



# **Consumer Information Program for Passenger Tires**

## **NHTSA Consumer Research Working Group**

**WebEx**

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# Consumer Information Program for Passenger Tires

## North America Sales

- \$30 Billion Annually
- 190 Million Passenger Tires Replaced in 2009
- Readily Available, Reliable, Objective Consumer Information?





# Consumer Information Program for Passenger Tires

## Establish Program Goals

- Empower the Marketplace
- Stimulate Competition: Manufacturers and Retailers
- Encourage and Reward Technological Advancement



# Consumer Information Program for Passenger Tires

## Evaluate NHTSA's Existing Consumer Information Program for Tires

“Uniform Tire Quality Grading System”  
(UTQG)

- Universally Panned as Unreliable
- Rarely Used by Professionals or Informed Consumers
- What Went Wrong and Why?
- Don't Repeat Past Mistakes!!



# Consumer Information Program for Passenger Tires

## UTQG Shortcomings

- Grades Not Easily Understood:
  - Indexes (A, B, C, etc.) Require Detailed Knowledge
- Grades Not Reliable:
  - No Actual Tire Tests Required
  - Manufacturer Reports Only “Grade” No Actual Values
  - Grade is Manufacturer’s “Self Certification” Claim
  - Manufacturer May Claim a Lower Grade



# Consumer Information Program for Passenger Tires

## Analyze Successful Consumer Information Programs

- Appliances: “Energy Guides”
- Food: “Nutrition Facts”
- Vehicles: “Fuel Economy Estimates”
- Energy Star



# **Consumer Information Program for Passenger Tires**

## **Identify the Elements of Success**

- **Intuitive**
- **Relevant**
- **Objective**
- **Reliable**
- **Consistent**
- **Up-to-Date**
- **Readily Available**
- **Empowering**



# **Consumer Information Program for Passenger Tires**

## **Develop Practical Understanding of the Tire Sales/Purchase & Marketing Process**

**Conduct Direct Observations & Interviews**

- Consumer Perspective
- Retailer/Sales Rep Perspective
- Manufacturer Perspective





# Consumer Information Program for Passenger Tires





# Consumer Information Program for Passenger Tires





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# Consumer Information Program for Passenger Tires







# Consumer Information Program for Passenger Tires





# Consumer Information Program for Passenger Tires

## Typical Sales/Purchase Process

### Sales Rep:

- What is the year, make & model of your vehicle?
- I have three different tires in stock that will fit your vehicle:
  - Low Price
  - Mid Price – On Special Sale Today
  - High Price



# Consumer Information Program for Passenger Tires

## Tire Store Observations & Interviews

- Consumers:
  - “Need Tires Now”
  - Few “Planned” Purchases
- Dealer Perspective of Consumers:
  - 90% Know Nothing About Tires
  - 10% Do Research





# Consumer Information Program for Passenger Tires

## Tire Dealer & Consumer Roundtable

- Tire Dealers:
  - Keep it Simple
- Consumer Representatives:
  - Presentation to Consumer has to be Intuitive
- CEC Conclusions:
  - Consumers are at the Mercy of the Sales Rep
  - Tire Marketplace is a “Crap Shoot”



# Consumer Information Program for Passenger Tires

## Transform the Tire Marketplace

### Empower Consumers

- Tires are expensive, I want tires that will last
- I want my vehicle to stop quickly
- Fuel efficiency is important to me
- I want a tire that doesn't require frequent inflation

### Empower Sales Rep

- This is a long-life tire
- This is a quick stopping tire
- This is a fuel efficient tire
- This is a low maintenance tire



# Consumer Information Program for Passenger Tires

## The “Core Term” Approach

### Core Terms - Nutrition

- “Low Calorie”
  - Max 4 calories per gram
- “Low Fat”
  - < 3 gram per serving
- “Sodium Free”
  - < 5 mg per serving

