

New Government 5-Star Safety Ratings

**National Highway Traffic Safety Administration and
Kelley Blue Book Partnership**

Methodology

- Online survey, 5 minutes
 - Consumers: Received survey invite via pop up ad on the KBB website
 - Dealers: Received survey invite via email (sent to 6,000 dealers from Kelley Blue Book's database)
- Field Dates: October 15 - 21, 2009
- 980 completes
 - 774 Consumers: ages 18+ and likely to purchase a new car within the next two years
 - 206 Dealers

Summary of Key Findings

- Safety ratings are important, but aren't the key factor in the final sale for most buyers.
 - ✓ More than half of consumers (56%; 1-10 top 2 box)) report safety ratings have a significant influence on their final purchase decision, yet safety rating information not among top questions consumers ask dealers (only 26% top 2 box 1-10 "always" ask).
- One a scale of 1 to 10 (10 being the utmost influence), general safety ratings are ranked as more influential than Government 5-Star Safety Ratings specifically (6.9 compared to 8.1)
 - ✓ Government 5-Star Safety Rating impact vehicle preference but not the dealership sale. Dealers report rarely losing a sale over safety ratings--81% report losing 2 or less per year even though about half (44%) of consumers report walking away from a particular vehicle due to low Government 5-Star Safety Ratings.

Summary of Key Findings

- Consumers are not very familiar with the Government 5-Star Safety Rating (46%).
 - ✓ Dealers are far more familiar with the Government 5-Star safety ratings (82%), yet the same majority (83%) report that their dealerships have not yet begun discussing changes to the rating systems.
- Changing the Government 5-Star Safety Rating is widely viewed to be a good thing by both audiences.
 - ✓ Nearly all consumers believe it is a good idea (96%)
 - ✓ Vast majority of dealers believe it will be good for business (85%)

