



Vehicle Market Sentiment Study
Wave 5 (June 2026)
Insights Report

Prepared by: Nick Dawes



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Research Objectives

The objectives for this research can be summarised as to...



...provide a brief update focusing on the impact of rising fuel costs and insecurity on purchase decisions in the car market



This research focuses on understanding Australian drivers, with a specific focus on understanding ...

- Profiling their **intended next main vehicle** (e.g. body type, fuel type, timeline of replacement);
- Specific **perspectives on electric and hybrid vehicles** (e.g. willingness to consider, hierarchy of importance, drivers/barriers of consideration and price point analysis);
- **Attitudes towards driving and vehicles** (including views on EVs and purchase channels);
- Reviewing **the impact of broader macro factors** on driver confidence and decision-making.

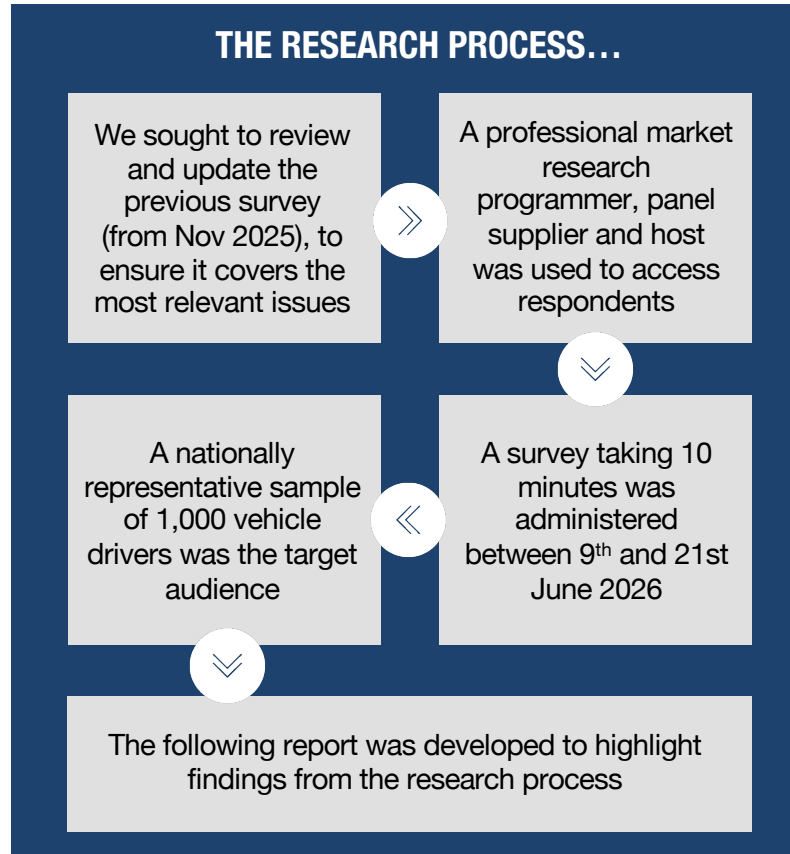
In recognising that **the broader economic and social environment in Australia is shifting rapidly**, AADA was keen to conduct another quick check-in on driver sentiment.

After four previous waves of tracking research which focused on EV sentiment and intentions, this wave was designed to consistently reflect some questions and topics from past waves while evolving the study slightly **to be broader** and to better explore the impact of factors like fuel prices, the economy and global issues.

This smaller stage of research (detailed in the below report) is based on feedback from **a sample of 1,000 Australian drivers** (representative by age, gender and household location across Australia).



Research Approach



This report primarily features results **from the June 2026 stage of research**, but there are times throughout where we also include the corresponding figures from previous research stages (September 2022, January 2024, November 2024 and November 2025).

Where no significant differences between time periods are noted, we have at times not included the previous wave's figure.



Refreshing Our Survey

This tracking wave **involved making some updates to our research questionnaire** to ensure our findings can address some important hot topics for AADA.

We **took great care to ensure some key tracking questions were consistent with past stages of research**, and used this stable platform to track any real shifts in driver perceptions and preferences from wave to wave.

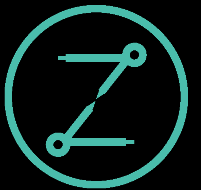
Here are the changes we introduced for the June 2026 wave...

- The survey evolved to **focus less singularly on EV sentiments**, behaviours and attitudes, and expanded to include more measurement of **broader driver sentiments**.
- We **removed some questions and report sections focused on current vehicles driven**, to free up some questionnaire space.
- In their place, we included some questions to ascertain **potential impacts on drivers of shifts** in the domestic economy, fuel prices and global issues.
- We added some attitudes questions to evaluate views on **the proximity of the point of vehicle sale** for new vehicles to home.



Executive Summary

An overview of our key research findings...



Key Research Headlines

COST OF LIVING & GLOBAL UNCERTAINTY ARE HAVING AN IMPACT...

Two in five Australian drivers say that inflation is causing them to reconsider or delay their next vehicle purchase, with 34% also saying their purchase has been impacted by global uncertainty/instability. It suggests that consumers are more cautious and are choosing to wait and see how their own finances may be impacted before committing to buy a new vehicle.

EVs CONTINUE TO BE 'MORE FOR' CERTAIN DEMOGRAPHIC COHORTS.

While EV intention has started to grow slowly, we do see continued higher consideration among specific cohorts. Younger drivers, men and those living within 10km of a CBD are significantly more open to EVs in future than others. It suggests that EV growth - at this stage - is still likely to be confined to certain cohorts rather than being a mass trend.

GROWTH IN INTENTION FOR SUVs.

Our study is showing a longer-term trend towards drivers preferring small, medium and large SUVs over other vehicle types. This intention shift appears to be at the expense of small and medium cars, suggesting that drivers are keen to move away from cars and into SUV variants.

EVs LESS ABOUT ENVIRONMENT, MORE ABOUT COST SAVING.

Since 2024, we have seen a significant decline in motivation to buy an EV being linked to them being better for the environment. Instead, the real emerging driver for considering an EV remains the cheaper running costs they can afford (particularly in context of currently higher fuel prices).

EV INTENTION FOR THEIR NEXT MAIN VEHICLE STARTS TO GROW.

Between 2022 and late 2025, intention for EVs to replace a next main household vehicle remained steady, ranging between 38% and 39%.

However, over the past 6 months, we've seen some growth in intention (albeit small) for EVs (up to 41% from 38% in November last year). Two in five drivers are now considering an EV.

PRICE, DRIVING RANGE AND BATTERY LIFE-SPAN MATTERS MOST.

When thinking about buying an EV in future, the three most important considerations for potential buyers are, in order, purchase price, battery lifespan and driving range between recharges.

This reflects a combination of functional vehicle performance and affordability, and will need to be proven by EV manufacturers in order to drive uptake in the short-term.



Overview | Feedback On Electric Vehicles



41% **WOULD CONSIDER AN EV
FOR THEIR NEXT MAIN
VEHICLE [vs. 38% in Nov '25]**

2% **AVERAGE PRICE PREMIUM
CONSUMERS WOULD PAY
FOR AN EV [vs. 2% in Nov '25]**

KEY DRIVERS FOR EVs...

