

# Why Volvo's U.S. Electric Car Sales Dropped in January 2024



By Tony Rached

## Appraiser Blog

### Why Volvo's U.S. Electric Car Sales Dropped in January 2024

Thursday, February 8<sup>th</sup>, 2024

As the curtains rose on 2024, the automotive world watched with bated breath, eager to see how the year would kick off for electric vehicles (EVs). Among the headlines, one story, in particular, has caught our eye: Volvo's plug-in car sales in the United States have taken an unexpected detour downwards in January. But before you jump to conclusions, let's delve deeper into the numbers and uncover the story behind the stats.



### Unpacking the Numbers

Volvo Cars USA kicked off 2024 with a total sales figure of 7,716 vehicles in January, marking a slight increase of 0.3% year-over-year. At first glance, this might suggest a steady course. However, the waters get choppy when we zoom in on plug-in electric car sales. Here, Volvo witnessed a decline of 21% compared to January 2023, with sales

# Appraiser Blog

plummeting to 1,875 units. Despite holding a substantial market share of 24.3%, this downturn has raised eyebrows, especially when considering the backdrop of previous years' achievements.

- **Electric Vehicles (BEVs):** Sales nosedived to 260 cars, a staggering 66% decrease year-over-year, capturing a mere 3.4% share.
- **Plug-in Hybrids (PHEVs):** In contrast, PHEVs showed resilience with 1,615 units sold, inching up by 1% year-over-year, and securing a 20.9% share.
- **Total Recharge Models:** Cumulatively, the Recharge lineup (BEVs + PHEVs) recorded 1,875 sales, a decline of 21%, with a 24.3% market share.

## Behind the Scenes

At the heart of the downturn are several key factors. Most notably, all-electric car sales faced a significant slump, primarily due to a 66% drop in BEVs. This downturn is particularly surprising given Volvo's ambitious electrification goals and the introduction of new models on the horizon, including the updated C40 and XC40, along with the much-anticipated EX30 and EX90.

## Volvo's Electrification Roadmap

Despite the rocky start, 2024 holds promise for Volvo's plug-in segment, especially with the upcoming launch of the EX90 and the EX30, which are expected to bolster the all-electric lineup. However, the success of these new entrants hinges on overcoming initial hurdles, such as the software issues plaguing the EX30.

## Volvo Recharge Sales: A Comparative Overview

To put things into perspective, let's glance back at 2023, a year when Volvo sold over 35,000 plug-in electric cars in the U.S., marking an impressive 28% increase year-over-year. The breakdown of sales was as follows:

- **BEVs:** 13,609 units, up 86%, with a 10.6% share.
- **PHEVs:** 22,048 units, up 7%, with a 17.1% share.
- **Total Recharge:** 35,657 units, up 28%, with a 27.7% share.

## Conclusion

## Appraiser Blog

While January 2024's sales figures might initially cast a shadow over Volvo's electrification journey, it's crucial to view these numbers as a mere bump in the road rather than a dead end. With new models set to join the lineup and an ongoing commitment to electrification, Volvo is well-positioned to navigate the challenges ahead. As we continue to monitor the EV landscape, one thing is clear: the road to electrification is long and winding, but for companies like Volvo, it's a journey worth taking.