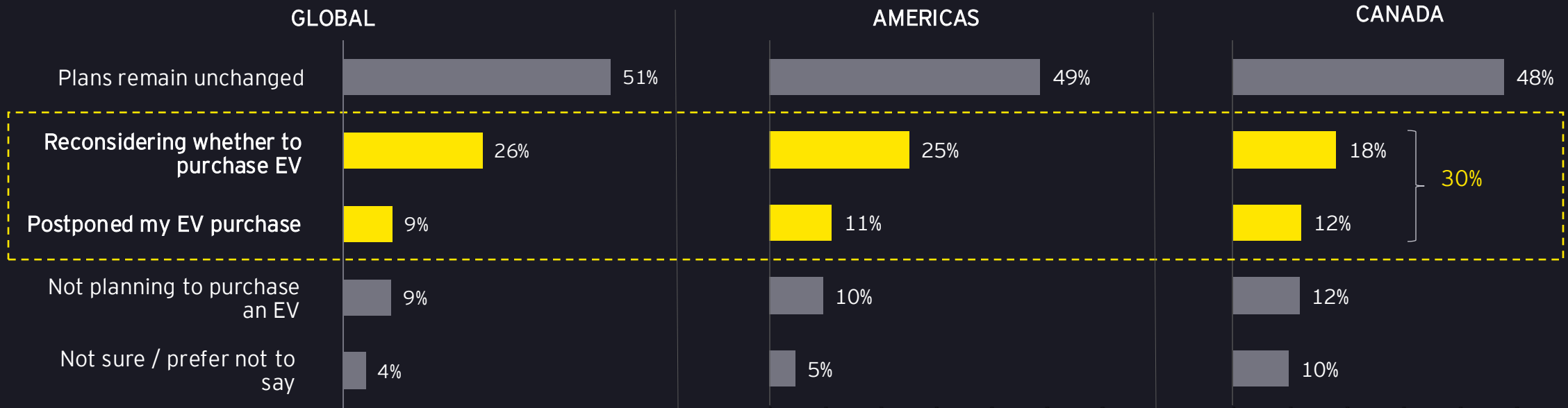
(% of respondents who are extremely or somewhat likely to buy a car)



Please note Ireland, Poland, Nigeria, Kenya, and South Africa are new markets added in the 2025 study

Amid the shifting policy landscape, 30% of potential EV buyers in Canada are reconsidering or have postponed their EV purchase decisions

IMPACT OF RECENT GEOPOLITICAL EVENTS ON EV BUYING
(% of potential EV buyers)

