



Case Study

Forward Looking Hotel Franchisees

June 2021



Introduction

As the adoption of electric vehicles (EVs) expands due to extensive federal backing and public popularity, forwardthinking businesses must adapt to this trend to stay ahead of future EV demand.

In a recent study of nearly 3,000 EV owners, about 75% said they had used their electric vehicle on a road trip. Another 93% said they “always” or “often” check if their accommodation has a charging point. There’s just one problem for these travelers; only about 1 in 4 hotels in the U.S. currently offers EV charging! And many that do offer only one spot for a single vehicle, or charging for only a single type of EV.

The Situation for Hospitality and EV

A leading hotel chain franchisee situated next to a convention center recognized this need to attract EV owners and partnered with ChargeTronix to install EV charging stations at a key California location. The aim was to meet EV demand growth and establish their property as a flagship of sustainability in the hospitality industry. This is a case study of the project, located in Bakersfield, California.

The adoption of electric vehicles (EVs) is growing rapidly. Global sales were up 64% in 2022, making up 13% of the total automobile market. The year 2023 saw 74% gains in EV purchases worldwide, and electric vehicles now make up nearly 16% of total light duty vehicle sales.

This will impact hotels as modern travelers consider sustainability when they book a hotel and require charging access, as we have seen. Rental fleets are also expanding their EV offerings, so travel guests with rentals will need lodging that offers EV charging.



Offering charging can attract loyal repeat guests who are upwardly mobile; EV drivers have much higher average incomes and tend to be well-educated. Major hotels are in the process of adding thousands of charging stations. Studies show EV charging increases guest satisfaction, positive publicity, and brand visibility. Also, charging fees can offset station costs and generate revenue.



Understanding the Problem

This hotel chain franchisee realized that like many others, the hospitality sector significantly contributes to global air pollution. Also known as “scope 3” greenhouse gas emissions, some trade requirements consider the environmental hazards posed by anyone who must travel to your business, such as travel guests, suppliers, and employees. With climate change posing a severe health threat and hospitality being a major contributor to poor air quality, there was an urgent need for change.

Adding urgency, the hotel’s franchisor set a goal to reduce carbon emissions intensity by 30% by 2025 companywide. In the long term, the company seeks to achieve a net-zero chain for greenhouse gas emissions by 2050.

To help achieve this, the franchisor instituted awards to business leaders who make progress towards climate-related goals, including salary increases and stock shares.

With these incentives in mind, the franchisee wanted to provide EV charging on location. But teaming up with the big companies meant they would be left holding the ball with respect to things like site engineering and maintenance. This hotel needed a more comprehensive partner.

The Strategy

The Bakersfield hotel franchisee chose to partner with ChargeTronix, a leading provider of end-to-end EV charging services. These include planning and design, and also construction and ongoing EV charger maintenance. The goal was to build a robust EV charging infrastructure to meet guests' needs, attract new customers, and generate a new revenue stream.

They also wanted an affordable option for building a future-proof EV charging setup. One of ChargeTronix's advantages is its integration of multiple EV charging solutions.

By combining multiple services, including procurement, construction, and technical support, ChargeTronix is able to provide complete lifecycle solutions that reduce costs and increase customer satisfaction.



By partnering up with ChargeTronix, this franchisee took a proactive approach that was not just about meeting an existing demand but also about future-proofing operations, as the number of EVs on the road is expected to accelerate exponentially over the next decade.

Implementation



Before starting the installation, ChargeTronix's engineers designed an electrical plan to guide the project, paying thorough attention to details, including a careful estimate of future needs. Along with the hotelier, the team of engineers decided the site could support 6 level-2 AC chargers with a total of 12 ports. (Each port can charge a vehicle). At the same time, this group foresaw the need for 4 fast level-3 DC chargers, each with 2 ports¹. The entire project was designed to charge up to 20 vehicles at once.