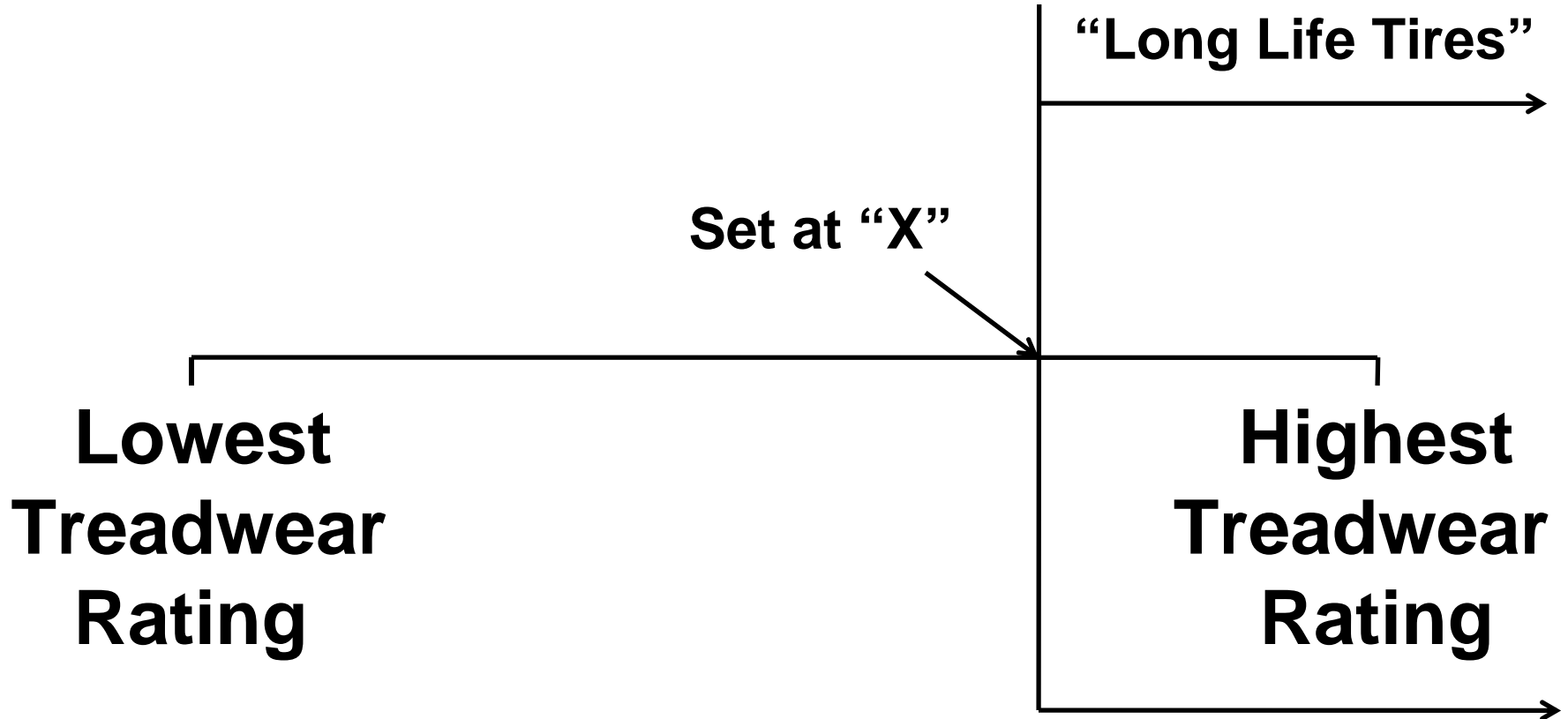
### Core Terms - Tires

- Long Life (Durability)
- Quick Stopping (Safety)
- Fuel Efficient
- Low Maintenance



