

# Electrifying the bottom line

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**Electric-vehicle sales are increasing, yet many OEMs are still defining their path toward profitability. Our new report helps automotive leaders improve their EV business strategy.**

Electric vehicles (EVs) are making up an increasing share of sales in key markets around the world, becoming ever more central to automakers' business models. With this shift, incumbent OEMs and new EV players alike are searching for profitable EV business models and a sustained competitive advantage, since mass-market EV profitability is still a challenge.

Our analysis of 16 EV models reveals that, despite growing sales, EV profitability is only slightly above breakeven for many auto makers across models and price segments (exhibit). Yet the accelerating pace of change in the EV market is also giving OEMs a unique opportunity to redefine their automotive business models and elevate profitability significantly towards targeted margins. Our report, *Electrifying the bottom line: How OEMs can boost EV profitability*, analyzes EV models for profitability and presents expert insights from the McKinsey Center for Future Mobility.

See attachment for the full report.

Source: McKinsey

Tags : dmi, electric-vehicle, eng, evs, mckinsey, oems