1. 'Cheaper to run and recharge vs ICE vehicles'
2. 'Represent the future of vehicles'
3. 'Better for the environment' ↓ [44%, down from 49% in Nov '25]

BARRIERS TO EVs...

1. 'Cost too much' ↓ [48%, down from 53% in Nov '25]
2. 'Lack of charging infrastructure/stations'
3. 'I don't have the right setup at home'

EV PRICING...

- The current accepted price premium for an EV sits at 2%, down from 6% back in 2024. This may be linked to a combination of cheaper new EV models entering the market and a declining willingness to pay more.
- In June 2026, 41% say that general inflation is making them reconsider or postpone their purchase of a new vehicle. Combined with cost acting as a barrier for considering an EV, it's clear that price is a highly relevant factor for buyers right now.



What Has Changed Over Time?

	NOV '24	NOV '25	JUN '26	CHANGE (Nov '25-Jun '26)
Likelihood to specifically consider an EV for my next main vehicle	39%	38%	41%	+1%
Not open to an EV due to perception that EVs cost too much to purchase	55%	53%	48%	-5%
% Agree 'Governments should be incentivising more customers to transition to EVs'	62%	60%	62%	+2%
% Agree 'I'm less willing to pay more for an EV over other fuel types due to the current economic times'	64%	63%	60%	-3%
% price premium I'm willing to pay for an EV over a similar vehicle with a traditional fuel type	+6%	+2%	+2%	-

Over the most recent six months, we've noticed some slight momentum building in terms of EV consideration.

Consideration of EVs is now at above two in five Australian drivers (41%, up from 38% in November 2025).

Our study highlights that EV intention is **decreasingly linked to environmental benefit** and is rather fixed on reduced running costs and overall value for money.

On this basis, intention for EVs **is linked to the financial context of consumers** (including the current cost of fuel and other economic factors).

Right now, in spite of high concern around inflation and general global uncertainty, EV consideration is holding up. Is this perhaps linked to current higher fuel costs and the comparative cost of ownership value offered by EVs?

Results that are significantly higher () and lower () at the 95% confidence level between November 2025 & June 2026.



ATTITUDES TO EVs...

62%

vs. 60%

“Governments should be incentivising customers more to transition to EV”

55% ↑

vs. 45%

“The rising cost of petrol/diesel makes EVs more attractive to me”

67%

vs. 65%

“I expect to keep my current car for longer due to the current cost of living pressures”

52%

vs. 54%

“EVs don’t have enough driving range for me to consider one”

60%

vs. 63%

“I’m less willing to pay more for an EV over other fuel types due to the current economic times”

32% ↑

vs. 27%

“Now is the best time to buy an EV, as they will hold their resale value better”



Replacing Vehicles In Future

Reviewing driver plans for replacing their current main vehicle...



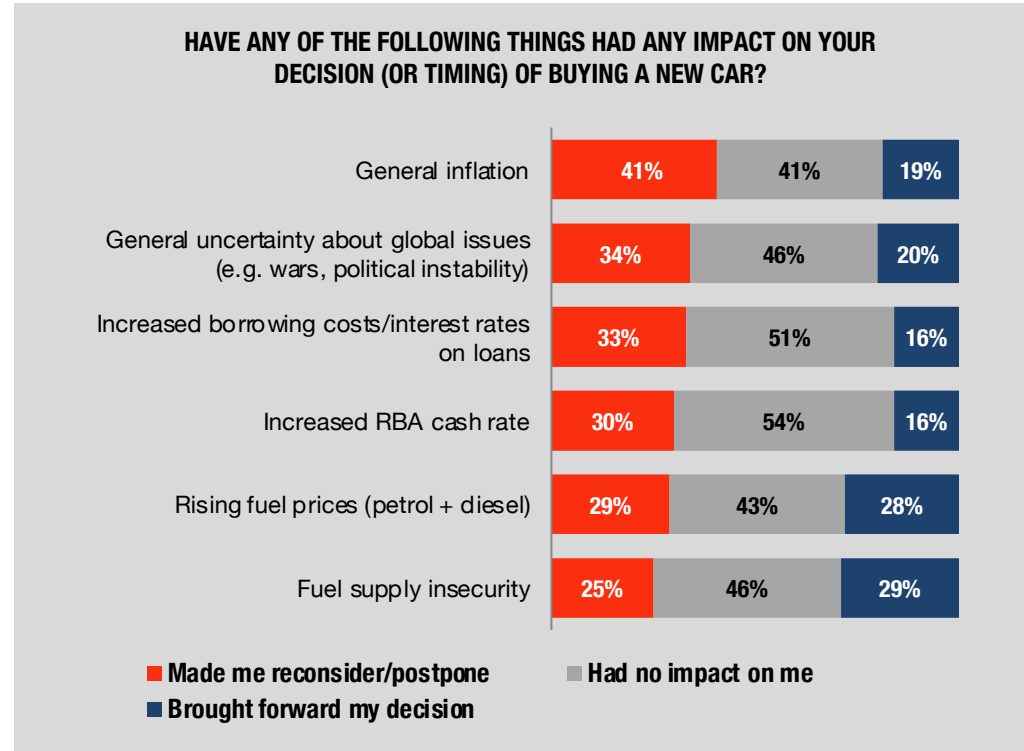
Impact Of Market Conditions On Vehicle Purchase...

Over two in five Australian drivers say that **general inflation** has caused them to reconsider/postpone their decision to buy a new car (41%), with 34% delaying their decision due to **general uncertainty about global issues** (e.g. conflicts/instability).

Increased **borrowing costs/interest rates** have caused 33% to delay their purchase timeframe.

On balance, the same proportion of Australian drivers say that **rising fuel prices** has delayed their decision to buy a new car as have said that this is encouraging them to bring forward their decision to buy a new car. It suggests that fuel prices on their own **are having only a weak influence** on new vehicle purchase timeframes.

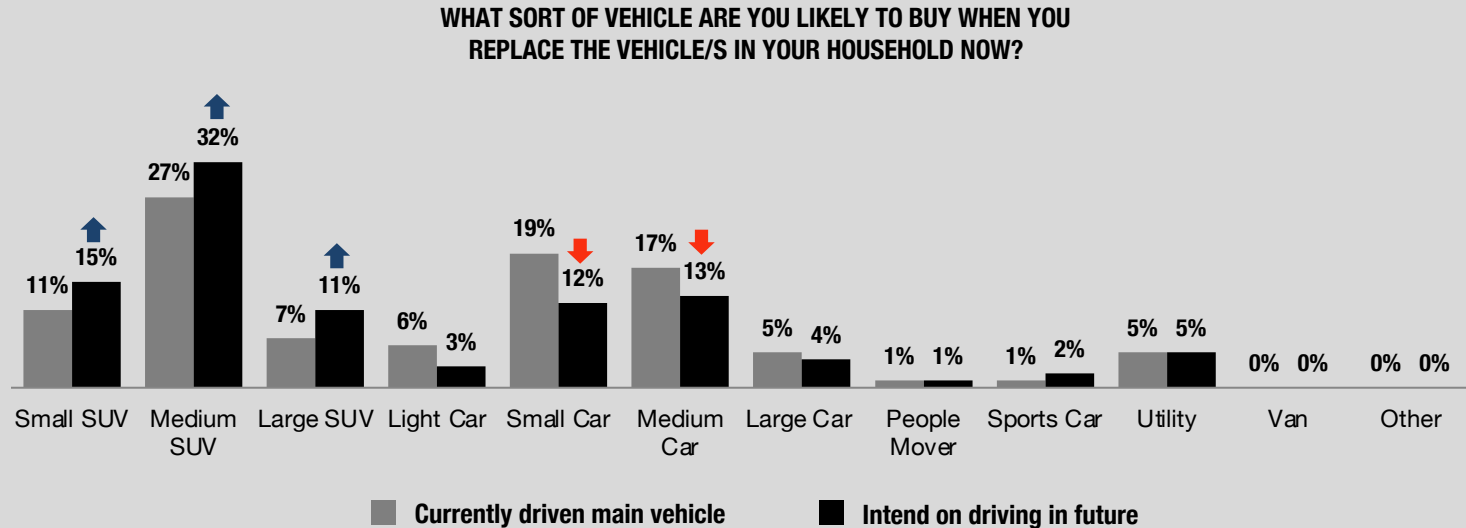
Similarly, **fuel supply insecurity** appears to have had little negative impact on vehicle purchase intentions.