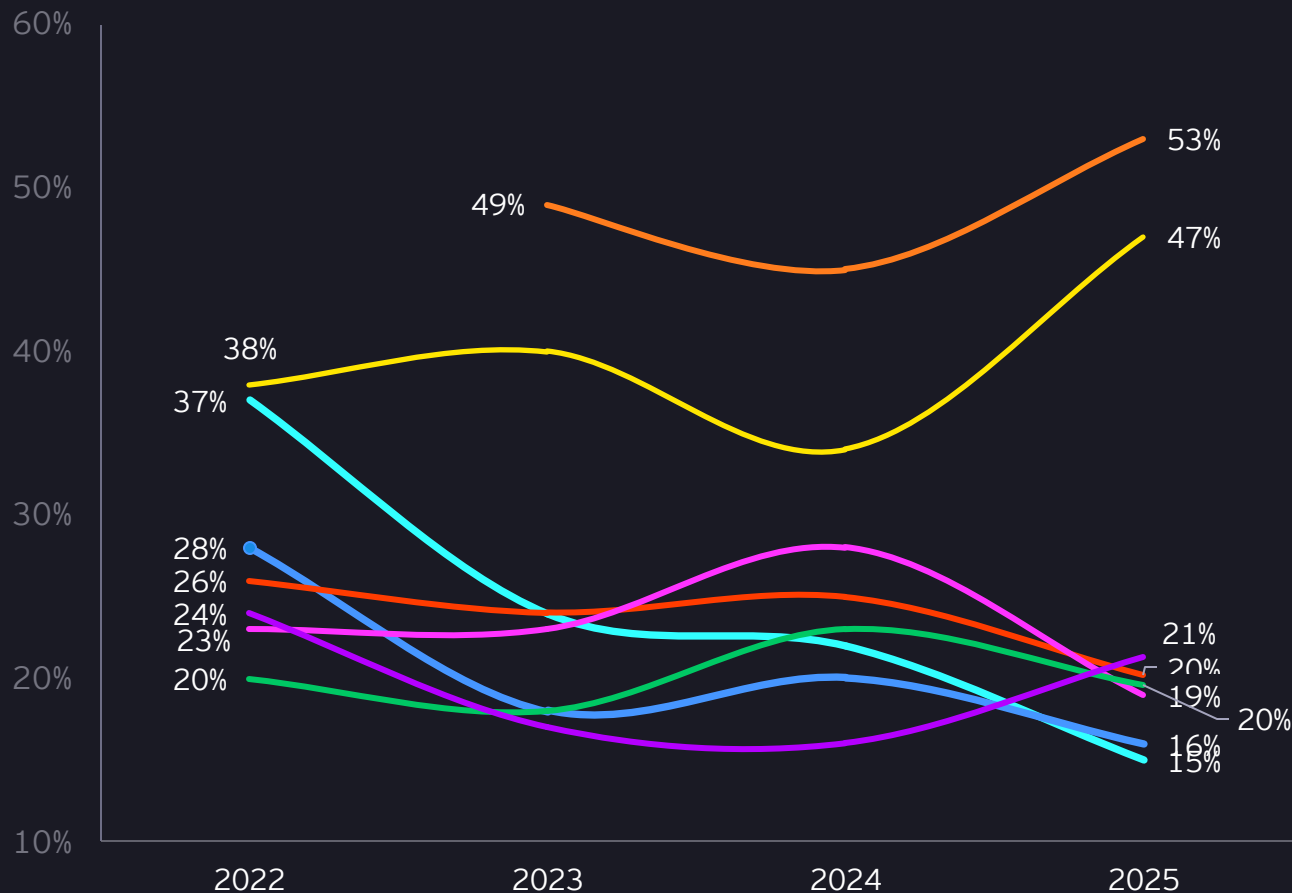


% of potential EV buyers who are reconsidering or have postponed their EV purchase in select regions and markets

APAC: 42%	Africa: 31%	Mexico: 40%	Canada: 30%
Americas: 37%	Europe: 30%	Brazil: 39%	United States: 27%

Potential EV buyers ranked high fuel prices as the top driver for EV consideration, followed closely by environmental concerns

TOP MOTIVATIONS FOR RESPONDENTS TO BUY AN EV - CANADA



High fuel / gasoline prices

Environmental concerns

EVs are easier to maintain

Lower TCO

More EV choices

Longer ranges

Rising penalty on ICE

Monetary incentives

Figures show % of respondents ranking the option in their top 3

Cost and environmental factors key to EV consideration

Consumer opinion indicates that high fuel prices remain the leading motivator for EV interest, rising to 53% in 2025 despite the carbon tax repeal and easing of gas prices, indicating persistent consumer sensitivity to fuel cost.

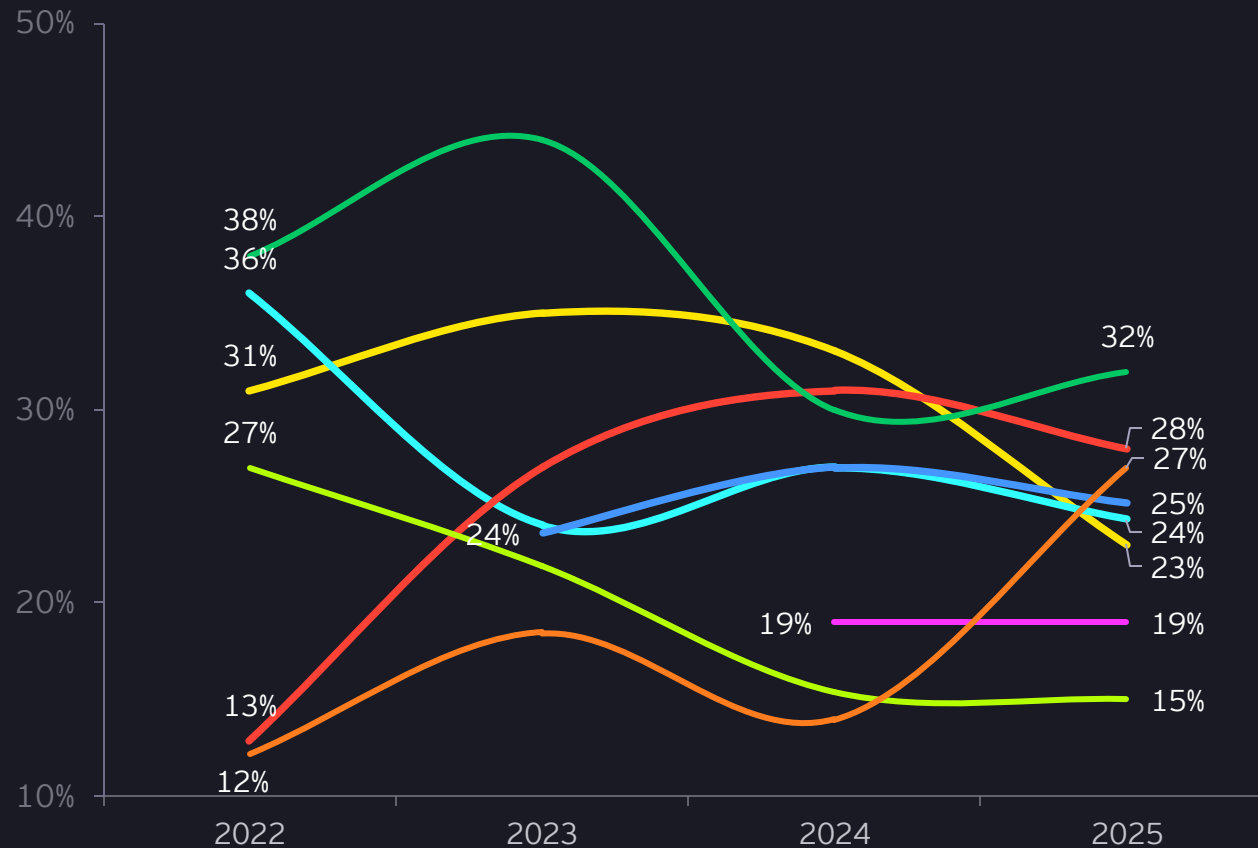
Environmental concerns climbed sharply to 47%, signalling that sustainability is no longer secondary but a core driver of EV interest.

