



NHTSA Public Meeting

Tire Fuel Efficiency Consumer Information Research

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Tire Fuel Efficiency NPRM

- Energy Independence and Security Act
 - RMA advocated inclusion of national tire fuel efficiency consumer information program
- For NHTSA's rule to be effective RMA believes the program must:
 - Provide information at point of sale;
 - Provide meaningful information that is easy to understand by consumers
 - Provide a meaningful rating system, differentiating tire rolling resistance, traction and tread wear performance among appropriate tire choices for the consumer's existing vehicle
 - Be cost effective to minimize the cost effect of this information to consumers.



RMA Consumer Research

- In response to NHTSA's NPRM, RMA undertook comprehensive consumer research to test a sample of potential tire information formats to provide consumers with information about tire fuel efficiency, traction and tread wear.



RMA Consumer Research

- Methodology
 - Internet survey – 1,000 participants
 - Participants screened using same criteria as NHTSA focus group
 - Five formats tested



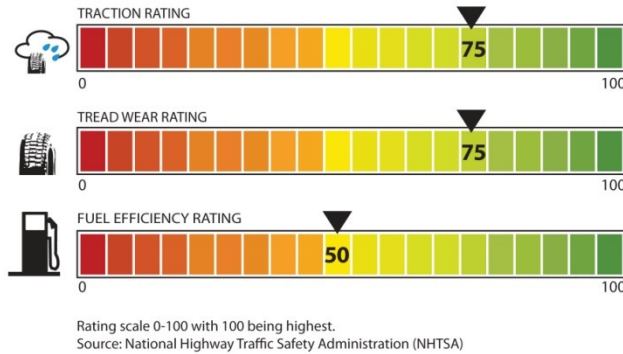
RMA Consumer Research

- RMA tested five tire information formats based upon those initially tested in NHTSA focus group study
- Some formats were altered based upon NHTSA's focus group research and comments

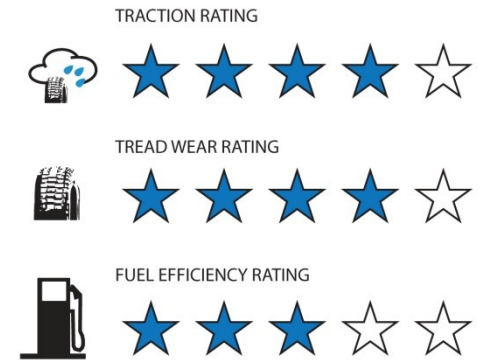


RMA Consumer Research

“Thermometer”



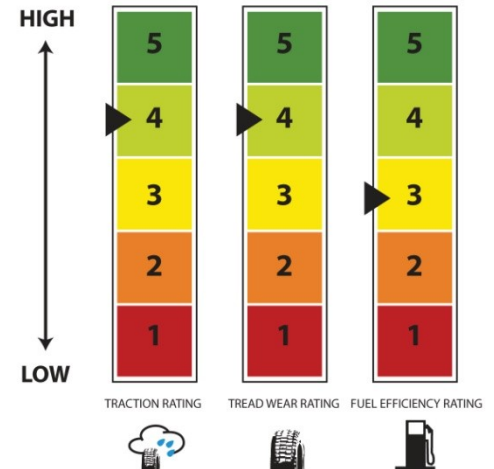
“Stars”



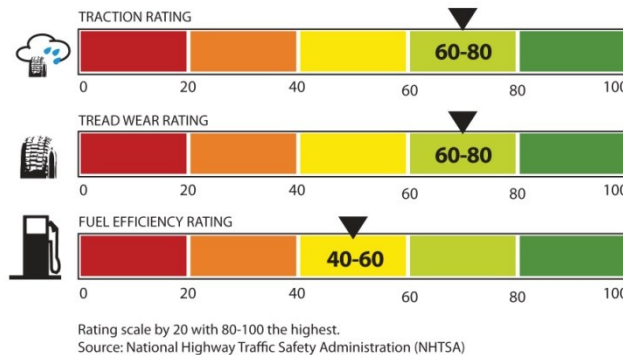
“Thermometer Category”



“5 Box Vertical”