Main Vehicle | Current vs. Future...

Compared to the profile of main vehicles currently driven, future purchase intention indicates a trend **towards small** (11% owned vs. 15% intended) **and medium SUVs** (27% vs. 32%), and **away from small cars** (19% owned down to 12% intended) and **medium cars** (17% down to 13%).

This trend has now been observed for the past three years, suggesting it's an established intention shift.



Q15. & Q17 Base: total respondents (n=1,000)



denotes vehicle types which are significantly more/less likely to be driven in future compared to driven now, at the 95% statistical confidence level



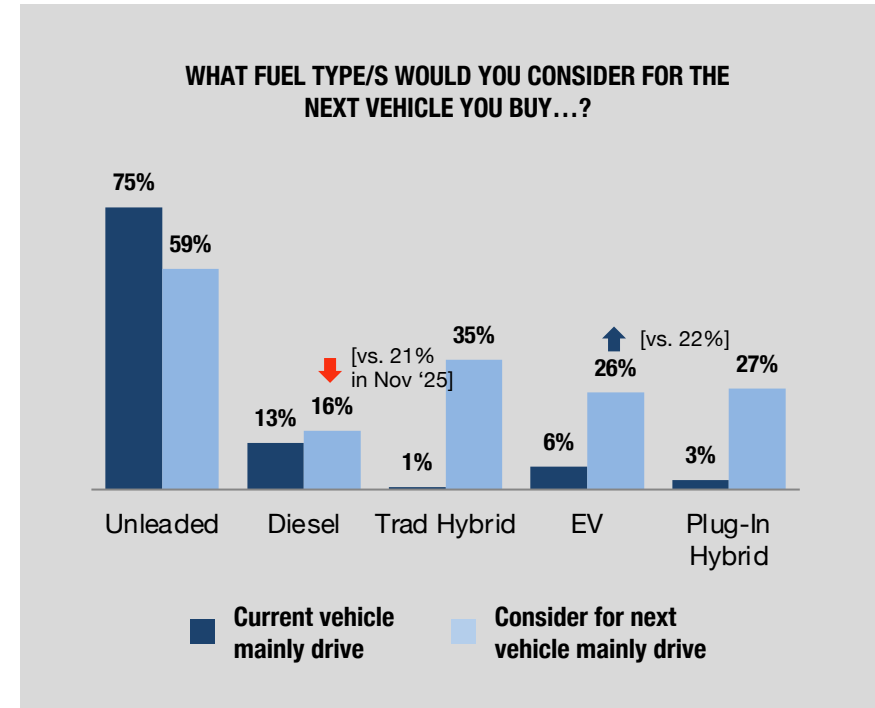
Fuel Types Considered Next...

Similarly to last wave, **unleaded engines** are most likely to be the expected next fuel type for drivers' main vehicle driven (59%). This preference for unleaded fuel has remained steady over time.

Around one in three are open to **traditional hybrid vehicles** for their next main vehicle (35%, down slightly from 38% in November 2025), while one in four (26%) are open to a **plug-in hybrid** (consistent from 26% in 2025).

Consideration of EVs for a next main vehicle is at 26% of the market, which is **up from last wave** (22%).

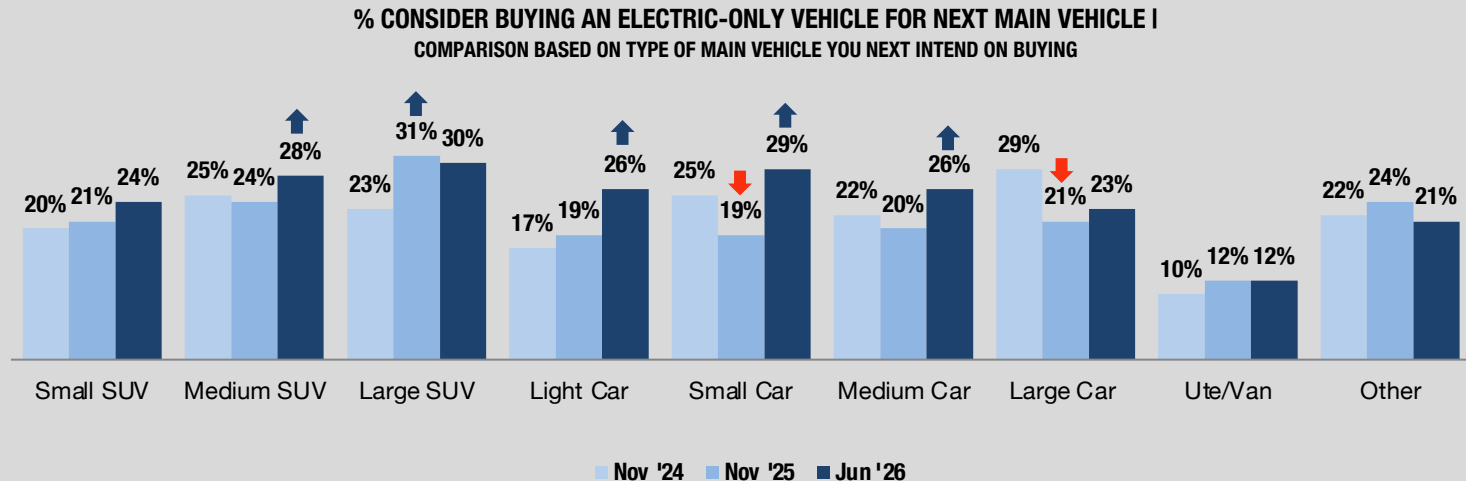
Compared to what vehicles are currently being driven, the notional intention of Australians seems to be indicating a shift away from ICE vehicles and towards hybrid/EV vehicles.



Consideration Of EVs | By Next Vehicle Type Intended

Intention to consider an EV for their next main vehicle is higher when a driver is intending on buying a **medium SUV**, **large SUV**, **light car** or **small car**, and is less evident if they are intending a **small SUV** or **large car**.

Compared to November 2025, we've seen significant growth in consideration of EVs among those looking to buy a **medium SUV**, a **small car**, a **light car** and a **medium car**...