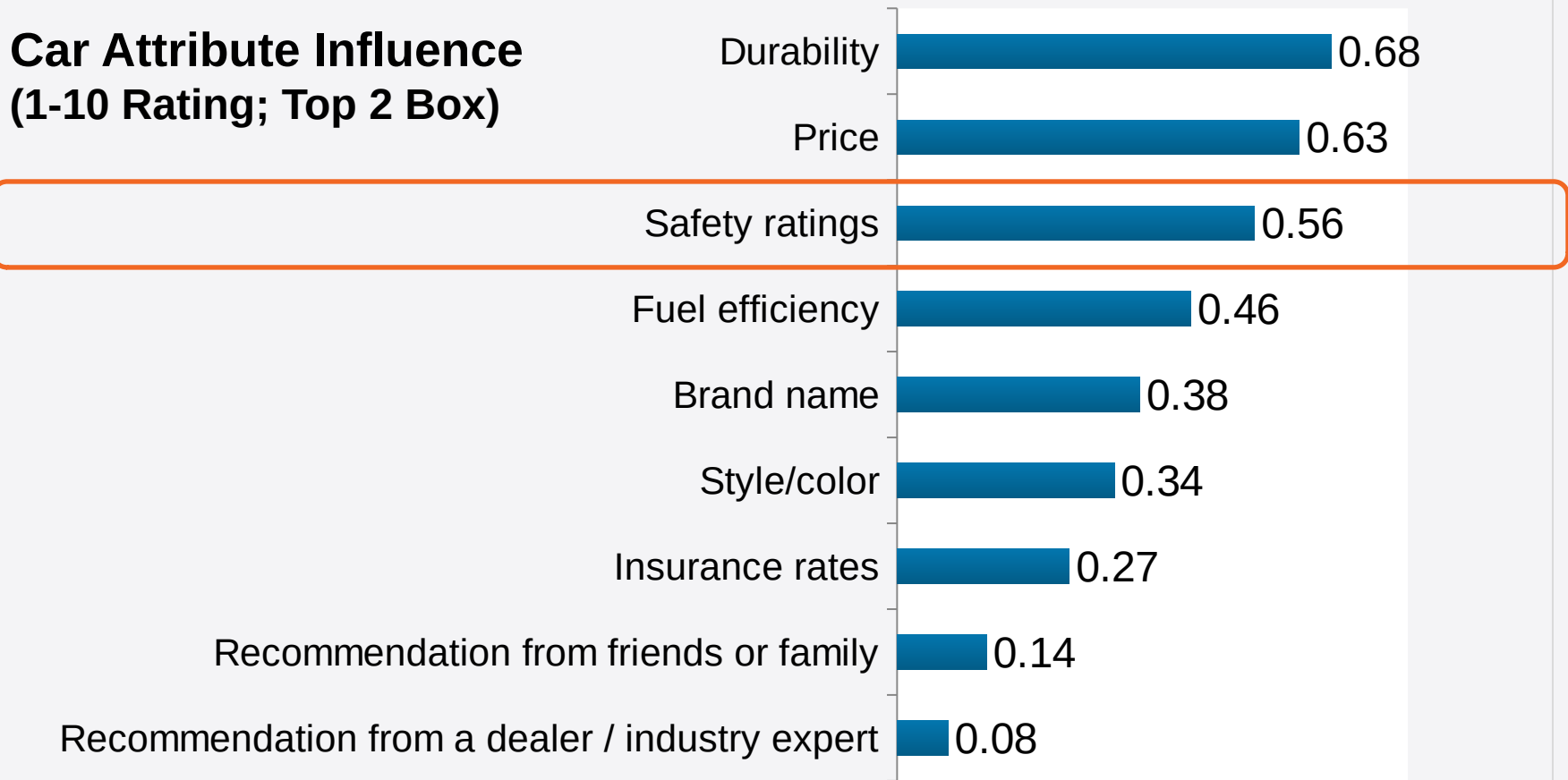
Summary of Key Findings

- Consumers (34%) and dealers (50%) alike most prefer to learn about changes to the New Government 5-Star Safety Rating system online.
 - ✓ Consumers much more likely to also prefer and expect to learn about the ratings through TV ads and news.
 - ✓ Consumers expect to learn most from consumer-centric sources like Kelley Blue Book (31%) and Edmunds (17%)
 - ✓ Dealers expect to learn most from industry authorities such as dealers/manufacturer sites (28%) and NHTSA (21%)