# Consumer Information Program for Passenger Tires

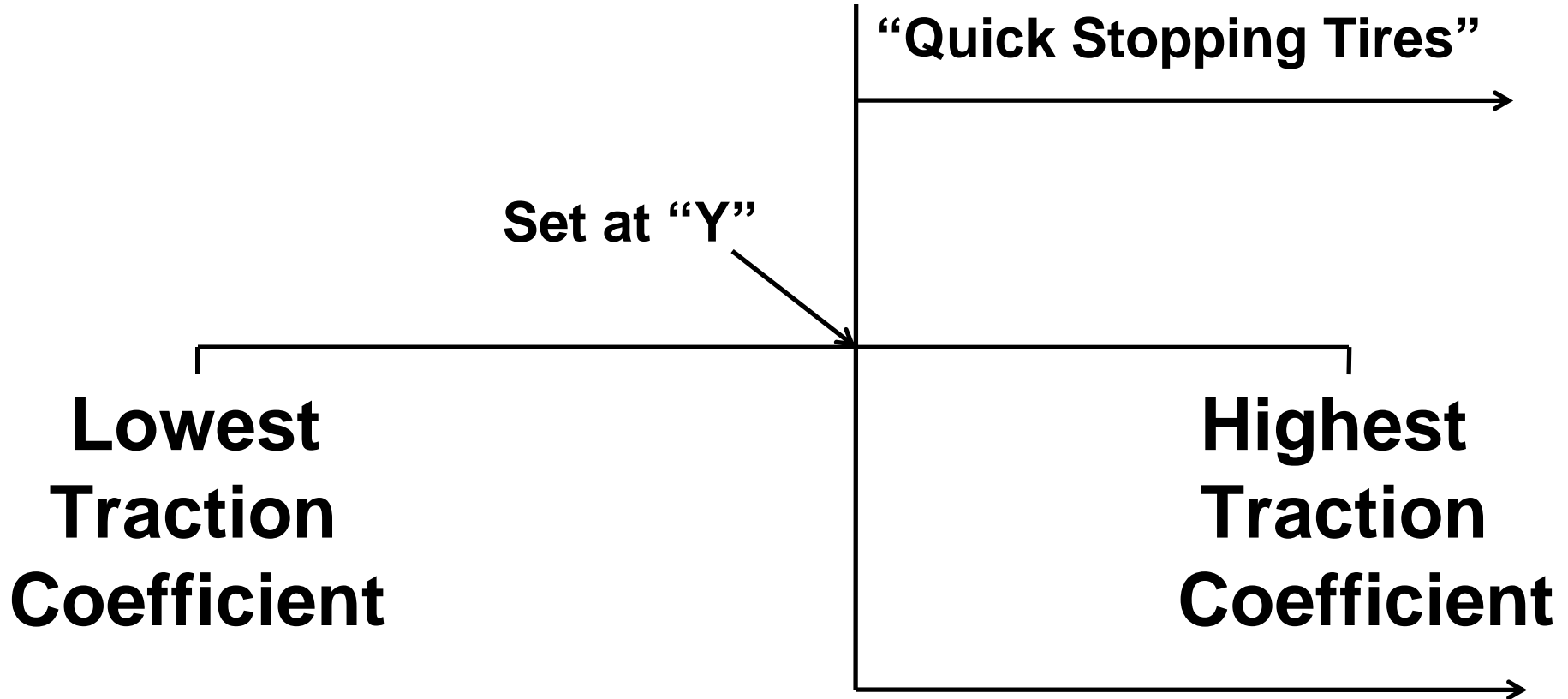
## Core Terms for Tires – Long Life