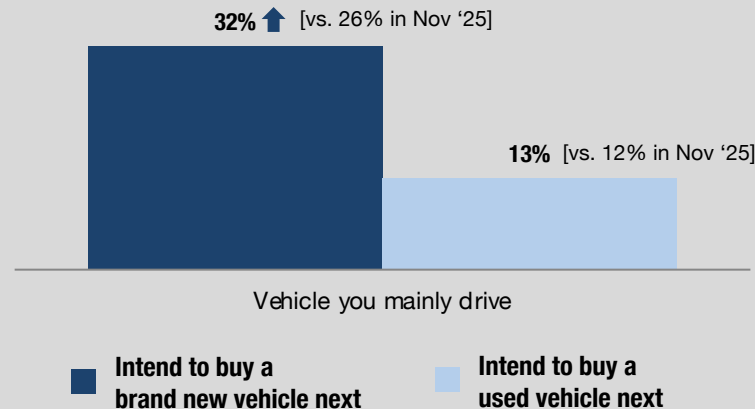


Consideration Of EVs | By Intention For New vs. Used

Those who are likely to replace their next main vehicle **with a brand new vehicle** are more likely to be considering an EV (32%) than those who are looking to replace **with a used vehicle** (13%).

We've **noticed significant growth** in consideration of an EV among new car intenders compared to November 2025 (32%, up from 26%).

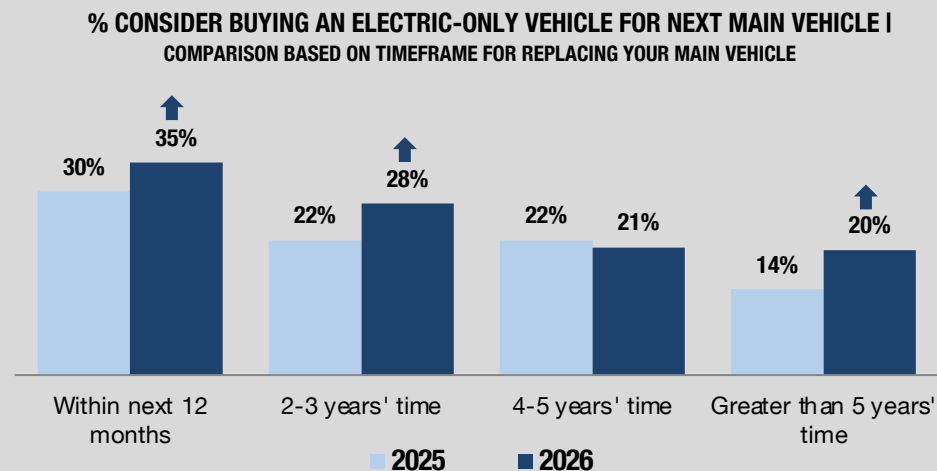
% CONSIDER BUYING AN ELECTRIC-ONLY VEHICLE FOR NEXT MAIN VEHICLE |
COMPARISON BASED ON INTENTION TO BUY NEW VS. USED



Consideration Of EVs | By Timeline For Replacement

Consideration of an EV is highest among those who are looking to replace their current vehicle **within the next 12 months** (35%) or those with a **2-3 year** replacement timeline (28%).

Compared to 2025, we've seen significant growth in EV consideration among almost all vehicle replacement timeline cohorts...



Q16. & Q20 Base: total respondents (n=1,000)

Results that are significantly higher (↑) and lower (↓) at the 95% confidence level between November 2025 and June 2026



Observations | Replacing Vehicles...

INFLATION & GLOBAL UNCERTAINTY IS HINDERING VEHICLE PURCHASE DECISION-MAKING

Australian drivers are most likely to say that these macro financial concerns are causing them to delay or defer their decision to buy a new car. It suggests that **personal financial uncertainty is making an impact.**

FUEL COST & INSECURITY ARE NOT MAJOR VEHICLE PURCHASE BARRIERS IN THEIR OWN RIGHT

While some drivers are delaying their vehicle purchase due to the cost and supply insecurity of fuel, **this is by no means a high percentage of drivers.** It suggests that these issues are having less of an impact than broader financial concerns.

CONSIDERATION OF EVs IS UP, DIESEL IS DOWN

Between November 2025 and June 2026, we've seen **growth in consideration of EVs from 22% to 26%.** Over the same period, consideration of diesel vehicles for their next main vehicle has dropped from 21% to 16%.

EV CONSIDERATION GROWTH IS BROAD

The overall growth in consideration of EVs for a next main vehicle **has been reflected across different cohorts,** including different vehicle purchase timelines, and among drivers of a range of different vehicle types currently.

EVs REMAIN MORE APPEALING TO NEW CAR BUYERS

Intention of EVs for the next main vehicle bought continues to be higher **among new car intenders (32%)** than **used car intenders (13%).**



Focus On EVs

Specific feedback on drivers/barriers to EVs and the status quo of beliefs around EVs...

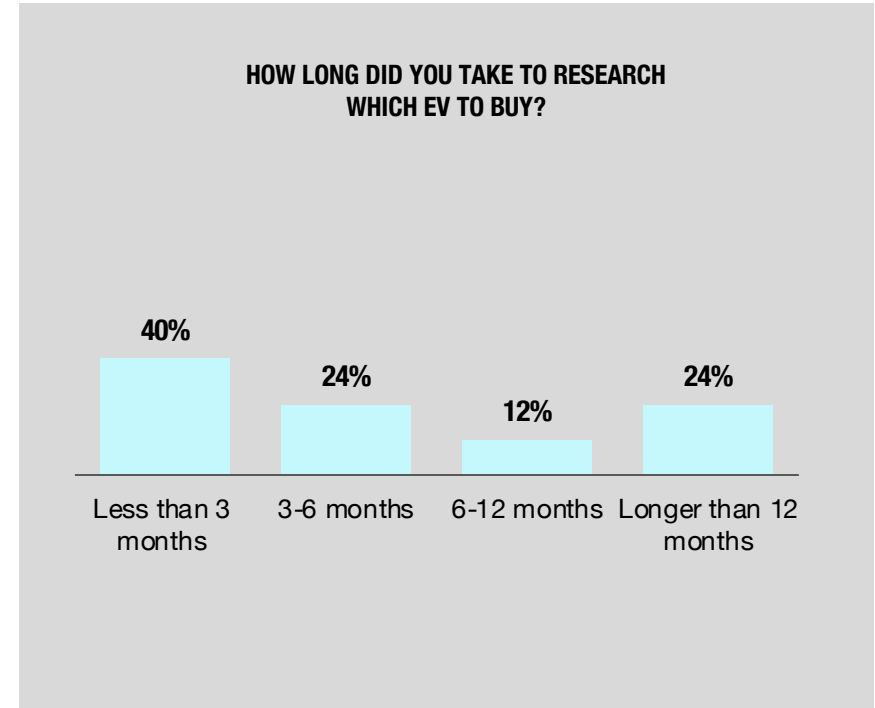


EV Buyers | Timeline For Research & Purchase

Within our sample, we found a cohort of 25 respondents who currently drive an EV as their main vehicle.