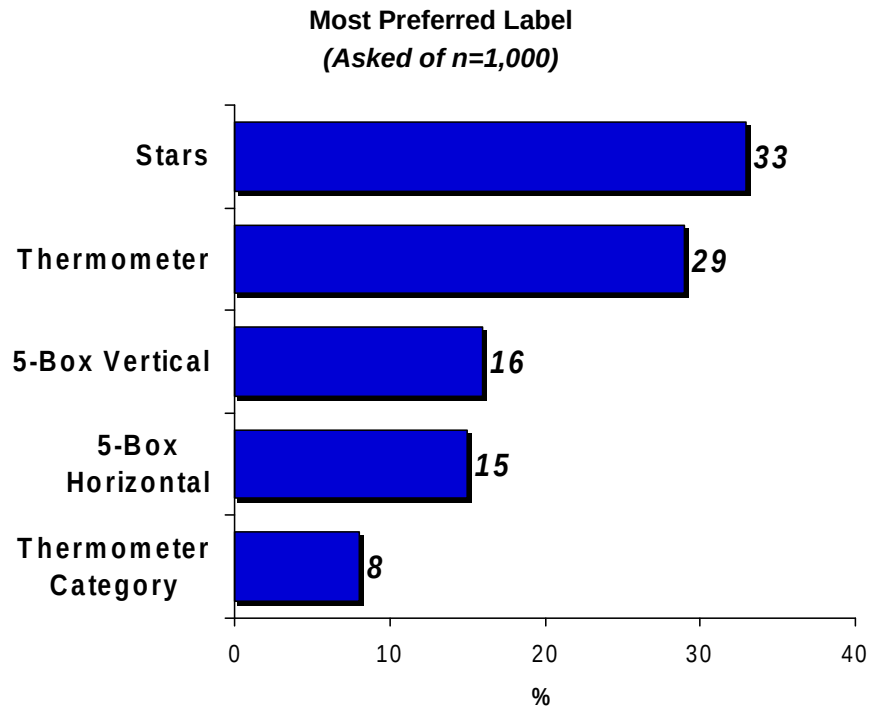
“5 Box Horizontal”





RMA Survey Results

- The “Stars” format was highest rated among consumers in RMA survey:

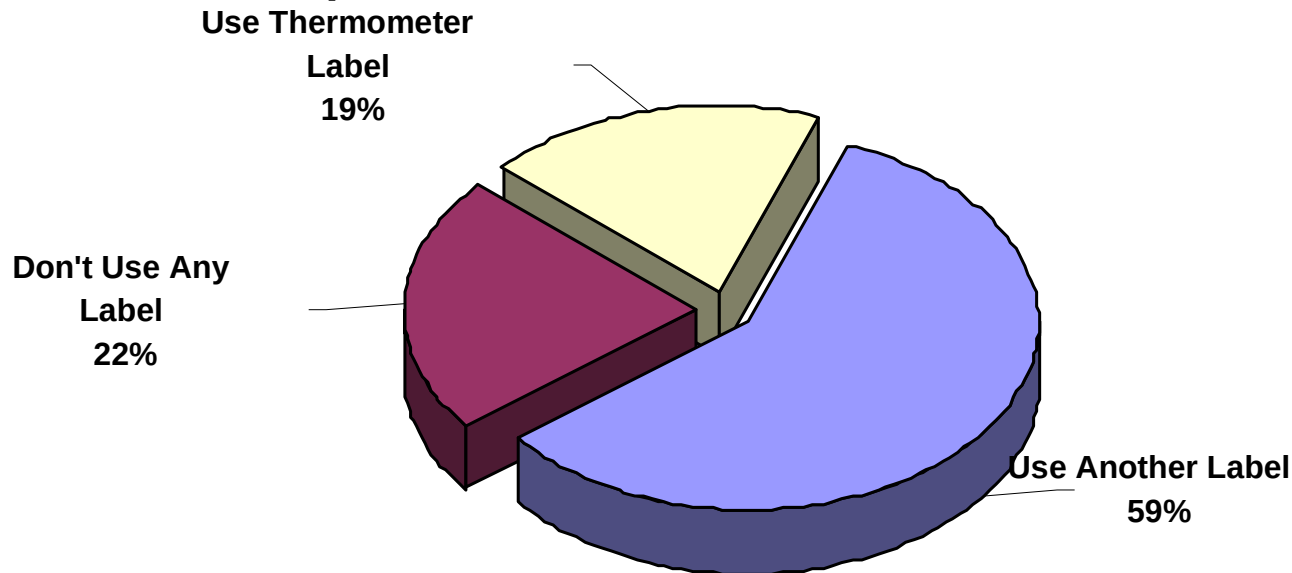




RMA Survey Results

- While 29% of respondents chose “Thermometer” as their most preferred, this support drops to 19% when respondents are informed that it would not precisely rate tires.

