

# Small Fleets, Big Impact: A National Study of EV Adoption

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**MITRA** EV



**Small- and medium-sized business (SMB) fleets—representing 99% of U.S. fleet operators—are the backbone of commercial transportation**, yet they remain largely overlooked in EV policy and market strategies.<sup>1 2 3</sup> Policymakers and industry leaders often focus on large, high-profile fleet projects. These deployments attract attention but have delivered limited results. Commercial EV adoption overall hovers around 2% nationwide, driven mostly by large private and public fleets; among SMBs, adoption is likely well below that, though little data exists.<sup>4 5 6</sup>

This white paper presents the first large-scale comparative study of SMB fleet owners who adopted vs did not adopt EVs, drawing on nearly 300 survey responses and interviews across four politically and economically diverse states. The findings provide actionable insights to help policymakers, funders, and market players design programs that unlock broader, faster, and more cost-effective fleet electrification.

Only 26% of SMB Fleet Managers Feel Knowledgeable About EVs

## Key Takeaways

### Adoption snowballs.

Once SMBs try EVs, they tend to keep adopting—and attract private charging investment along the way.

### EV adoption is bipartisan.

When the economics work, conservatives and liberals alike adopt EVs; the divide lies in familiarity, not ideology.

### Public dollars must unlock private dollars.

Incentives should de-risk and catalyze private capital, not replace it.

### Awareness is the biggest gap.

Many SMBs are unaware that commercial EVs, especially pickups and vans, are already cost-competitive.<sup>7 8 9</sup>

### Non-financial barriers are critical obstacles.

Beyond cost, fleets struggle with complexity: researching vehicles, installing chargers, and navigating utilities and incentives.

## Implications

Large, indefinite subsidies per vehicle are not always necessary. The most effective approach is to make the first step into electrification simple and low-risk by:

01  
Funding entry-level EVs like pickups and vans

02  
Supporting turnkey providers that simplify the process for SMBs

03  
Promoting shared charging hubs accessible to multiple fleets

By focusing on SMBs, policymakers and industry leaders can achieve **faster, more cost-effective, and more widespread electrification**. The full analysis can be accessed [here](#).

In 2024, Mitra EV received **\$1 million in federal funding** to launch Project REEF in partnership with four **Clean Cities and Communities** coalitions. This study is one of Project REEF's cornerstone initiatives, aimed at pioneering innovative approaches to accelerate SMB fleet electrification. To understand how SMB fleet owners view electrification, we used a two-phase approach: in-depth interviews followed by a representative survey.

## PHASE 1

### Qualitative Interviews

We conducted 24 one-on-one online interviews with owners and managers of light- to medium-duty (Class 2b-6) commercial fleets in home service industries. Participants were drawn from California (12), Colorado (4), Georgia (4), and Ohio (4). These interviews provided deep insights into fleet operators' perceptions and pain points and helped us identify the most relevant questions to explore in the subsequent survey.

## PHASE 2

### Quantitative Survey

Building on the interview findings, we fielded an online survey with **293 fleet operators** across the same four states: 72 in California, 70 in Colorado, 78 in Georgia, and 73 in Ohio. These states were selected for their **economic and political diversity**, offering a cross-section of perspectives across different geographies, business climate, and regulatory environments. With nearly 300 responses, the survey provides statistically meaningful insights with a margin of error of approximately  $\pm 5.7\%$  at the 95% confidence level.

Throughout both phases, we **leveraged the expertise and local market knowledge of Clean Cities partners** to shape the questionnaire, validate framing, and ensure representative sampling.

The study was designed and conducted by ReconMR, with evaluation and synthesis performed jointly by ReconMR and the principals of Project REEF.

### Qualitative 1-on-1 Interviews with Small Business Fleet Owners



**California**  
(12 interviews)



**Georgia**  
(4 interviews)



**Colorado**  
(4 interviews)



**Ohio**  
(4 interviews)

### Quantitative Online Survey with Small Business Fleet Owners



**California**  
(n=72)



**Georgia**  
(n=78)



**Colorado**  
(n=70)



**Ohio**  
(n=73)

Commercial fleet electrification among SMBs is still in its early stages. Most small fleets remain fully gasoline or diesel, though some have begun adding EVs. This study distinguishes between **Adopters** (fleets already using at least one EV) and **Non-Adopters** (fleets without EVs). **Nationally, 39% of SMB fleet owners say they are likely to switch to EVs, yet only 26% feel highly knowledgeable about them.**

## Key Market Insights



### Motivations

The **dominant driver is cost savings**: 44% believe EVs will save money over the long term on fuel and maintenance; incentives can serve as a critical catalyst, giving fleets the push to consider EVs and overcome the initial adoption hurdle.



### Politics and Adoption

EV adoption is **bipartisan**. Among current Adopters, fleets are split nearly evenly between conservatives (37%) and liberals (34%). Adoption reflects economics and operational experience more than political identity.