- Both consumers (41%) and dealers (36%) believe that understanding the distinction between the star levels is most important.
 - ✓ Both audiences agree that understanding the aspects that were changed in the new system is least important

DETAILED FINDINGS

More than half of consumers view safety ratings as significantly influential on their final purchase decision

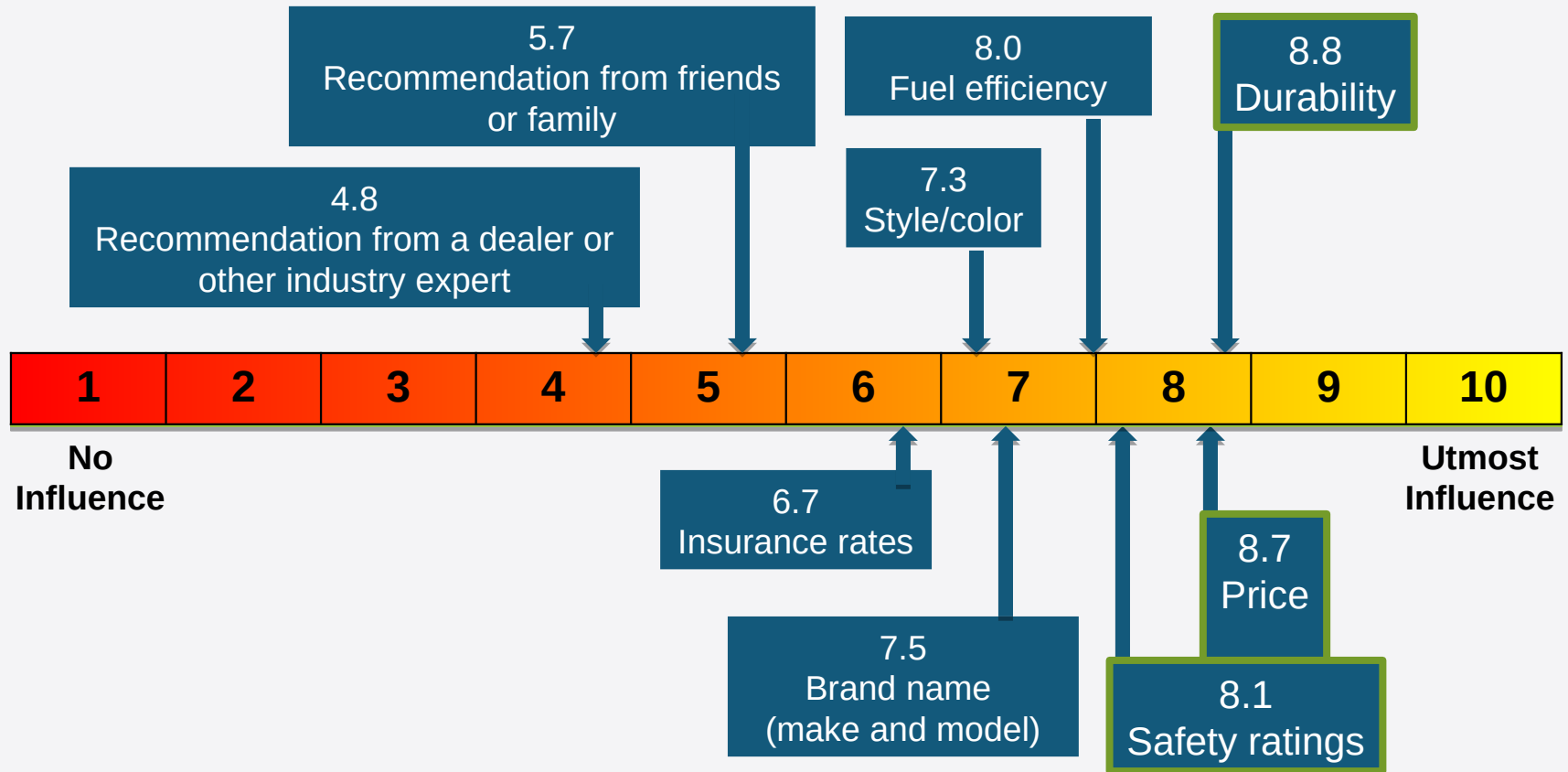
Car Attribute Influence (1-10 Rating; Top 2 Box)