Note: "High fuel / gasoline prices" was added to the MCI study in 2023.

ICE: Internal combustion engine; EV: Electric vehicle; TCO: Total cost of ownership

Upfront purchase cost emerged as the key inhibitor to EV consideration, followed by charger quality and interoperability concerns

TOP CONCERNS FOR RESPONDENTS TO BUY AN EV - CANADA



Upfront purchase costs

ICE vehicles have better performance than EVs

Expensive battery replacement costs

Lack of charging stations

Range anxiety

EVs are costlier to repair / maintain

Absence of adequate home / workplace charging infrastructure

Figures show % of respondents ranking the option in their top 3

Upfront cost still a barrier

The price gap between ICE vehicles and EVs has reduced over the years due to reduction in battery costs and OEMs' increased focus on affordable models, but EV prices remain relatively higher.

Charging reliability

Sparse network, winter reliability issues, and nonstandard systems between different charging networks are hindering EV consideration among consumers.

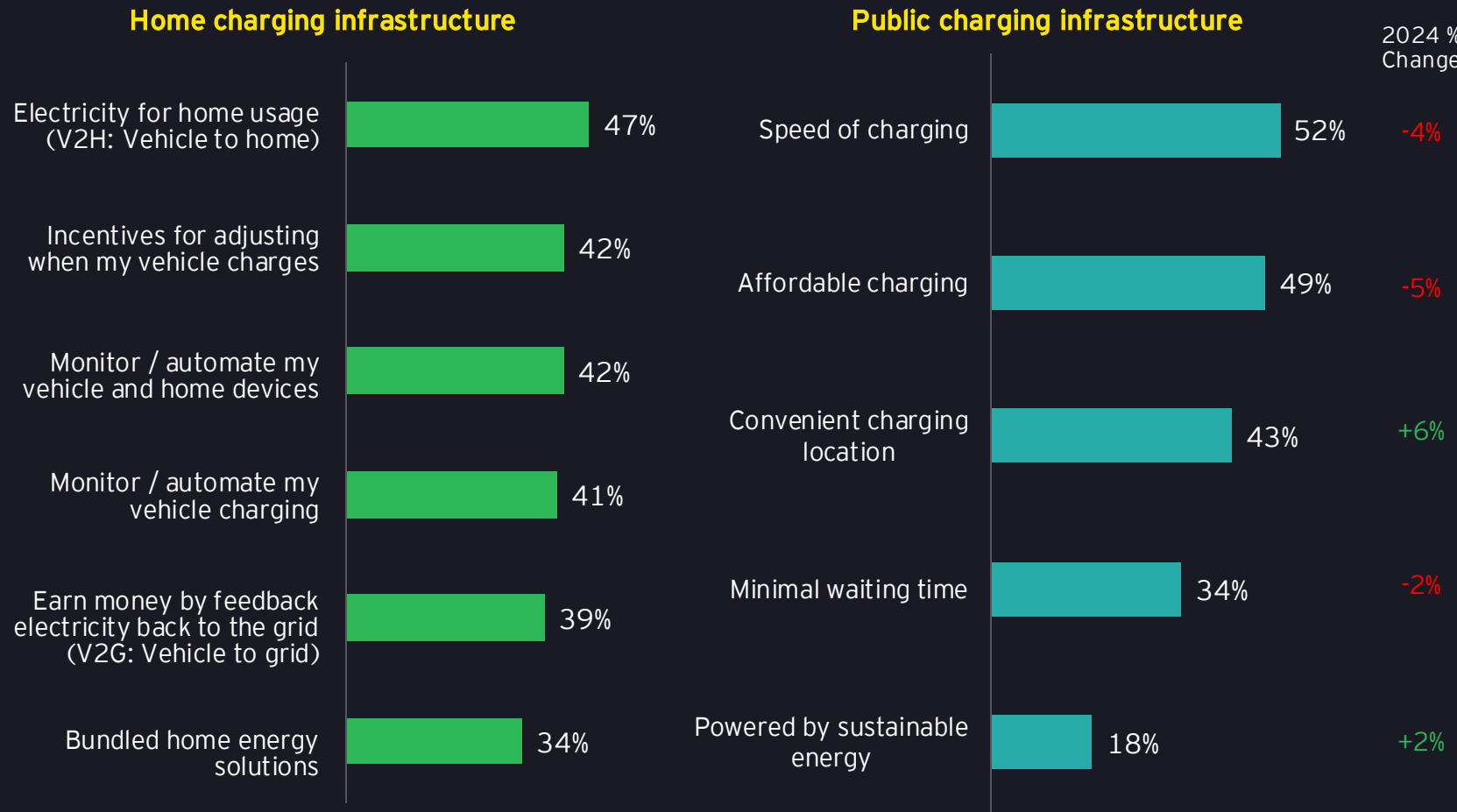
ICE winter performance

EVs can lose up to 40% of their driving range in the winter, increasing range anxiety. This performance drop limits long-distance travel in winter conditions.

"Public charger quality" and "interoperability" were two separate options until 2024 and then combined in 2025

With regard to home EV charging, consumers are interested in the V2H benefits, while for public charging, speed and charging affordability remain critical attributes

DESIRED ATTRIBUTES IN CHARGING INFRASTRUCTURE



Consumers seek energy resilience and cost efficiency

Consumers are shifting from basic charging functionality to integrated energy solutions, with the leading preference being the use of EV batteries as a backup power source, highlighting growing demand for energy resilience and V2H capabilities.

