

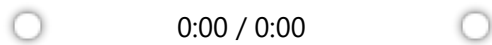
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As Electric-Vehicle Shoppers Hesitate, Hybrid Sales Surge

Sean McLain and River Davis | Photographs by Jane Hahn for The Wall Street Journal

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Automakers have been working for years to transcend the image of hybrid cars as stodgy fuel sippers, remaking them with sportier designs and extra pep. Now, the once-niche hybrid is the hottest car on the lot.

Hybrids, which combine a gas engine with a battery-propelled motor to boost fuel efficiency, have been a small but steady slice of the U.S. car market since the Toyota Prius ushered in the technology more than two decades ago. In recent years, they have taken a back seat to fully electric vehicles, as automakers introduced many EVs to challenge .

But car brands have been methodically expanding their hybrid offerings—partly to help meet tougher tailpipe-emissions rules—and for some, they have become a competitive edge. Hybrid

leader, for example, [offers a hybrid version](#) of nearly every gas-powered model in its U.S. showrooms. In some cases, such as Toyota's new Camry sedan or Sienna minivan, a hybrid is the only option.

The number of hybrid models on sale in the U.S. grew 40% over five years, to about 70 for the 2024 model year, Cox Automotive estimates. Hybrids now are available across more vehicle sizes and body styles than in past years: larger SUVs, pickups, jeeps and even sports cars.

"Hybrids now have very few compromises compared to their gas alternatives," said Andrew Frick, head of 's gas and hybrid vehicle business. The hybrid version of the Ford F-150 pickup, for example, is now more powerful than most gas versions of the truck.

U.S. sales of hybrids jumped 50% in the first two months of the year. That surge outpaced EV sales, which grew 13%, in both growth and volume. Hybrids flew off dealer lots in 25 days on average, nearly three times faster than EVs and twice as fast as gas-powered cars, according to research site Edmunds.

The buzz surrounding battery-powered vehicles also has fueled interest. Some EV-curious shoppers are stopping short of going fully electric and are [driving off in hybrids instead](#), dealers and car executives say. The boom in demand is happening despite modest marketing compared with EVs, and during a time of relatively tame gas prices.

"I think there is a halo effect from EVs," said Doug Eroh, president of Longo Toyota in El Monte, Calif. Customers often inquire about an EV but are hung up on concerns about driving range and

charger availability, Eroh said.

Another factor propelling hybrid sales is the introduction of several plug-in models in recent years by , , , and -owned Jeep. Plug-in hybrids travel solely on electric power, typically for 20 to 40 miles, before the gas engine comes on.

For years, many auto executives played down their hybrid offerings—or even bypassed the technology altogether—to invest heavily in fully electric models as Wall Street cheered all things EV.

Some are playing catch-up. once [dismissed hybrids](#) in favor of a more aggressive electric-car push, but now plans to introduce some [plug-in hybrid models](#) in North America. said it was examining ways to bring hybrids it sells in other markets to the U.S.

North American Chief Pablo Di Si has said VW was looking at adding a plug-in hybrid to its lineup of vehicles in the U.S.

The snapback in hybrid demand is a boon for Toyota, which [has been criticized](#) by environmental groups for sticking with the gas-electric technology. The Japanese carmaker has said EVs aren't practical for many customers, and hybrids help reduce carbon emissions.

Early on, Toyota drew a fan base of environmentally conscious buyers and celebrities including Leonardo DiCaprio and Natalie Portman. Hybrid sales continued to grow but were seen as cars for the green-minded buyer, dealers say.

Toyota set out to change that perception. Starting around 2018, it began launching new versions of its hybrids, aiming to make them

both better looking and more powerful. For example, the revamped Prius, unveiled in 2022, has roughly the same fuel economy—57 miles a gallon—as the previous generation but delivers an additional 70 horsepower.

Designers also wanted to give the Prius a sportier look, even if the features—such as larger tires or a less aerodynamic body—sacrificed a bit of fuel economy. Toyota wanted people to buy the Prius because it was beautiful, Toyota design chief Simon Humphries said.

Other carmakers are also leaning into their hybrids.

Beginning in 2021, the Stellantis Jeep brand rolled out a plug-in hybrid version of its popular Wrangler, backed by commercials featuring the cars forging through muddy rivers.

Ford said it plans to [quadruple hybrid sales](#) over the next five years, and has had trouble keeping pace with demand for the hybrid version of the Maverick, a compact pickup truck it rolled out in late 2021.

For consumers, the financial benefits of owning a hybrid are easier to understand than those of EVs, say dealers and car executives. EV shoppers have more to consider, such as the expense of a home charger, uncertainty about resale values and the cost of maintenance and repairs.

“Customers don’t have to change their habit on hybrid,” Ford Chief Executive Jim Farley said at an investor conference last month.

“They can immediately do the math.”

Hybrid prices also have fallen relative to gas or diesel models. For the 2024 model year, the average sticker price on hybrids was

about 9% more than the comparable internal-combustion-engine vehicle, down from a 43% premium in 2007, according to data from private-equity firm Mobility Impact Partners.

Randall Snider traded in two gasoline vehicles, a pickup and an SUV, for two Ford Maverick hybrid pickups last year. “My thought process was, ‘What’s the most economical?’” said Snider, a retired Orange County resident.

He considered an EV but didn’t think the additional cost made sense. “You might go on two vacations for the price difference between a Maverick and a Tesla,” he said.

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