Base: Consumers = 774

Q600 Thinking about the next time you go to purchase a new vehicle, please review the list of new car attributes below. For each one, please indicate how much of an influence that particular attribute will have on your final decision of whether or not to purchase a vehicle. Please use a 1 to 10 scale where a 1 means that attribute will have no influence at all and a 10 means it will have the utmost influence on your final purchase decision. (TOP 2 Shown)

Safety ratings rank in consumers' top three most influential attributes

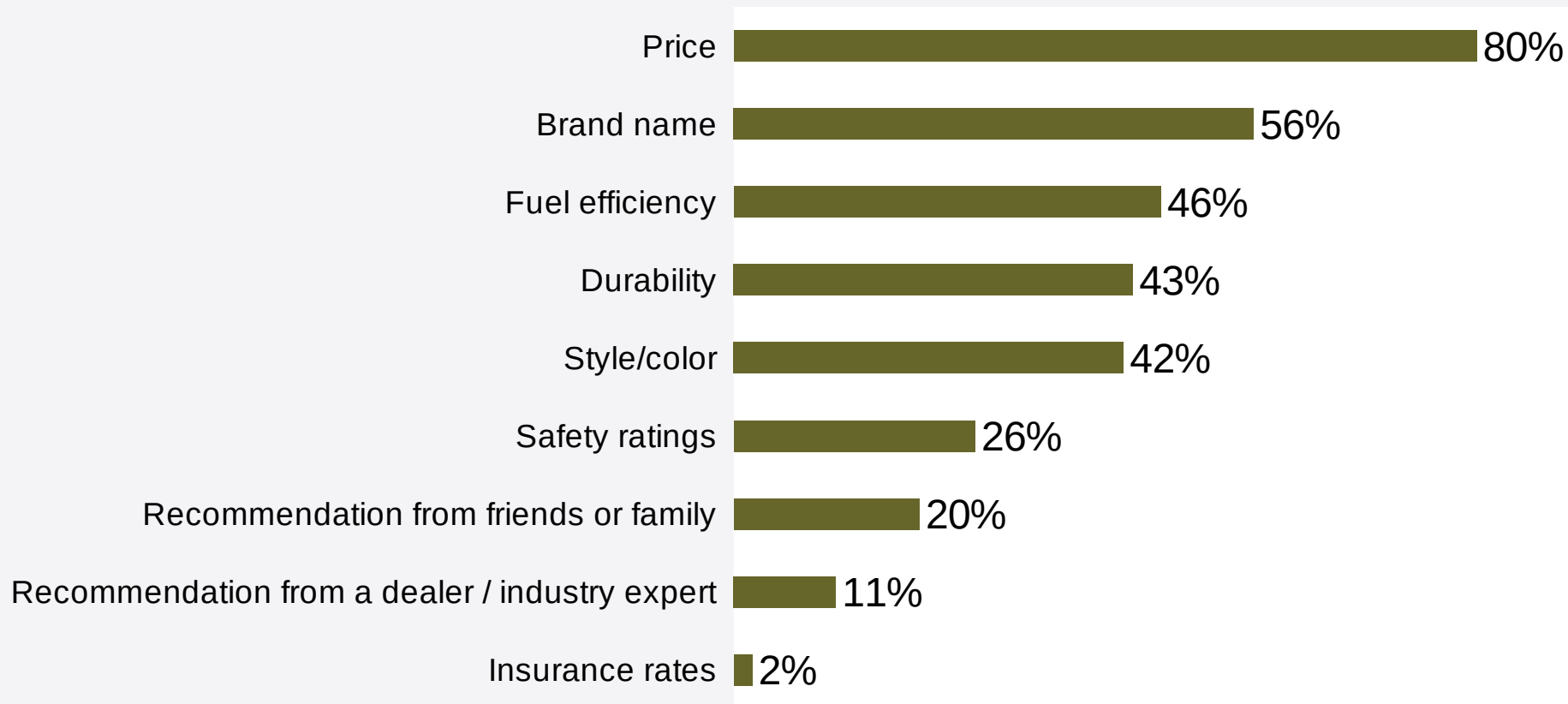


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Dealers are not often asked about safety ratings

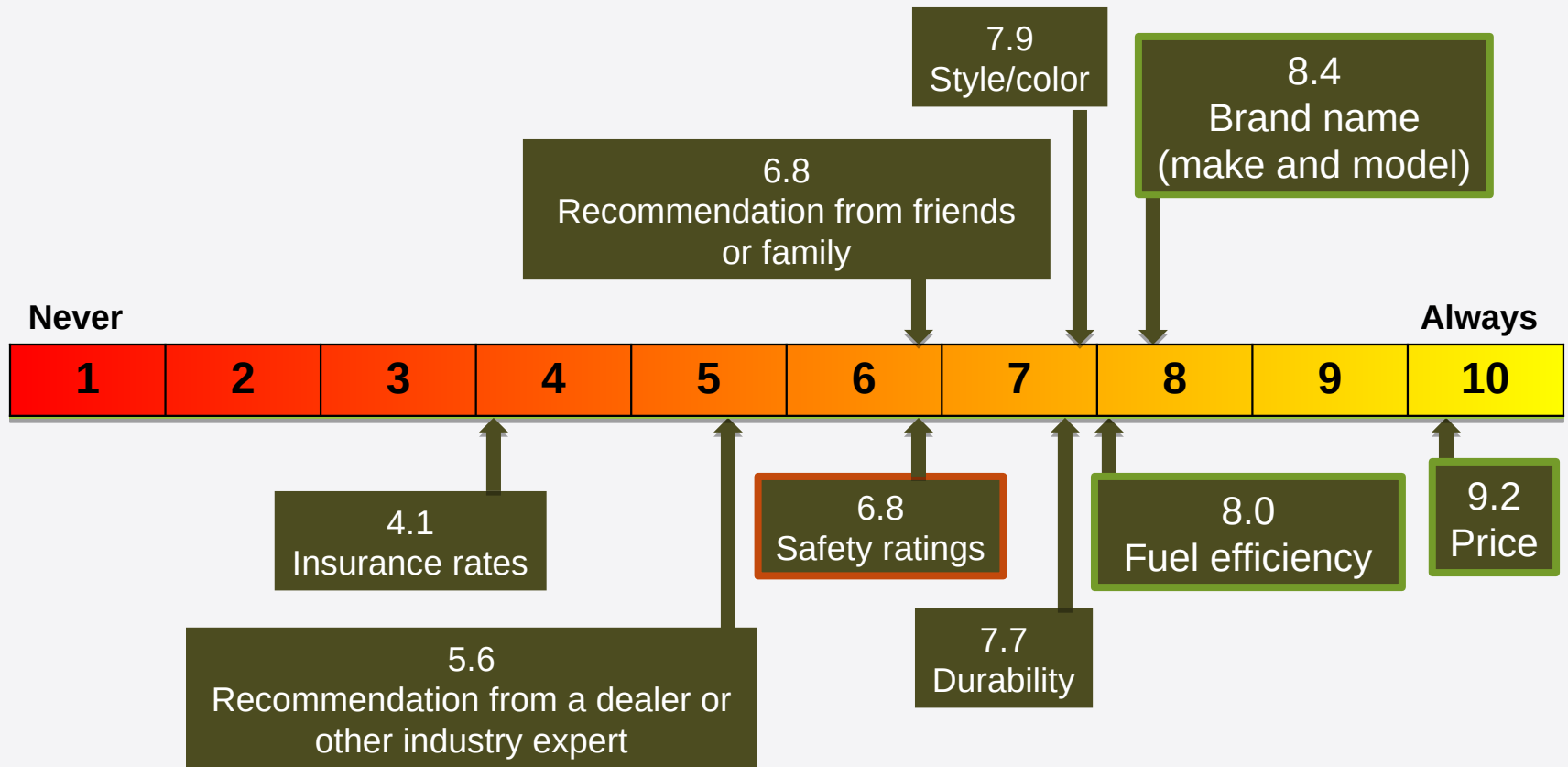
Car Attribute Influence (1-10 Rating; Top 2 Box)