### Vehicle Acquisition Patterns

Nearly half (48%) of SMBs lease or buy **only new vehicles**, versus just 9% who rely exclusively on used. Adopters skew even more strongly toward new. \*



### Ownership Model

Most SMBs (68%) prefer to **buy outright** rather than lease; a preference for ownership will make adoption of “unproven” EVs, especially from newer OEMs, feel risky.



### Dealerships are Key Channels

Dealerships drive both **procurement (80%) and information (62%)**, underscoring their crucial role as trusted partners in SMB electrification.



### Small Vehicles Lead Adoption

EV uptake is highest among **Class 2b–3 trucks**, where concerns about range and payload are lowest, suggesting smaller EVs are the most practical entry point.



“We could probably buy five brand new electric vehicles with the cost of fuel we pay. I think it's close to a half a million dollars a year and it just goes up...”

–EV Adopter

\*Drivers of larger trucks (Class 7–8 are not covered in this study) have a stronger preference for used vehicles. For instance, an OOIDA survey found that **68% of respondents operate only used trucks** (OOIDA 2022 Owner–Operator Survey).

# Significant Barriers to Adoption



Despite growing interest, SMB fleet owners face real challenges in making the switch to EVs. Survey results show that **complexity, uncertainty, and limited awareness weigh just as heavily as cost** in slowing adoption.

## Key Barriers



### Upfront Costs

Nearly half of SMBs say EVs have higher upfront costs than traditional vehicles, and installing charging stations is expensive.<sup>†</sup>



### Infrastructure Complexity

Only 10% view charging as inexpensive or straightforward. Most see installation as a lengthy process, often requiring costly power upgrades.<sup>§</sup>



### Vehicle Availability

Only one-third of respondents are satisfied with the type, size, or hauling power of available commercial EVs.



### Range Anxiety

Fewer than 30% of SMBs—including Adopters—are confident EVs can complete daily routes without mid-shift charging. Colorado fleets are more likely to demand 300+ miles of range, likely reflecting the impact of cold weather on EV performance.



### Battery Uncertainty

Over 80% believe—or are unsure—that they will need to replace the battery (the most expensive component) before resale or lease return, making long-term ownership feel risky.



### Grid Reliability

Only 23% express concern about electric grid stability, suggesting it is a secondary issue compared to cost and charging access.



### On the lack of enroute charging infrastructure...

"That's going to be the biggest roadblock, how are they going to recharge at home? Or do we just have to rely on the job site having a charging station? And again, that's probably not going to happen that often."

<sup>†</sup> Similar findings appear in RMI's 2025 Fleet Electric Vehicle Total Cost of Ownership analysis, which notes that upfront costs remain the top cited barrier despite improving lifecycle economics.

<sup>§</sup> ICCT's No Fleet Left Behind (2022) highlighted installation delays and power upgrades as especially burdensome for small fleets compared to large operators.

# Adopters vs. Non-Adopters: What Sets Them Apart

Adopters are far more likely to plan additional EV purchases, while Non-Adopters report limited awareness of available options and incentives. The survey reveals that **familiarity and lived experience—not ideology—are the strongest predictors of adoption**. Once SMBs understand or realize the economic benefits, EV adoption tends to accelerate.

## Key Contrasts



### Knowledge Gap

Among fleet owners who describe themselves as extremely knowledgeable, **93%** have adopted or seriously considered EVs. By contrast, **77% of Non-Adopters** report limited knowledge (Table 1)



### Politics

Adoption is bipartisan, but **conservatives are overrepresented (38% vs. 9% for liberals)** among fleets giving little consideration to EVs. This gap reflects lower EV knowledge and greater skepticism about cost savings rather than political beliefs.



### Operating Costs

Adopters are more likely to run high-cost fleets, with **20%+ reporting monthly fuel/maintenance expenses above \$10,000** (vs. <5% for Non-Adopters). High operating costs make the EV savings case more compelling.



### Charging Confidence

**61% of Adopters** express strong confidence in charging availability, while a majority of Non-Adopters remain skeptical.

Table 1: Knowledge and Likelihood to Electrify among Adopter and Non-Adopters

Level of Knowledge	Total	Adopters (Own 1+ EVs) A	Have Considered C	Non - Adopters (Own 0 EVs) N
Extremely Knowledgeable	26%	38% <sup>CN</sup>	21% <sup>N</sup>	6%
Somewhat Knowledgeable	35%	44% <sup>N</sup>	34% <sup>N</sup>	17%
Not Very Knowledgeable	39%	18%	45% <sup>N</sup>	77% <sup>AC</sup>

Shading indicates a significant difference at the 90% confidence level

# State-Level Comparisons

Adoption dynamics vary widely across states, shaped by local context such as climate, infrastructure maturity, and regulatory environment. These differences show why **policy and program design must be tailored regionally** to unlock SMB electrification.