What Would Consumers Recommend if "Thermometer" Format Implied Precision That Doesn't Exist





Effective Rule Helps Consumers; Spurs Industry Innovation

- An effective program will provide useful information to consumers
- Tire makers will have additional incentives to compete for consumers' attention on particular tire traits
- Top end of rating scale should be appropriately high to allow for future innovation



Concerns – Information Format

- A paper label attached to replacement tires is impractical and ineffective for consumer information
 - Consumers virtually never see a tire label
 - Removed or damaged before installation
 - Consumers typically see tires after installation
 - Consumer access to information prior to purchase decision is important - web, point-of-sale



Concerns – Information Format

- Web-based and point-of-sale information are most practical media for consumers
 - Web based information allows for consumer research prior to sale
 - Point of sale information allows consumers to have meaningful tools to help guide tire purchase to suit consumer's needs



Recommendations for Providing Consumer Information

- NHTSA should mandate that tire retailers display tire efficiency program poster and make the rating information available to consumers.
 - Other forms of information:
 - tire manufacturer brochures, product catalogues
 - in-store online access to the NHTSA website
 - tire manufacturer or retailer's website with rating information
 - NHTSA-produced tire fuel efficiency program booklet – similar to agency's UTQGS publication
 - Provided to tire dealers nationwide at an annual cost of \$3,190.
 - NHTSA estimates 60,000 tire dealers nationwide.
 - Small investment to help educate consumers with tire ratings and assist in more fuel efficient tire purchases



Concerns – Rating System

- 0-100 scale is not practical
 - Implies a misleading level of precision
 - Tires within 10-20 points not likely to have significantly different performance
- Rolling resistance force will group tire ratings of the same or similar size into a small range of the overall scale, minimizing differentiation
- Rolling resistance coefficient is more suitable to provide consumers with range of tire choices within their size range for a given vehicle
 - Europe and Japan are implementing rating systems based on rolling resistance coefficient



NPRM Tire Efficiency Rating

based on rolling resistance force



FUEL EFFICIENCY RATING



Rating scale 0-100 with 100 being highest.

Full sized SUV/pickup truck



Full Sized



Midsized



Compact



Subcompact



- Rating system does not give individual consumer full range of choices for existing vehicle
- Serves to rate vehicles rather than provide useful information about replacement tires
- Does not give all consumers choices of high rated tires



FUEL EFFICIENCY RATING



Rating scale 0-100 with 100 being highest.



Concerns - Research Plan

- Additional research should test several formats
 - NHTSA's August 19, 2009 survey only tested two formats used in earlier focus group research
 - RMA research shows consumer preference for a "star" categorical format
 - Labels, point-of-sale and web-based formats should be tested
 - Consumer testing should not be limited to one particular type of information media
 - Appropriate mock-ups should be used to gauge preferences
 - NHTSA's August survey was done after NPRM was issued and was not available for comment



Initial Recommendations – Research Plan

- Benchmark – Using a benchmark (current UTQG symbols?) as a reference to show whether the alternatives are better than the current design.
- Monadic Design - Recommend testing one design variable at a time, within any one style of label, using a monadic design. (Alternatively, if cost is a factor, a sequential monadic design.)
- Conclusions - Should be based on differences observed across different cells, not within same respondents.



Initial Recommendations – Research Plan

- Rate beyond comprehension - The quantitative research should address "likelihood to be read" or "visually appealing" nature for consumers.
- Participant eligibility:
 - Specific for tire purchasing responsibility -- Household decision maker for vehicle maintenance/repair (e.g. oil changes) may not be the same person making tire purchase.
 - Participant eligibility -- Exclude those who work in auto, tire or market research industries.



Concerns – Process

- Process Concerns
 - How will stakeholders be able to comment on NHTSA's final information format recommendations?
 - Will there be a supplemental or new NPRM?



Concerns – Process

- NHTSA schedule (p. 6 of posted research plan)
 - Does not include milestone to consider and incorporate written comments provided by April 2 deadline
 - How will stakeholder input be evaluated and incorporated into research plan?
 - Will NHTSA seek further input from stakeholders before sending plan to OMB?



Summary

- Consumers will want to compare performance traits for tires **suitable for their vehicle** and not to other sizes or types not applicable to their vehicle
 - RMA has proposed a sound solution to measure tire fuel efficiency
 - RMA has proposed a rating system that consumer research shows is understandable and acceptable
 - “Star” format was most preferred in RMA research



Summary (cont.)

- A rating system based upon rolling resistance coefficient will provide consumers with the most practical, useful information
- Point of sale information and web-based resources are the best conduits for reaching consumers
 - Paper labels on tires are not an effective way to convey information to consumers



Summary (cont.)

- Stakeholder ability to provide input on NHTSA's consumer information research.
 - Will further rulemaking notice be required?



Summary (cont.)

- RMA will continue to provide NHTSA with well-reasoned and researched comments
- Thank you for today's opportunity for discussion.