Base: Dealers = 206

Q602 Thinking about your daily interactions with clients, please review the list of new car attributes below. For each one, please indicate how often customers ask you about that particular attribute. Please use a 1 to 10 scale where a 1 means that you are never asked about that attribute and a 10 means you are always asked about that attribute. (TOP 2 BOX Shown)

Price, brand, and fuel efficiency are the most asked about car attributes

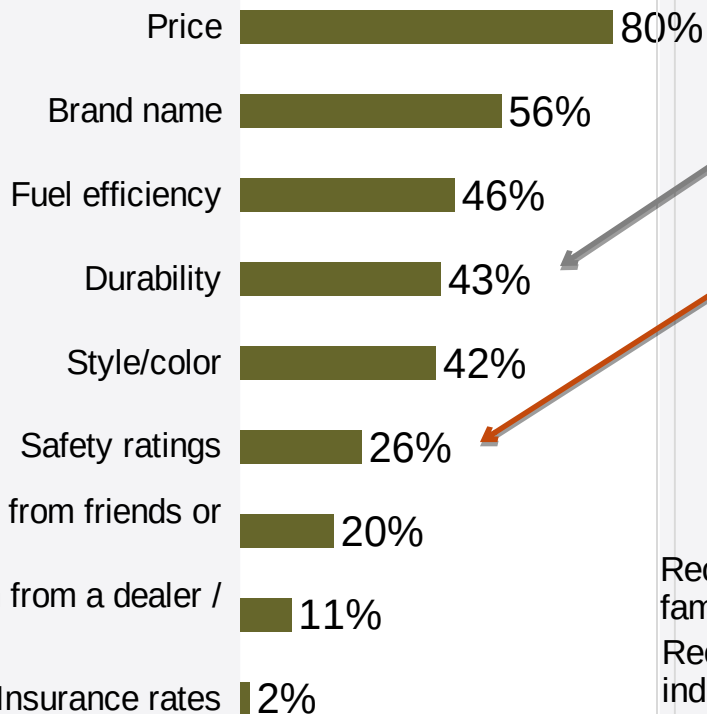


Base: Dealers = 206

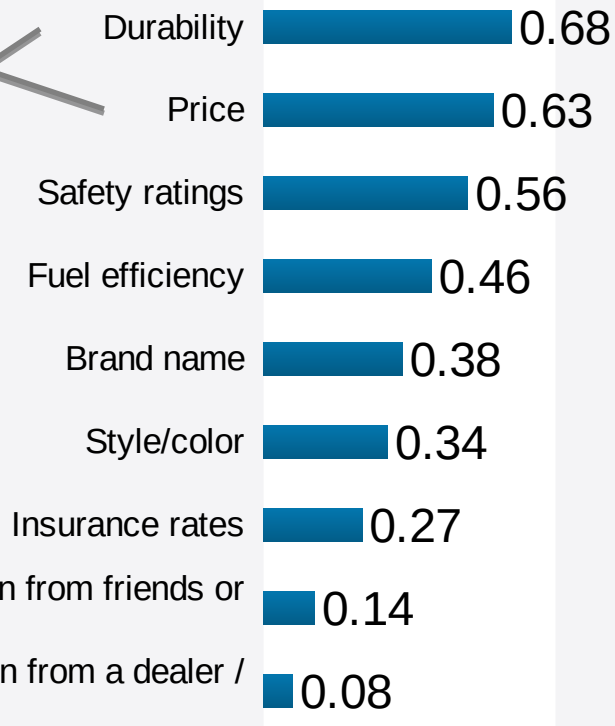
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Safety ratings important, but not among top questions to dealers