Features like adjusting charging times to lower electricity bills and automation reflect a desire for smart charging solutions that help reduce energy costs.

Speed and affordability are non-negotiable

Fast charging remains the top priority for public infrastructure, reflecting consumers' need for rapid charging network.

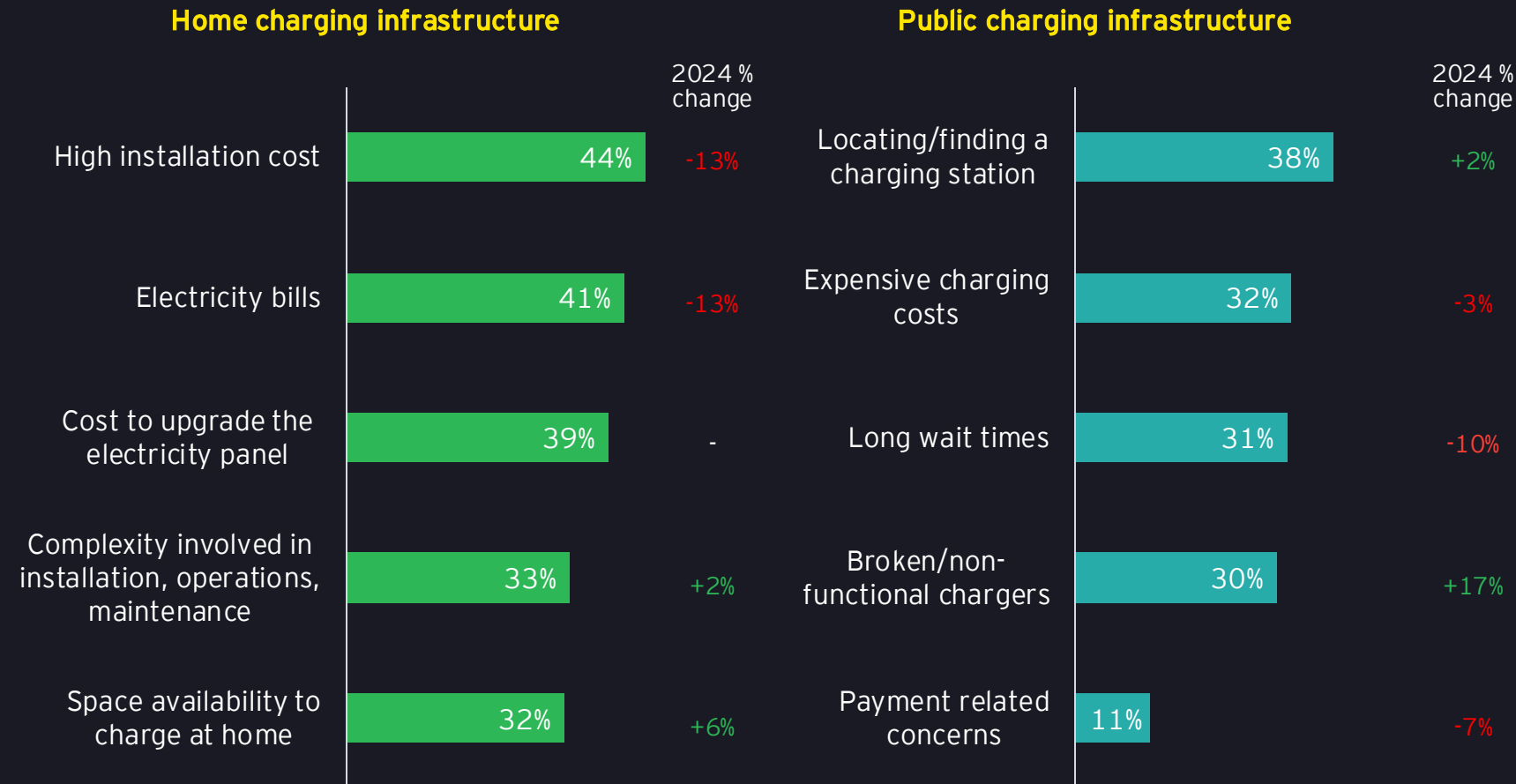
Affordability has also become a decisive factor, highlighting growing price sensitivity and need for competitive charging tariffs along with charging speed.

Note: Home charging infrastructure figure indicates sum of the top three ranks of the share of responses per category

EV: Electric Vehicle

High installation costs, electricity bills hinder at-home charging adoption while difficulty in locating a charger and expensive charging cost weigh down on public charging experience

CONCERNS ASSOCIATED WITH CHARGING INFRASTRUCTURE



Home charging cost concerns

High setup costs and electrical-infrastructure upgrades are major barriers for homeowners opting for EV chargers. Installing a charger often requires panel upgrades, certified grounding and firesafe hardware, driving up expenses for consumers.