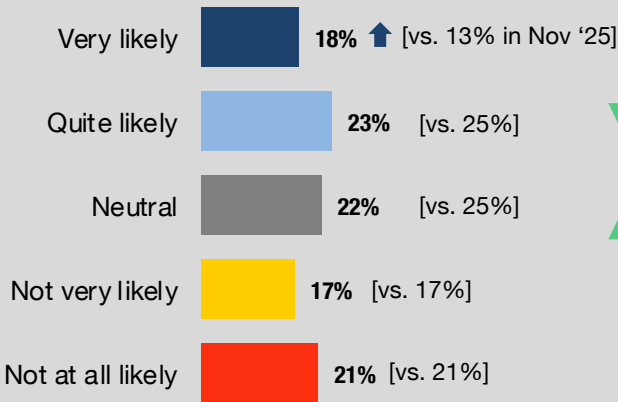
We asked respondents in this group about how long it took them to research a vehicle before buying their EV.

The results suggest that EV buyers **either started the process of vehicle purchase ready to buy** (40% researched for less than 3 months) or are **taking a prolonged period of research to make their decision** (24% researched for longer than 12 months).

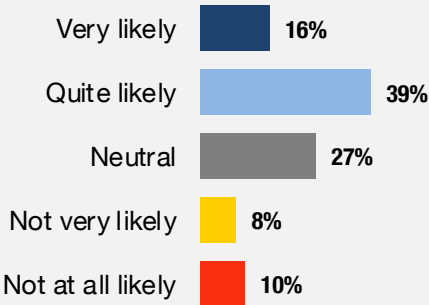


Consideration Of Hybrid & Electric

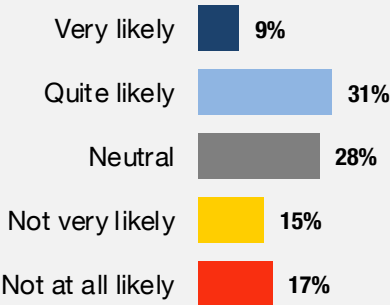
SPECIFICALLY, HOW LIKELY ARE YOU TO CONSIDER
AN EV FOR THE NEXT VEHICLE YOU MAINLY DRIVE?



HOW LIKELY ARE YOU TO CONSIDER BUYING
A TRADITIONAL HYBRID VEHICLE IN FUTURE?



HOW LIKELY ARE YOU TO CONSIDER BUYING
A PLUG-IN HYBRID VEHICLE IN FUTURE?



Prompted consideration of an EV for the next vehicle they mainly drive **has increased slightly** between November 2025 and June 2026. 41% now say they're very or quite likely to consider buying an EV, which is **up from 38% in November 2025**.

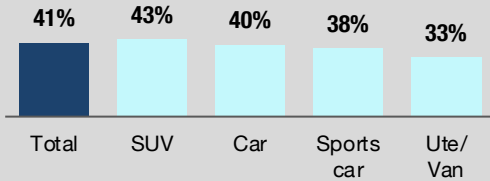
Openness to a **traditional hybrid** is higher (55%, up slightly 53% in November 2025), while consideration of **plug-in hybrids** is at 40% (up from 37% from last wave).



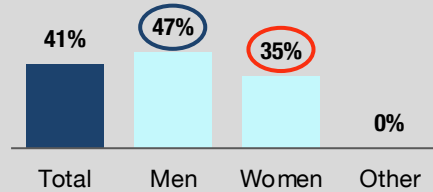
Profiling | Consideration Of Electric Vehicles

% ARE VERY/QUITE LIKELY TO CONSIDER AN EV FOR THEIR NEXT VEHICLE

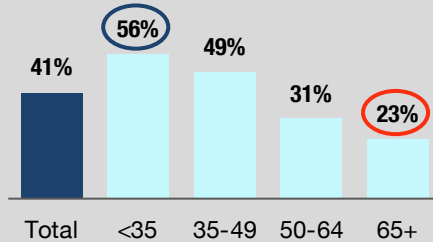
CURRENT MAIN VEHICLE



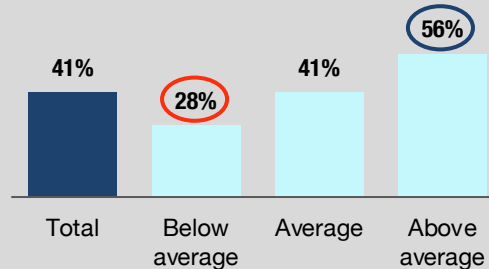
DRIVER GENDER



DRIVER AGE



HOUSEHOLD INCOME



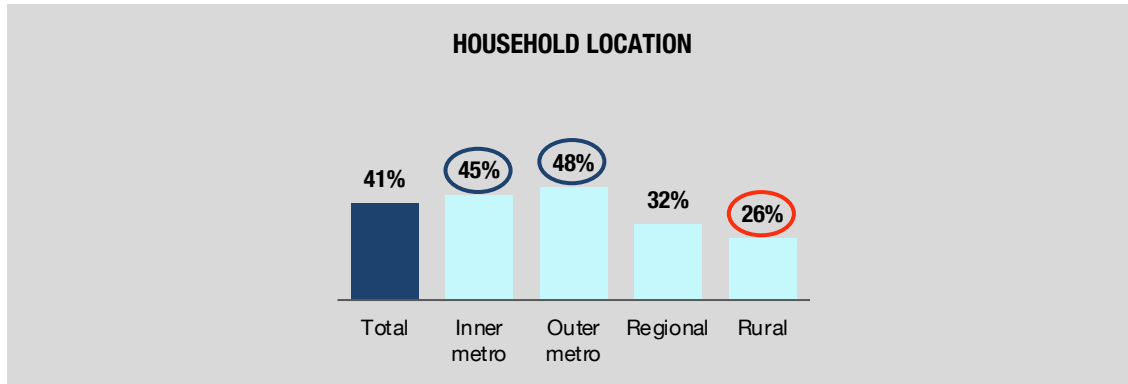
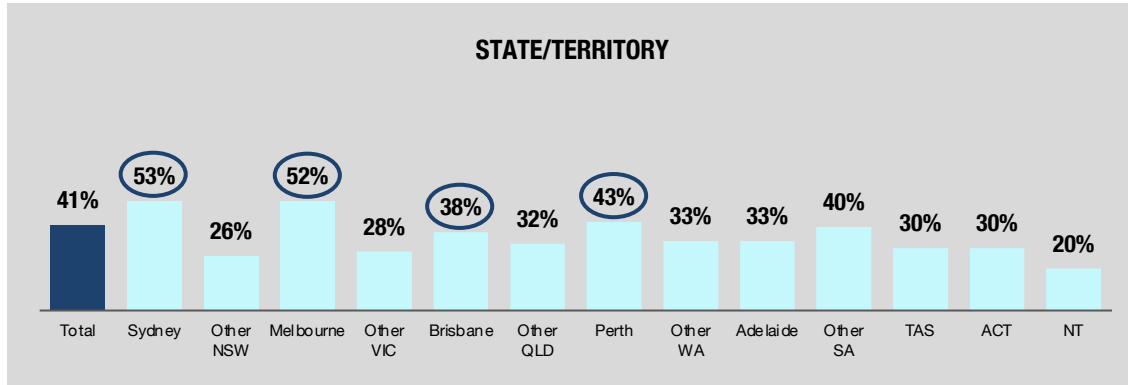
Men, younger drivers (aged under 50 years) and **higher income households** remain more likely than their respective comparison demographics of women, lower-income households and older drivers to be open to considering an EV.