Dealers



Consumers



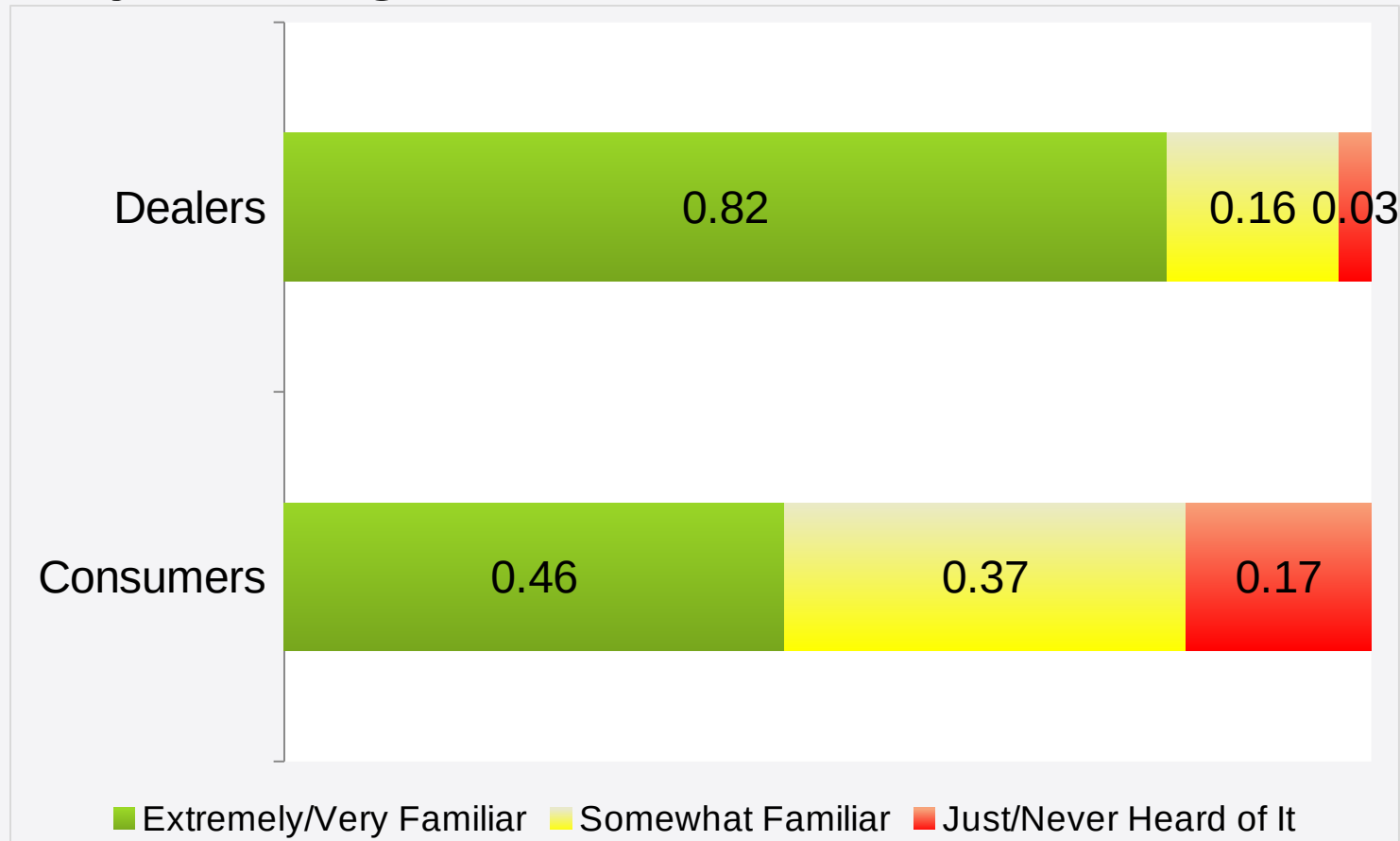
Base: Consumers = 774

Q600 Thinking about the next time you go to purchase a new vehicle, please review the list of new car attributes below. For each one, please indicate how much of an influence that particular attribute will have on your final decision of whether or not to purchase a vehicle. Please use a 1 to 10 scale where a 1 means that attribute will have no influence at all and a 10 means it will have the utmost influence on your final purchase decision. (TOP 2 Shown)