Limited charging visibility

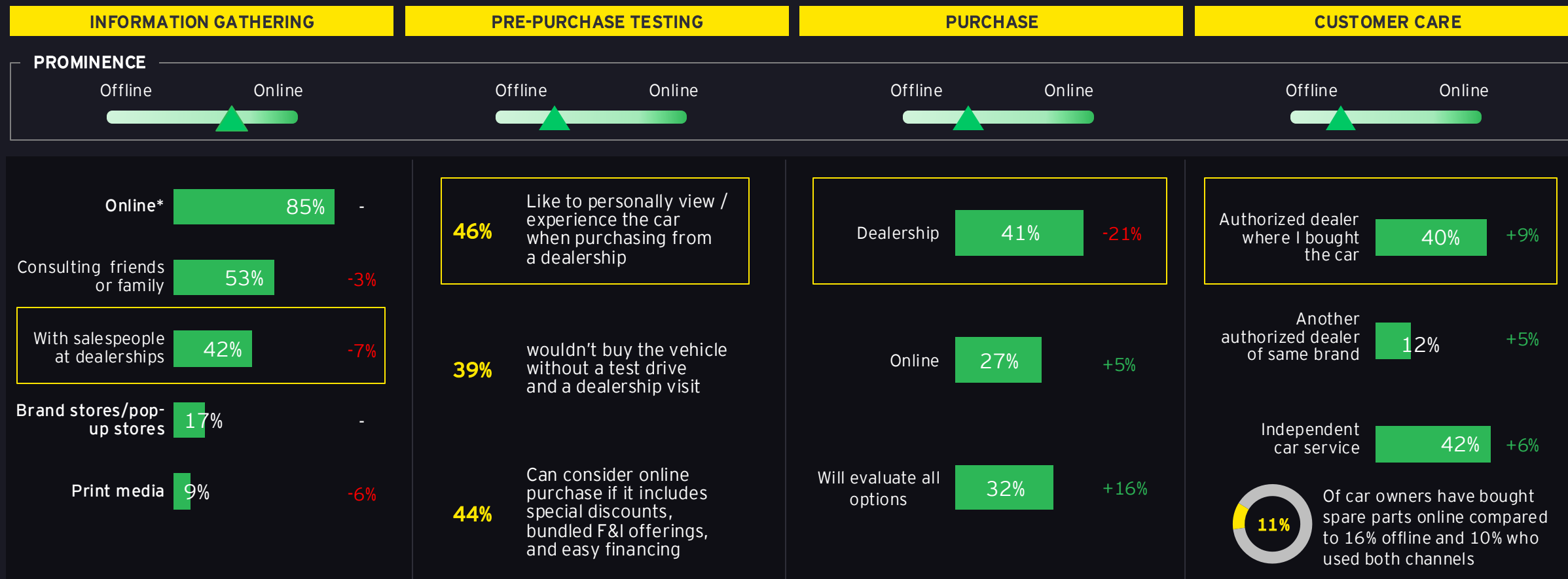
Sparse charging station coverage and unreliable real-time information make it hard for consumers to locate working, compatible and available chargers. Also, most are unevenly distributed. Located in urban or premium locations, leaving gaps in suburbs, highways and rural areas.

Note: Home charging infrastructure figure indicates sum of the top three ranks of the share of responses per category

*"Cost to upgrade the electricity panel" is a new option added in 2025

Online platforms are key for initial car research as the physical dealership experience remains essential, along with growing online traction for final purchase

Car buyers: interplay of online and offline channels across the car purchase journey



 Prominence of dealership

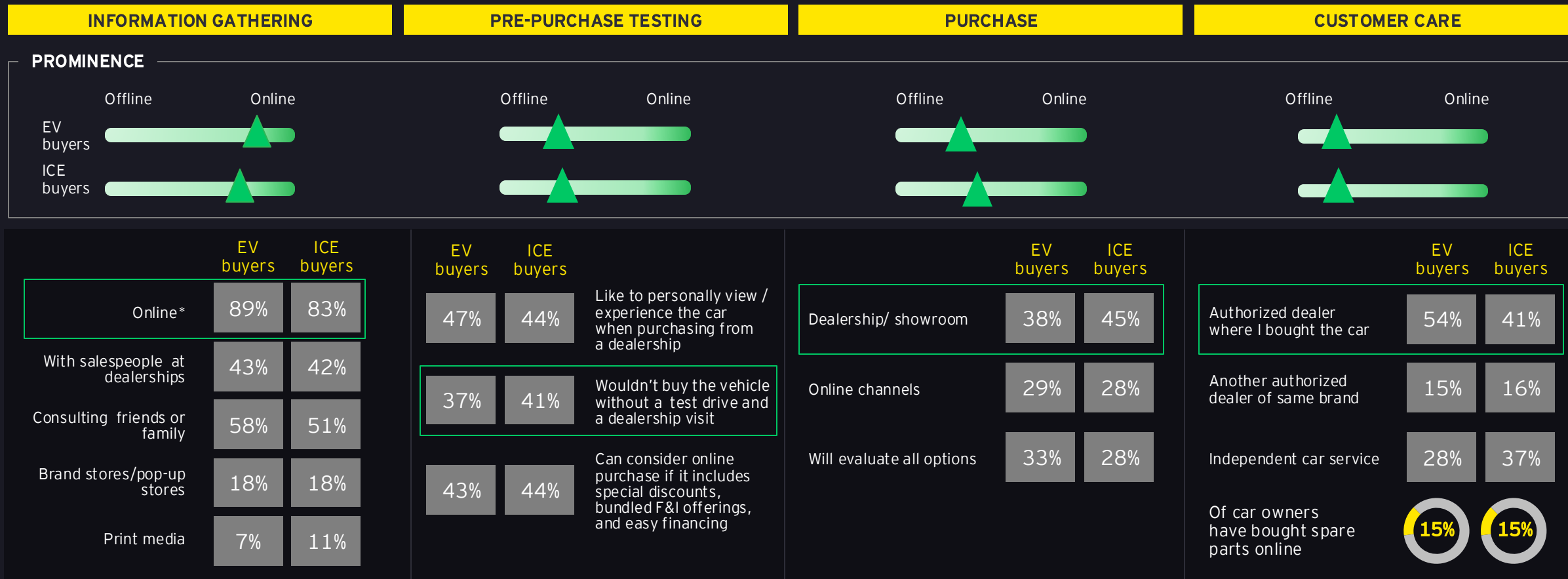
*Online options include dealership / manufacturer website, social media, third-party websites, and AI-based chat tools