# Consumer Information Program for Passenger Tires

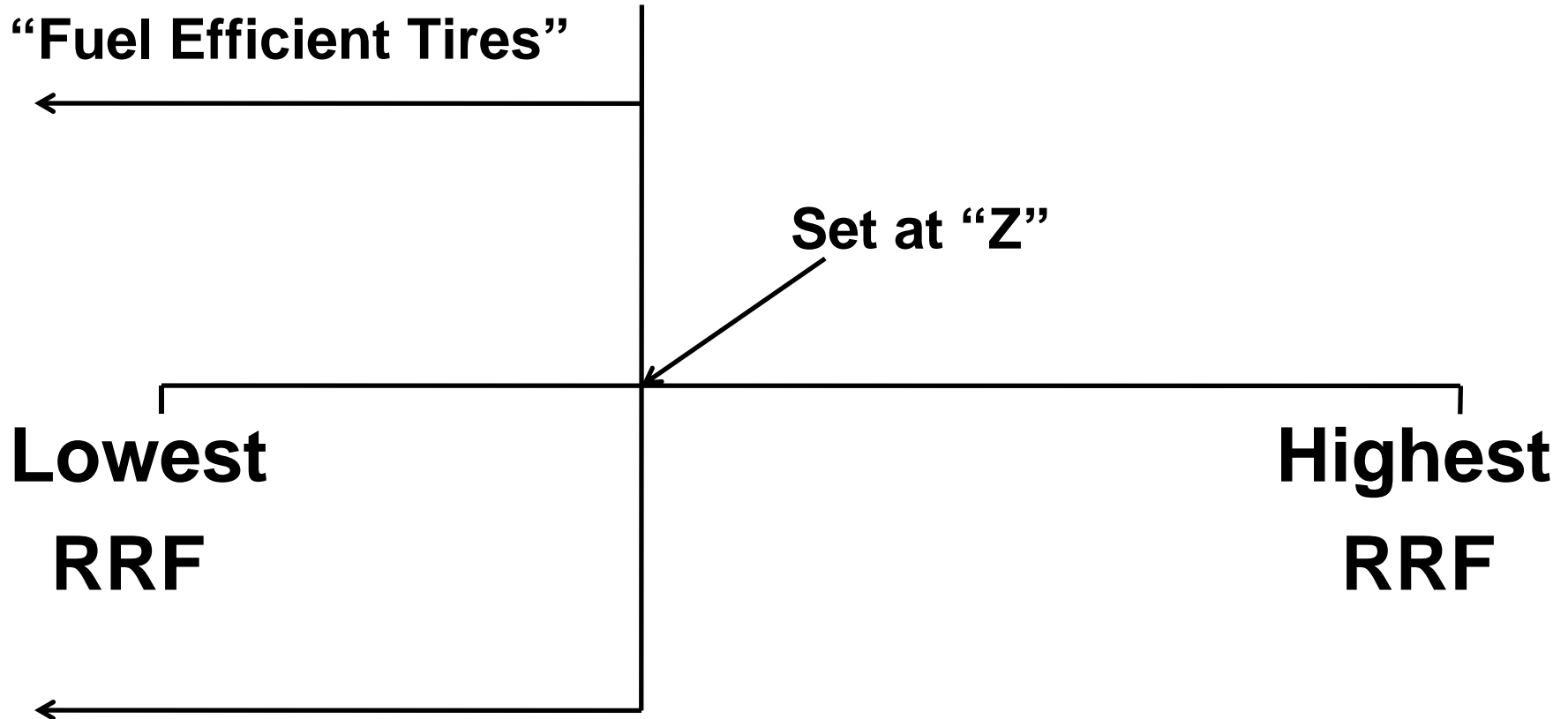
## Core Terms for Tires – Quick Stopping