It suggests that openness to EVs remains specific to certain driver cohorts rather than reaching a more broad profile.



Profiling | Consideration Of Electric Vehicles

% ARE VERY/QUITE LIKELY TO CONSIDER AN EV FOR THEIR NEXT VEHICLE



As has been the case since our tracking started, consideration of EVs is stronger among **residents of the major capital cities** than among those living in **regional/rural areas** of the same state/territory.

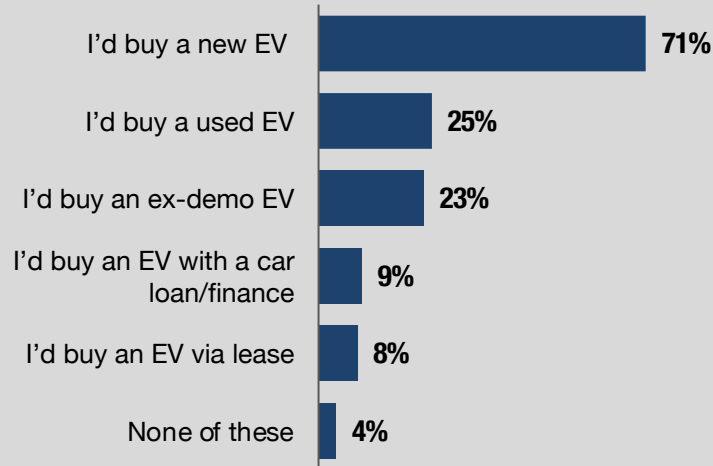
Specifically, consideration of EVs remains highest among those in **Sydney, Melbourne, Perth** and **Brisbane**.

Compared to the November 2025 research wave, we've seen a significant increase in consideration of EVs among drivers living in **outer metro** (48%, up from 40%) and **rural** areas (26%, up from 19%). Counter to this, we've seen a decline in consideration among people living in **inner metro** areas (45%, down from 51%).



EV Consideration | Preferred Ways To Buy...

IF YOU WERE LOOKING TO BUY AN EV IN FUTURE, WHICH OF THE FOLLOWING WAYS OF BUYING WOULD YOU CONSIDER?



When considering different pathways to buying an EV, those who are open to buying one are most likely to say they'd be willing to buy a **new EV** (71%) as opposed to **used** (25%). Around one in four are open to buying an **ex-demo** EV (23%).

Under one in ten are thinking of buying an EV via **vehicle finance** (9%) or a **lease** (8%).



Drivers Of Considering An EV...

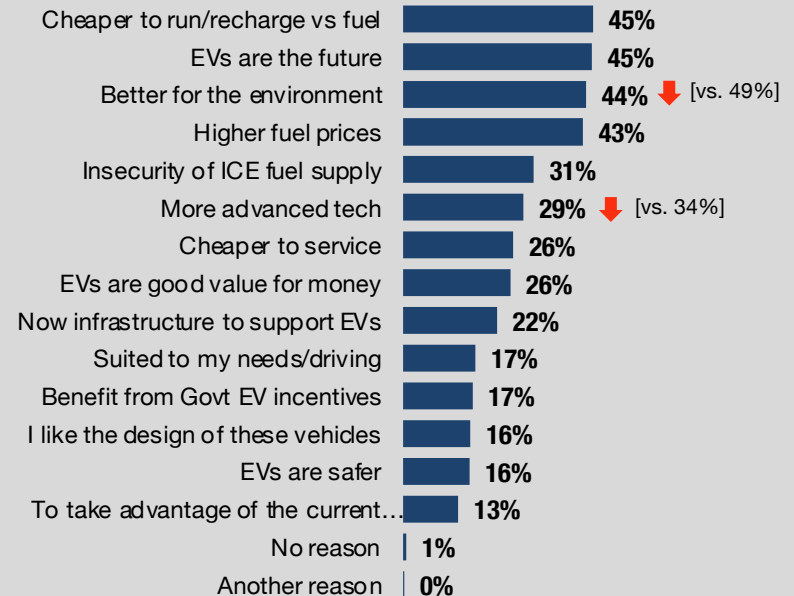
The most common reasons driving consideration of an EV include them being considered **cheaper to run/recharge** than ICE vehicles (45%) and representing an inevitable **step into the future** (45%).

Consideration of EVs linked to a perception of them being **better for the environment** has declined significantly wave-to-wave (44%, down from 49%), suggesting that this rationale is weakening over time. This is now the third wave running that we've noticed significant decline in being **better for the environment** acting as a driver for considering EVs. The corresponding figure in January 2024 was 67%.

Higher fuel prices are raising consideration of EVs among 43%, while **insecurity of fuel** is a factor for 31%.

Once again, these results suggest that the customer narrative and drivers for considering an EV have **evolved from a social/environmental benefit to a more personal financial benefit** as context, pricing and global conditions have shifted.

WHY IS IT THAT YOU'RE LIKELY TO CONSIDER BUYING AN ELECTRIC VEHICLE IN FUTURE?



Q23. Base: those who are likely to buy an EV in future (n=409)

Results that are significantly higher (↑) and lower (↓) at the 95% confidence level between November 2025 & June 2026



Barriers To Considering An EV...

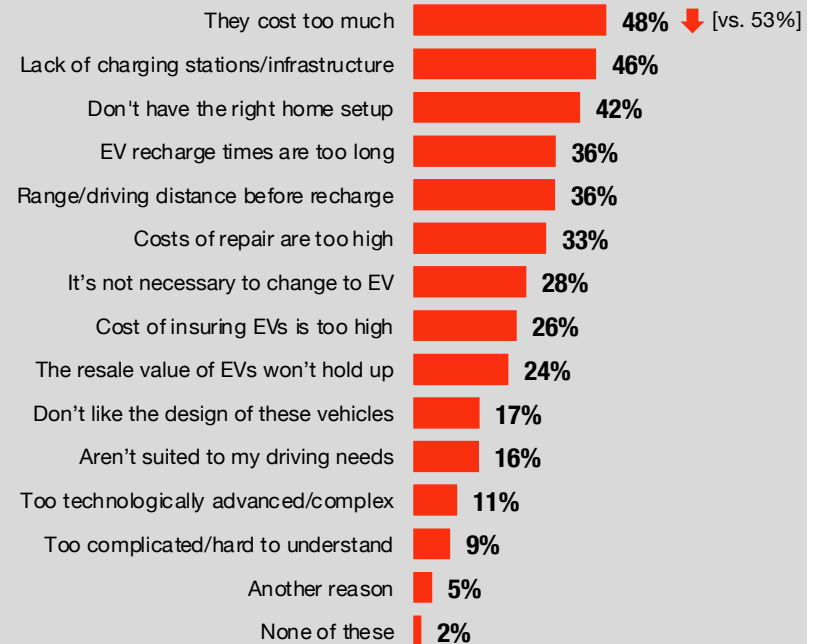
The most common reason for being unlikely to consider an electric vehicle remains a concern around **them costing too much** (53%). However, the extent of this concern has dropped substantially when compared to 2024 findings (62%). It indicates that price is less clearly a barrier as EV pricing has become more affordable via new ranges and manufacturers entering the market.

Other perceived barriers include a perceived **lack of charging infrastructure** (46%) and **not having the right setup at home** to charge (42%).