For the question regarding customer care, the option "Manufacturer where I bought the car" was removed in MCI 2025

+ - : y-o-y change

Potential EV buyers are more likely to use manufacturer/dealership websites to gather EV-related information, yet continue to favour offline channels for the actual purchase

EV buyers vs ICE buyers: Interplay of online and offline channels across the car purchase journey



Notable difference in preferences

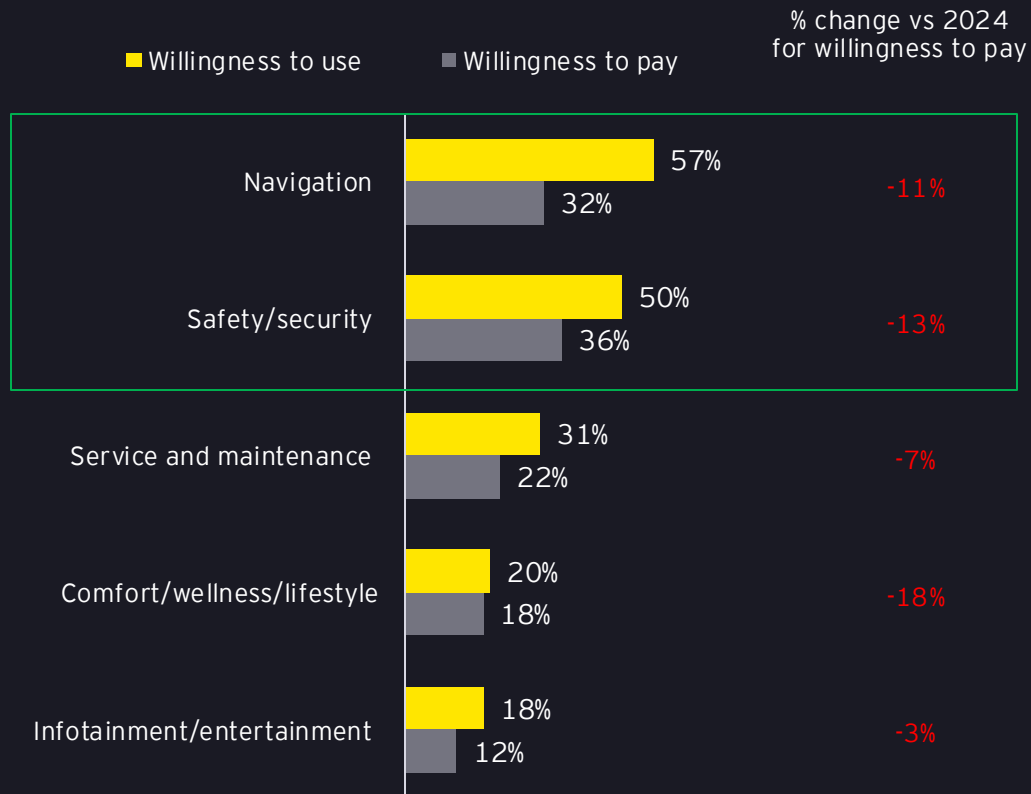
*Online options include dealership / manufacturer website, social media, third-party websites and AI-based chat tools

Note: EV includes battery electric vehicles, plug-in hybrid, soft / mild hybrid, and extended range EVs

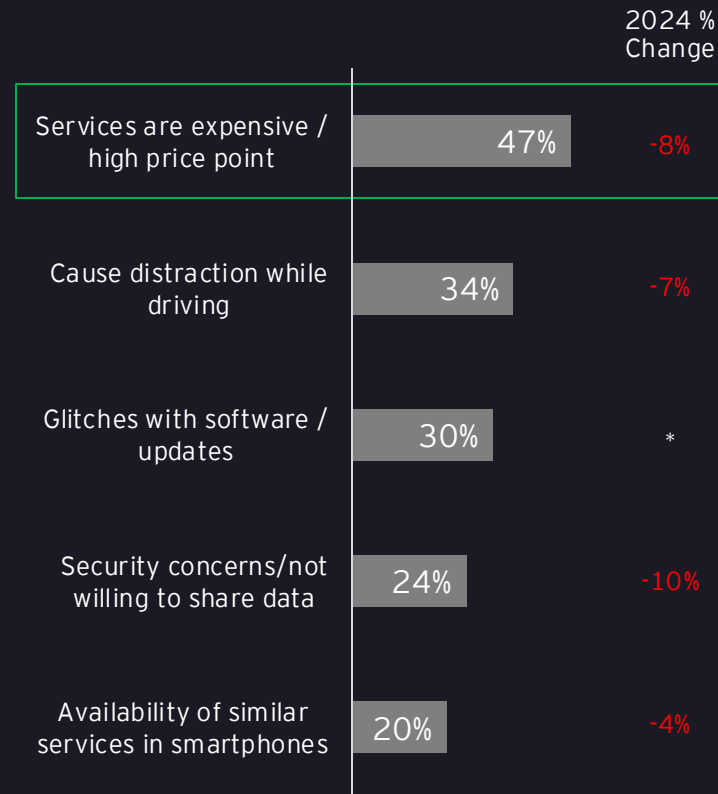
Consumers prioritize functional connectivity features in connected cars, especially safety and security, and view certain add-on services as nonessentials