# Consumer Information Program for Passenger Tires

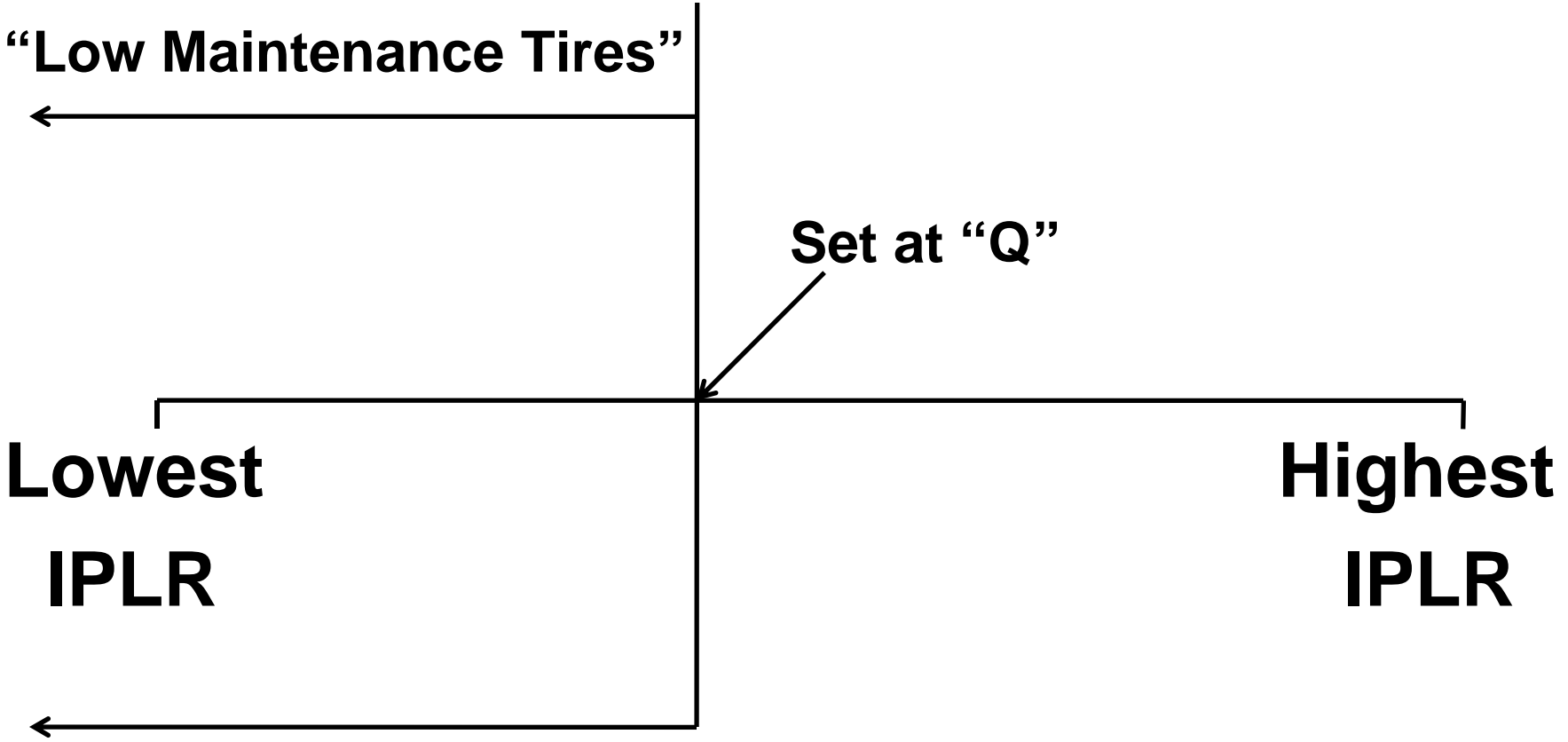
## Core Terms for Tires – Fuel Efficient





# Consumer Information Program for Passenger Tires

## Core Terms for Tires – Low Maintenance





# Consumer Information Program for Passenger Tires

## Tires With All Four:

- Long Life
- Quick Stopping
- Fuel Efficient
- Low Maintenance



Ask for Energy Star Tires





# Consumer Information Program for Passenger Tires

## Multifaceted Consumer Information Program

- Comprehensive Database
- Rating/Ranking System
- Core Terms
- Tools:
  - Searchable, Interactive Websites
  - Calculators – Life-Cycle Costs, Fuel Savings
  - Internet Learning Center with FAQs



# Consumer Information Program for Passenger Tires

## Labels on Tires??





# Consumer Information Program for Passenger Tires

## Labels on Tires??

- Of Value to Consumers?
  - Will Consumers Actually See/Look at Labels on Tires?
- Of Value to Wholesalers or Retailers?
- What's on the Label?
- Mandatory?
- Optional?



# Consumer Information Program for Passenger Tires



2% Improvement in  
National Fuel Efficiency =

- 3 Billion Gallons/Year Fuel Savings
- \$9 Billion/Year Fuel Savings
- 33 MMT/Year CO<sub>2</sub> Reduction



# Consumer Information Program for Passenger Tires

## What Can California Do To Help?

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California Energy Commission

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