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Dealers are much more familiar with the Government 5-Star Safety Ratings

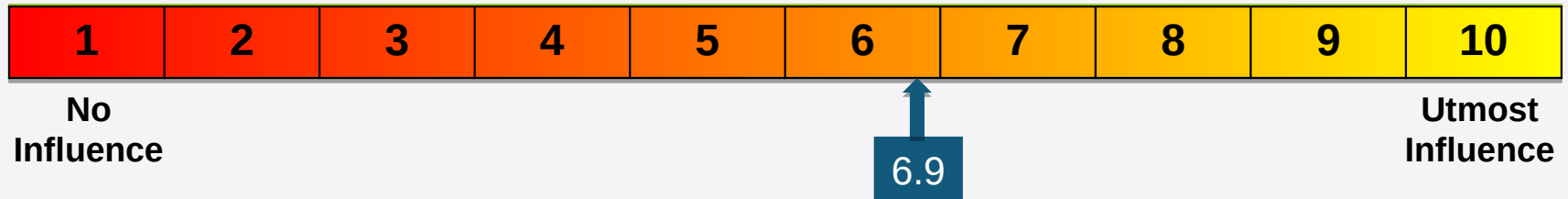


Base: Consumers = 774, Dealers = 206

Q610 How familiar are you with the Government 5-Star Safety Ratings for new vehicles?

The Government 5-Star Safety Ratings are moderately influential and usually promoted

Influence of Government 5-Star Safety Ratings on Vehicle Purchase



Dealer Promotion of Government 5-Star Safety Ratings



Base: Consumers Familiar with Ratings = 725

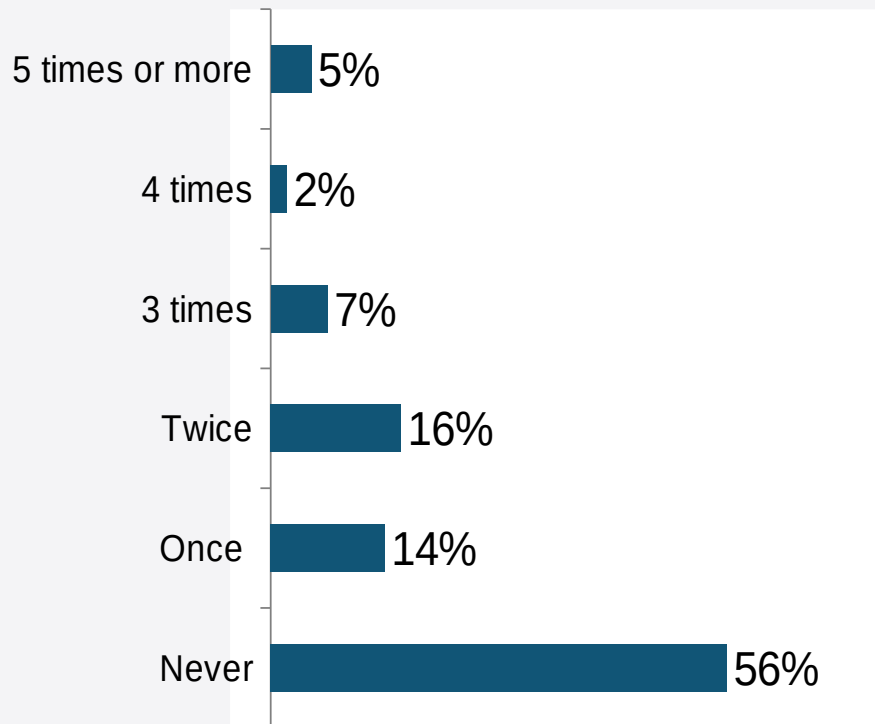
Q614 How much of an influence does the Government 5-Star safety rating have on your final decision of whether or not to purchase a vehicle. (MEAN Shown)