CONNECTED CAR FEATURES

Preferred features and technologies



Key pain points



Building a core connected ecosystem for value creation

- The perception of high costs and persistent concerns around driving distraction, software glitches and data security continue to challenge automakers' efforts to monetize connected car data.
- To address this, OEMs are prioritizing a strong foundation of essential connected features as standard, while introducing advanced and premium services as optional add-ons.
- This approach aims to balance consumer expectations for value and trust with the industry's need for sustainable revenue streams.

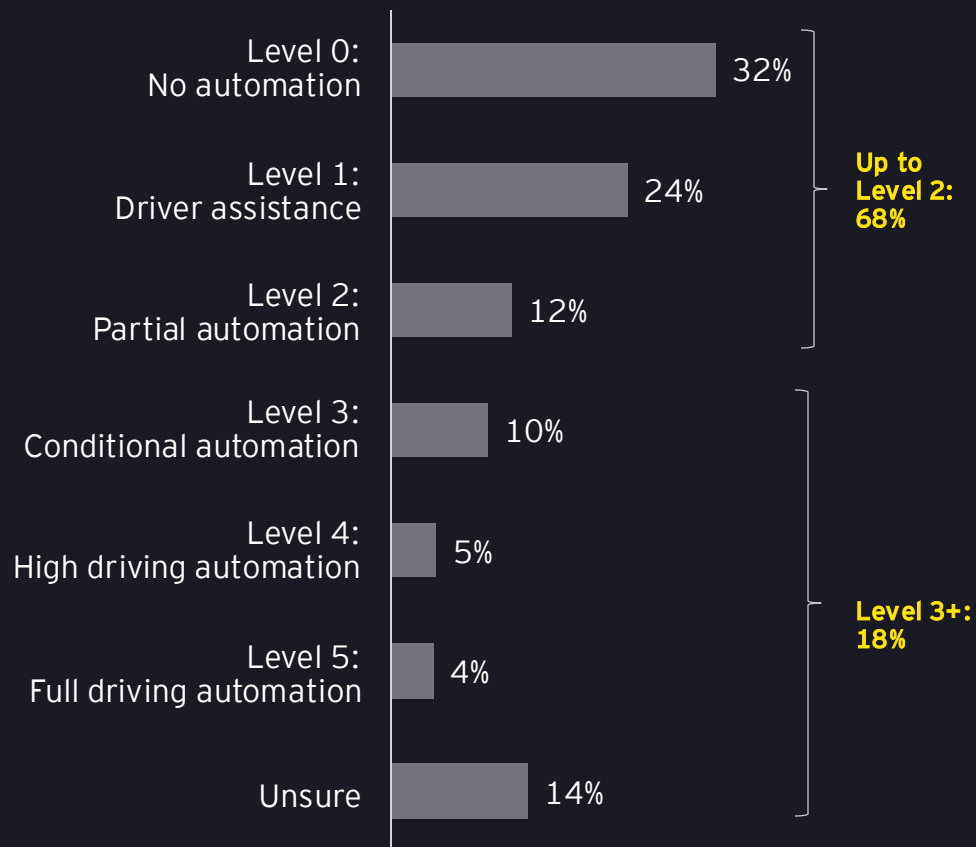
Navigation (e.g. real-time traffic alerts, route planning); Safety & security (e.g. automated emergency calls, vehicle tracking); Comfort (in-car voice assistant / concierge); ADAS (Advanced driving assistance systems)

*"Glitches with software or updates" is a new option added in Wave 6

Majority of consumers would be comfortable with up to level 2 ADAS features in their personal vehicles; safety, technology failures and lack of control are the top concerns

COMFORT LEVEL WITH SELF-DRIVING AUTOMATION

CANADA



BY REGION

- Americas (65%) and Europe (68%) are more comfortable with up to level 2 self-driving capability vs APAC (56%)
- Whereas consumers in APAC (35%) are more open to higher level of automation (level 3 or more) compared to consumers in Americas (25%) and Europe (18%).
- China (47%), India (48%), and Japan (38%) show higher comfort level with level 3+ self-driving features than the US (23%), UK (21%), and Germany (19%).

TOP CONCERNS



EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

[Optional sector or service line descriptor – refer to The Branding Zone]

© 2025 Ernst & Young LLP.
All Rights Reserved.