EV recharge times are raised as an issue by 36%, suggesting these are playing a role in hindering acceptance, while a similar proportion are concerned about **range/driving distances between recharge**.

This suggests that while the price of EVs may be less immediately off-putting for drivers, the functional concerns of charging remain.

WHY IS IT THAT YOU'RE UNLIKELY TO CONSIDER BUYING AN ELECTRIC VEHICLE IN FUTURE?



Q22. Base: those who are unlikely to buy/unsure about buying an EV in future (n=591)

Results that are significantly higher (↑) and lower (↓) at the 95% confidence level between November 2025 & June 2026

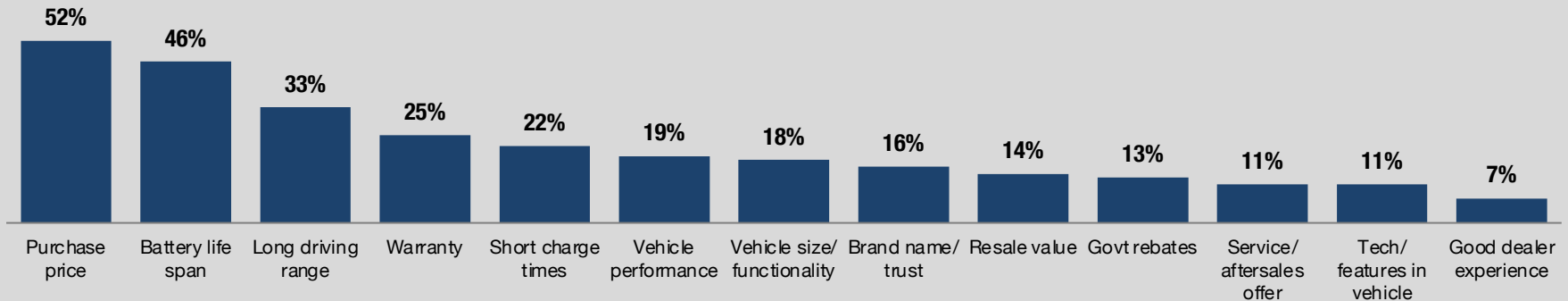


EV Purchase Drivers...

We asked drivers to choose the 3 most important factors to them (from a list provided) if they were in the market for an EV.

An EV's purchase price comes out as most important (52%), followed by its **battery life span** (46%). One in three (33%) consider **long driving range** to be a priority. The lowest-priority areas include a **good dealer experience**, the **tech/features within the vehicles** and **service/aftersales offers**.

FROM THIS LIST, WHICH THREE THINGS ARE MOST IMPORTANT TO YOU IN YOUR
DECISION TO BUY AN EV (IF YOU WERE TO EVER CONSIDER ONE)?
(% 'TOP 3 PRIORITIES' SHOWN)

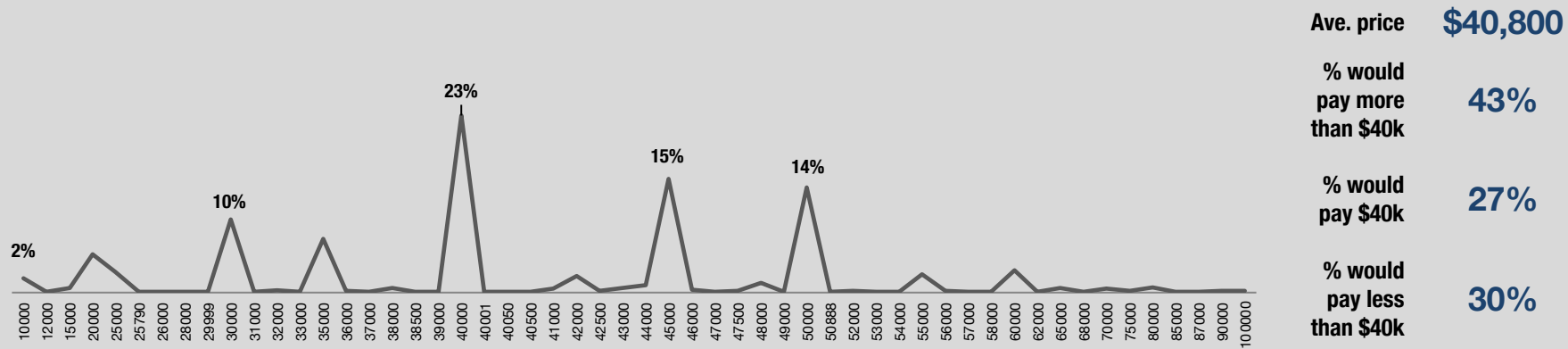


EV Price Point...

We again posed a hypothetical for respondents whereby a petrol vehicle priced at \$40k could be made available in an EV variant - we asked them how much they'd be prepared to pay for an EV variant of that same vehicle. **2.8% said they'd pay 'nothing'** (which is lower than last wave – 4.8%).

Overall, 43% (down from 44% in November 2025) **are willing to pay more for an EV than a petrol variant** – 16% would be willing to pay \$5k more and 10% would pay \$10k more. On balance, the overall average price drivers are willing to pay is **\$40,800** (which represents a 2% price premium). This price premium **is significantly lower from the corresponding January 2024 result** (8%) suggesting that consumer expectations and new EV price signals sit perceptions of EV pricing much more in line with ICE variants than was once the case.

IMAGINE YOU WERE IN THE MARKET FOR A PETROL VEHICLE THAT IS AVAILABLE FOR \$40,000. WHAT PRICE WOULD YOU BE PREPARED TO PAY FOR AN ELECTRIC VERSION OF THIS SAME VEHICLE?

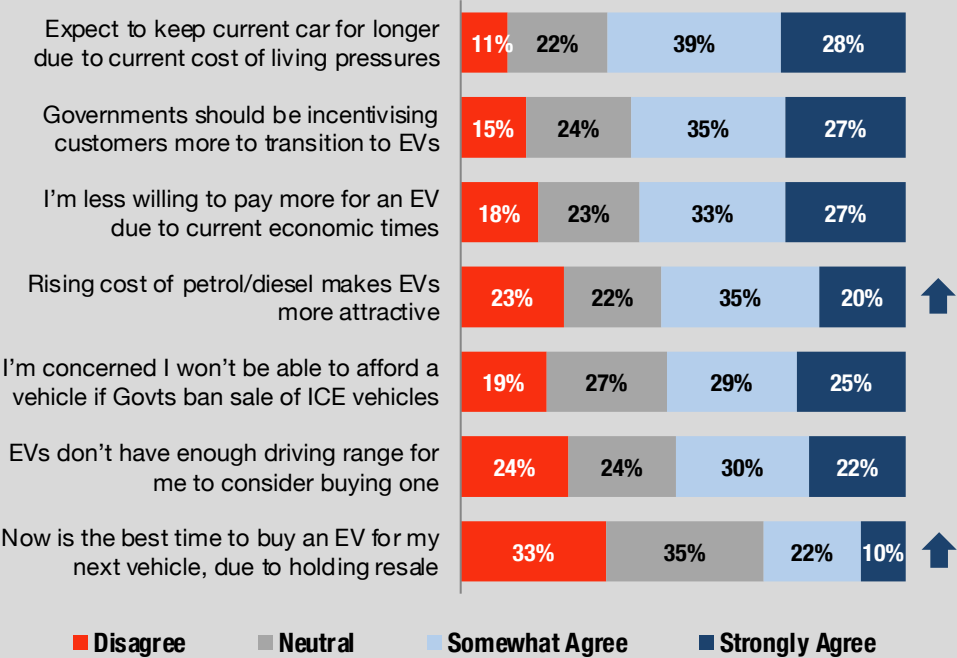


Q25. Base: total respondents (n=1,000)



Attitudes To EVs

HOW STRONGLY DO YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS?