¹ Although these chargers provide less than 350 kW of power, ChargeTronix specializes in the installation of ultra-fast DCFC charging equipment from 350-450 kW, which is the fastest-growing segment of EV chargers. According to federal data, these ultra-fast chargers grew by 39.3% in Q3 2023. https://afdc.energy.gov/files/u/publication/electric_vehicle_charging_infrastructure_trends_third_quarter_2023.pdf



The construction of the site was completed by ChargeTronix. Every ChargeTronix crew is trained by the California Electric Vehicle Infrastructure Training Program (EVITP). Using their knowledge, skill, and experience, ChargeTronix went to work completing the installation.

This work included trenching to lay the groundwork for a new switchboard, (which prevents damage to the chargers and their wiring), a new sub-panel, and a new step-down transformer, all of which were procured and installed by ChargeTronix. All of this prep work enabled the installation of 6 convenient level-2 AC chargers, in addition to 4 fast level-3 DC chargers, all with 2 ports each. In total, up to 20 vehicles can charge simultaneously with this setup.

Vehicles began charging for the first time in Dec. 2022. But ChargeTronix continues to support the hotel with ongoing customer support and charger maintenance as required.

Results

The implementation of EV charging stations brought substantial benefits, including:

Improved Environment

These chargers have supplied enough power in 14 months to offset more than 38 tons of carbon equivalent that would otherwise contribute to global warming [[energy usage: 51,696 kWh]]. That's enough carbon by volume to make up a solid cube with 8.5-foot sides.



Future-Proofed Operations

With 10 chargers offering 20 ports, there is still room each day for every electric vehicle parked at this hotel to charge.

New Revenue Stream

The hotel has opened up a new revenue stream through charging fees, which can offset the costs of the stations and generate additional income. Since Dec. 2022, they have earned \$35,670 in charging revenue.

New Revenue Stream

The hotel franchisee's initiative has enhanced their reputation as a sustainability leader within the hospitality industry, and within the community of Bakersfield.



Customer Satisfaction

Studies show that travelers with EVs want and need to stay at properties with EV chargers. Those who find them are more likely to revisit.



Additional Projects

This project is not the only property in this leading hotel chain to have chosen to work with ChargeTronix. Another property managed to remove the equivalent of 10 tons of carbon greenhouse gas emissions in a little over 6 months. Located in the heart of Los Angeles, home of the worst air quality in the nation, this property has also dispensed 10,570 kWh of electricity to its guests.

They do this using valet parking, so guests need only turn over the keys to ensure a charge when they are ready to drive again.

Yet another property in the same hotel chain is in the process of being electrified as of March 2024. This property can expect to enjoy similar benefits to their reputation, ecological footprint, and bottom line.

Future Plans

With the continued growth and impact of their EV charging initiative, the hotelier plans over time to expand its charging infrastructure to match increasing demand. This ensures the hotel stays ahead of the industry curve and continues to meet its customers' evolving needs. As it expands, ChargeTronix will be there every step of the way, from servicing existing customers and chargers to handling software support through their proprietary EVOLV platform. Using EVOLV, the franchisee can observe trends in charging, set prices, create loyalty incentive programs, and much more.





Conclusion

This case study highlights the substantial benefits hotels can reap by investing in EV charging stations. By partnering with ChargeTronix, the hotel franchisee has future-proofed its operations, improved its sustainability credentials, and generated a new revenue stream while making a positive contribution to the environment.

This collaboration demonstrates the importance of strategic partnerships in driving sustainability initiatives and adapting to the evolving needs of customers in the hospitality industry. As the demand for EV charging infrastructure continues to grow, hotels that proactively invest in this technology will be wellpositioned to attract environmentally-conscious guests and contribute to the global transition toward cleaner transportation.

Contact

Get in touch with ChargeTronix for your clean energy transition.

ChargeTronix

(949) 964-1644

sales@chargetronix.com

<https://chargetronix.com>

3587 Harbor Blvd, Costa Mesa, California 92626

For partnerships or collaborations, contact Marketing:

sales@chargetronix.com