ED NA

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither EYGM Limited nor any other member of the global Ernst & Young organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

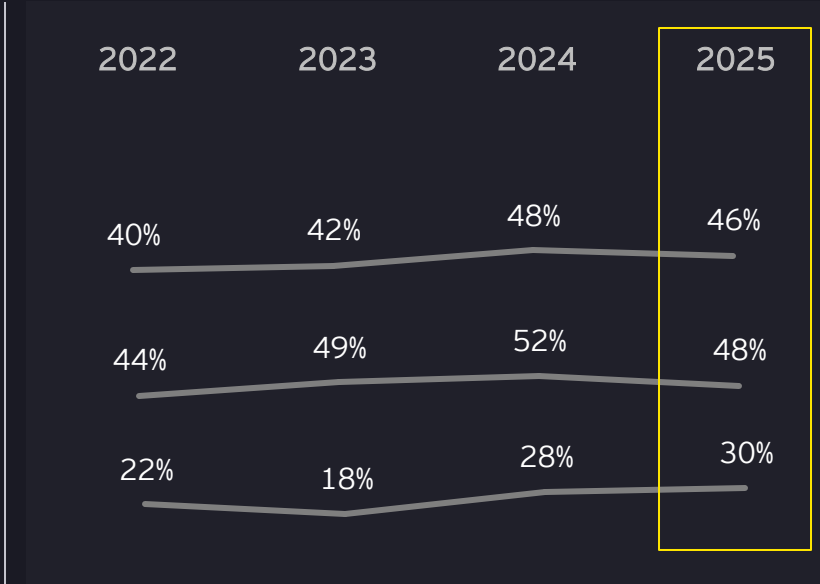
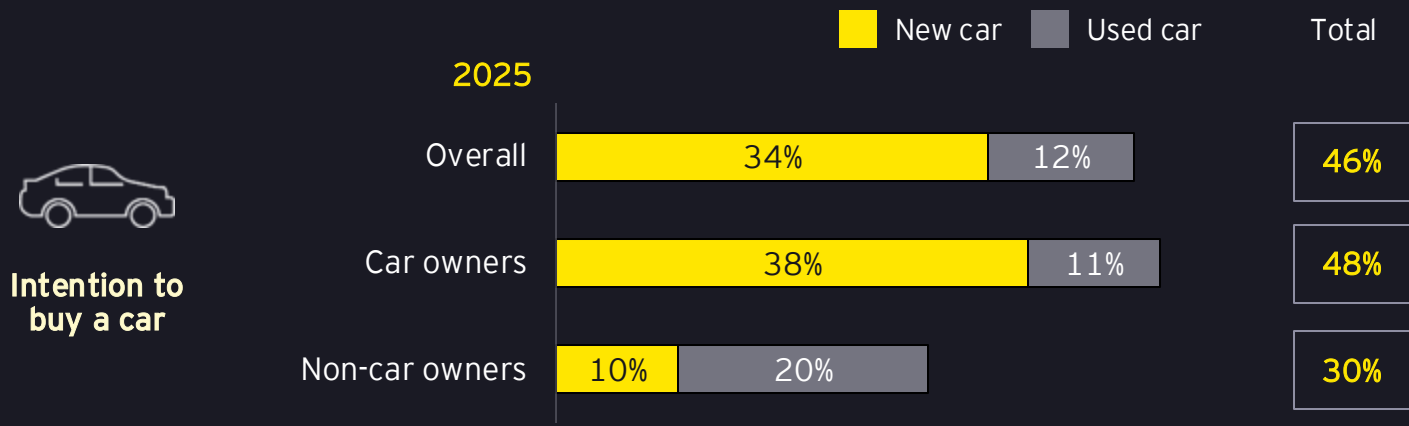
ey.com

APPENDIX

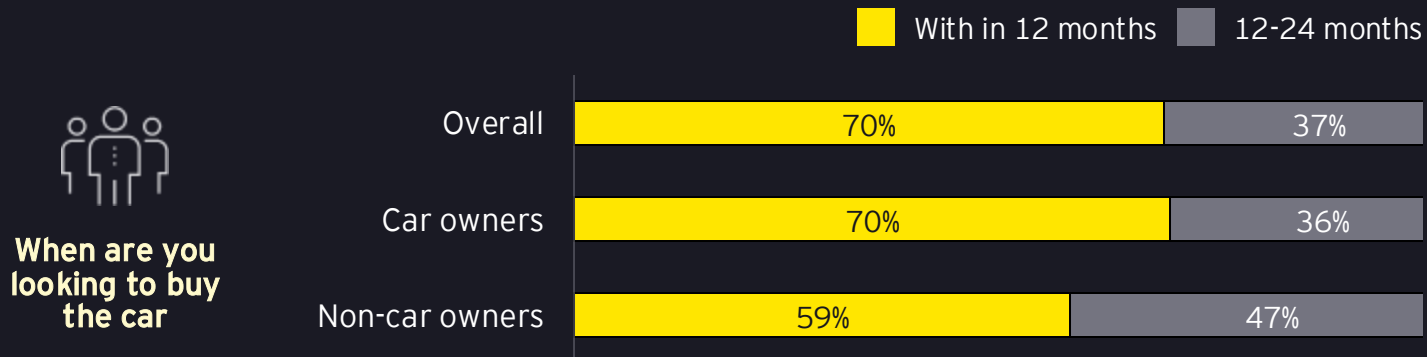


Car purchase intent witnessed a marginal decline compared to last year, primarily driven by a 4% decline in share of existing car owners intending to purchase a car

How likely are you to purchase a car in the next 24 months?



When would you make the purchase of your next car?



Note: Car buying intent (% of respondents choosing extremely likely and somewhat likely)