The overall mood towards EVs has generally remained steady over the past year.

Almost two in three (67%) expect to **hold onto their current vehicle for longer** due to cost of living pressures, while 62% say that **Governments should incentivise customers more** to transition to EVs.

We have seen growth in agreement that **the rising cost of petrol/diesel makes EVs more attractive** (55% agree, up from 45% in November 2025). The Iran conflict appears to have played a role here.

We've also noted an increase in sentiment that now is the best time to buy an EV **due to them holding their resale value better** than they once did (32% agree, up from 27% in November 2025).

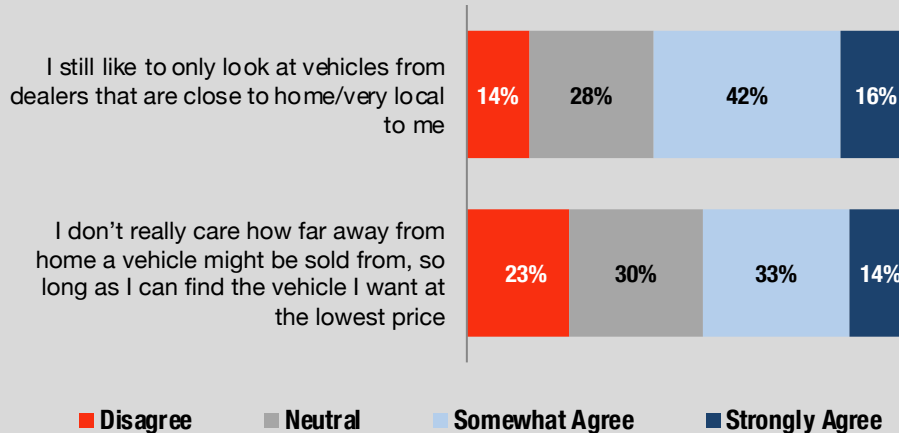
Q26. Base: total respondents (n=1,000)

Results that are significantly higher (↑) and lower (↓) at the 95% confidence level between November 2025 & June 2026



Role Of Dealership Proximity...

HOW STRONGLY DO YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS?



In the June 2026 research wave, we added some new statements to evaluate the importance of purchase location to drivers, when it comes to buying a new vehicle.

Overall, 47% say they **don't really care how far away from home a vehicle might be sold from**, so long as they can find the vehicle they want at the lowest price (23% disagree with this sentiment).

However, 58% **do like to look at vehicles close to home**.

It suggests that proximity and the ability for drivers to experience the vehicle in a convenient way is important, but when it comes to making the purchase they're open to finding a better deal irrespective of where the vehicle is located.



EV Sources & Responsibilities

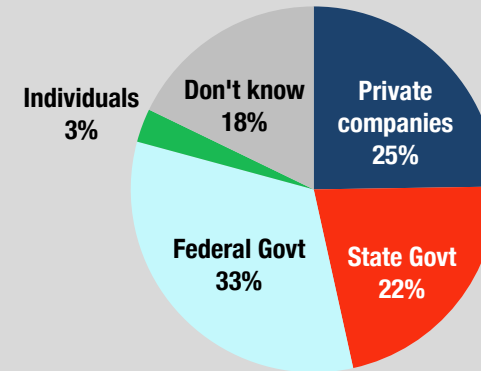
In a scenario where they might be looking to buy an EV, the most useful perceived information source for drivers is an online search (73%), with 53% being likely to lean on dealers for information.

When it comes to who is seen as primarily responsible for expanding EV charging infrastructure, drivers are less clear. There's a split between expectation of this being handled by **the Federal Government** (33%), **private companies** (25%) and **State Governments** (22%).

WHICH OF THE FOLLOWING INFORMATION SOURCES WOULD BE MOST IMPORTANT FOR YOU AS YOU START TO RESEARCH AN EV?



WHO SHOULD BE PRIMARILY RESPONSIBLE FOR ROLLING OUT NEW EV CHARGING INFRASTRUCTURE?



Observations | EV Focus...

EVs REMAIN MORE APPEALING TO CERTAIN COHORTS – NOT MASS

41% are now open to considering an EV specifically for their next vehicle, which is **up from November 2025** (38%). Intention remains higher for specific driver cohorts, including men, younger drivers, higher-income households and urban drivers.

THE VALUE OFFERED BY EVs IS NOW THE LEADING DRIVER

In the past, environmental benefits of EVs served as a primary driver for consideration. More recently, we've seen a decline in this, and instead we're noting that **value signals** (being cheaper to fuel/recharge) being the leading reason for considering an EV.

PRICE, LONGEVITY & DRIVING RANGE ARE MOST IMPORTANT

When asked to nominate the three factors most important to them if considering an EV, Australian drivers prioritise three aspects: **purchase price, battery lifespan** and **driving range**. The need for both value and function is paramount.

LOCAL DEALERSHIPS ARE USEFUL, BUT DRIVERS DO LOOK FURTHER AFIELD FOR VALUE

58% of drivers do express a preference to **be able to look for a new vehicle close to home** (presumably to experience the car in person). However, when it comes to buying a vehicle, 47% say **they don't really care how far away the vehicle being sold is**, so long as they find the vehicle they're looking for at the best price.



Appendix: Sample Profile

Demographic profile of sample



Demographic Profile Of Sample

AGE	n=	%
17-29	195	20%
30-39	183	18%
40-49	176	18%
50-59	163	16%
60+	283	28%

GENDER	n=	%
Male	497	50%
Female	503	50%
Other	0	0%

LIFE STAGE	n=	%
Single	312	31%
Couples, no kids	113	11%
Young Families	68	7%
Middle Families	167	17%
Mature Families	179	18%
Empty Nesters	161	16%

HOUSEHOLD LOCATION	n=	%
Within 10km of CBD	278	28%
Metro >10km from CBD	399	40%
Regional	169	17%
Rural	154	15%



Demographic Profile Of Sample

HOUSEHOLD LOCATION	n=	%
Sydney	211	21%
Other NSW	110	11%
Melbourne	193	19%
Other VIC	60	6%
Brisbane	101	10%
Other QLD	100	10%
Perth	80	8%
Other WA	15	2%
Adelaide	60	6%
Other SA	20	2%
TAS	20	2%
ACT	20	2%
NT	10	1%

HOUSEHOLD INCOME	n=	%
Less than \$20 000	21	2%
\$20 000 - \$39 999	111	11%
\$40 000 - \$59 999	110	11%
\$60 000 - \$79 999	113	11%
\$80 000 - \$99 999	124	12%
\$100 000 - \$124,999	125	13%
\$125,000 - \$149,999	101	10%
\$150,000 - \$199,999	112	11%
\$200,000+	129	13%
Don't know	9	1%
Prefer not to say	45	5%