## California

- 01 **Highest EV knowledge:** 35% feel knowledgeable vs. 26% nationally (Table 2)
- 02 **Optimistic on savings:** 57% expect long-term fuel savings, 42% expect lower maintenance.
- 03 **Most concerned about charging installation costs:** 54% vs. 33–46% in other states



## Colorado

- 01 **Lowest EV knowledge:** 50% say they are not knowledgeable vs. 39% nationally.
- 02 **Higher range demands:** 31% require 300+ miles per charge.
- 03 **Lower intent to electrify:** 21% likely to adopt vs. 36% in California.



## Georgia

- 01 **Distinct buying habits:** 55% mix new and used vehicles; 33% use traditional leases (vs. 19% in Colorado).
- 02 **Heavier reliance on peer input:** 54% use buyer reviews; 41% use social media.
- 03 **Skeptical on savings:** only 40% agree EVs reduce costs.



## Ohio

- 01 **Least optimistic on savings:** 37% believe EVs save money; 26% believe they reduce maintenance.
- 02 **Focus on direct cost comparisons:** emphasizes maintenance and EV vs. ICE costs more than other states.
- 03 **High property ownership:** 82% own their site, and 83% park vehicles onsite (vs. 67% and 68% in California).

**Table 2 : Knowledge and Likelihood to Electrify Across States**

Level of Knowledge	Total	CA <sub>B</sub>	CO <sub>C</sub>	GA <sub>D</sub>	OH <sub>E</sub>
Extremely Knowledgeable	26%	35% <sup>C</sup>	19%	28%	23%
Somewhat Knowledgeable	35%	29%	31%	38%	40%
Not Very Knowledgeable	39%	36%	50% <sup>BD</sup>	33%	37%

Shading indicates a significant difference at the 90% confidence level

## Channel & Program Design



### Empower dealerships as trusted educators

Dealerships are SMBs' main channel for both vehicle purchases (80%) and EV information (62%) across the representative states, yet most lack tools to advise on charging or incentives. Training and resources would position them as trusted guides and potentially streamline incentive programs.



### Modernize incentives for real-world use cases

Most programs assume fleets will self-purchase and self-install, which is unrealistic for SMBs. Incentives should also support third-party providers that deliver bundled vehicle-and-charging solutions.

### Invest in shared truck charging hubs

Most SMBs cannot install private DC fast chargers, and public charging—with small stalls and inconsistent access—rarely works for fleets. Purpose-built shared hubs are essential, especially in space-constrained or disadvantaged areas.

## Adoption Dynamics



### Make the first step easy: Use small trucks as gateway EVs

The hardest hurdle is initial adoption. Generous support for a fleet's first EVs and charger—especially lower-risk pickups and vans—removes friction, builds confidence, and triggers cascading adoption among fleets. Because these vehicles require simpler charging and less subsidy per unit, they are the most cost-effective way to seed adoption across many fleets. Public capital is best focused on lowering this entry barrier; once fleets gain experience, private investment can sustain further growth.



### Cost-competitiveness does not eliminate the need for support

Even at TCO parity, SMBs face non-financial barriers like navigating incentives, permitting, and trusting newer OEMs. Well-structured programs along with incentives that mitigate risk and complexity are key to sustaining adoption.

# Conclusion

Small and medium-sized businesses (SMBs) make up **99% of U.S. fleet operators**, yet they remain largely overlooked in the EV transition. National adoption is still only about 2%, driven mostly by large private and public fleets. With the right incentives, infrastructure, and support, SMBs could drive electrification faster, cheaper, and at greater scale than prevailing subsidy-heavy strategies targeting larger fleets.

The good news is twofold. First, **adoption is bipartisan**. What holds SMBs back is not ideology but awareness, complexity, and perceived risk. Second, **large per-vehicle subsidies aren't necessary**. What fleets need most is modest, well-structured support for their first EVs and chargers to overcome the high friction of initial adoption. Once SMBs gain experience and see the savings firsthand, adoption snowballs—**with far less public support needed as private capital steps in**. The Project REEF findings align with a **Cox Automotive study**, which found that 90% of fleets already using EVs plan to add more—underscoring the momentum created once the first step is taken.<sup>10</sup>

**Policymakers should make smaller EVs the entry point**. Pickups and vans are the most practical starting place—widely used, lower-risk, and easier to integrate into operations. Because SMBs often operate multiple pickups but fewer heavier-duty trucks, beginning here lets them electrify where they are most comfortable. Modest incentives for these vehicles also stretch limited public dollars further, seeding adoption across more fleets and accelerating a **virtuous cycle of scale, lower costs, and faster deployment**.

**We must also invest in shared charging**. Most SMBs cannot install private DC fast chargers, and public charging rarely meets commercial needs. Purpose-built **shared hubs for trucks** are essential to expand access, especially in disadvantaged or space-constrained areas.

In short, the path forward is clear: **Make the first step easy, seed adoption with smaller EVs, and build shared charging infrastructure**. By doing so, policymakers can leverage limited public funds to catalyze much larger private investment, accelerate decarbonization, and bring the benefits of electrification to the fleets that make up nearly all of the market.



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