Base: Dealers Familiar with Ratings = 206

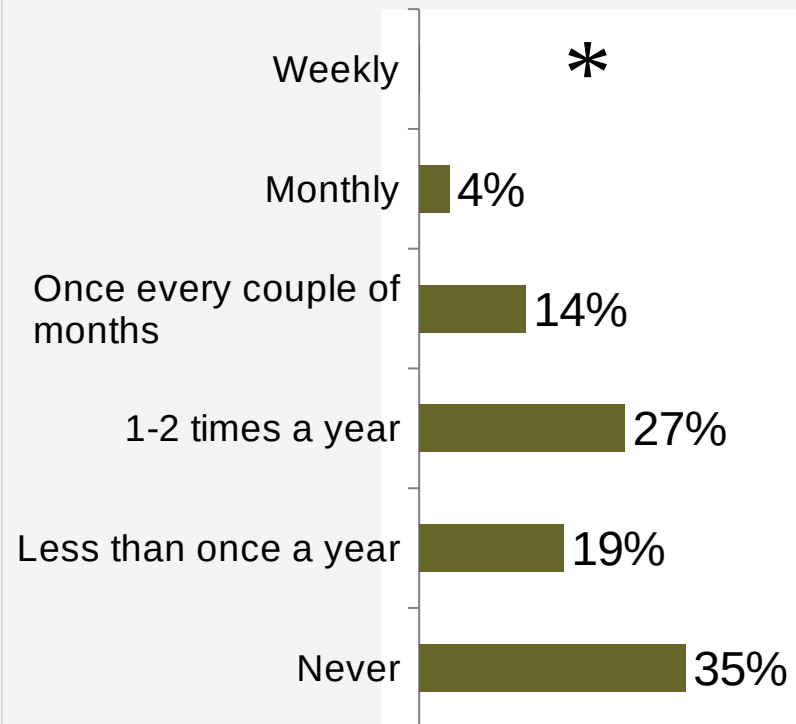
Q615 How often do you promote a vehicle's 5-Star Safety Rating when interacting with customers? (MEAN Shown)

Government 5-Star Safety Ratings impact vehicle preference, but not dealership sale

Consumer Walked Away Due to Ratings



Dealer Lost Sale Due to Ratings



Base: Consumers Familiar with Ratings = 725

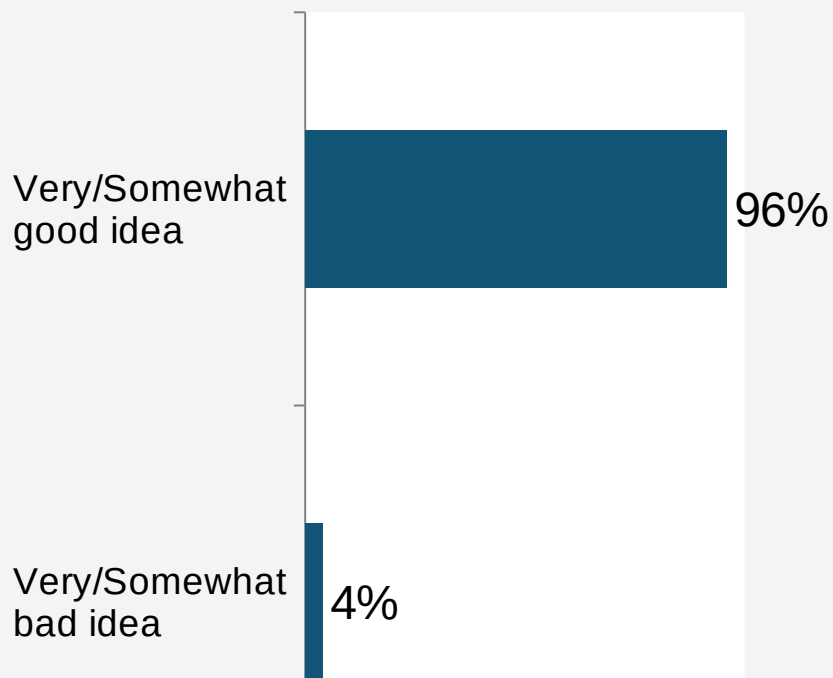
Q621 How many times—if ever—have you walked away from a vehicle you were interested in because it had a low 5-Star Safety Rating?

Base: Dealers Familiar with Ratings = 206

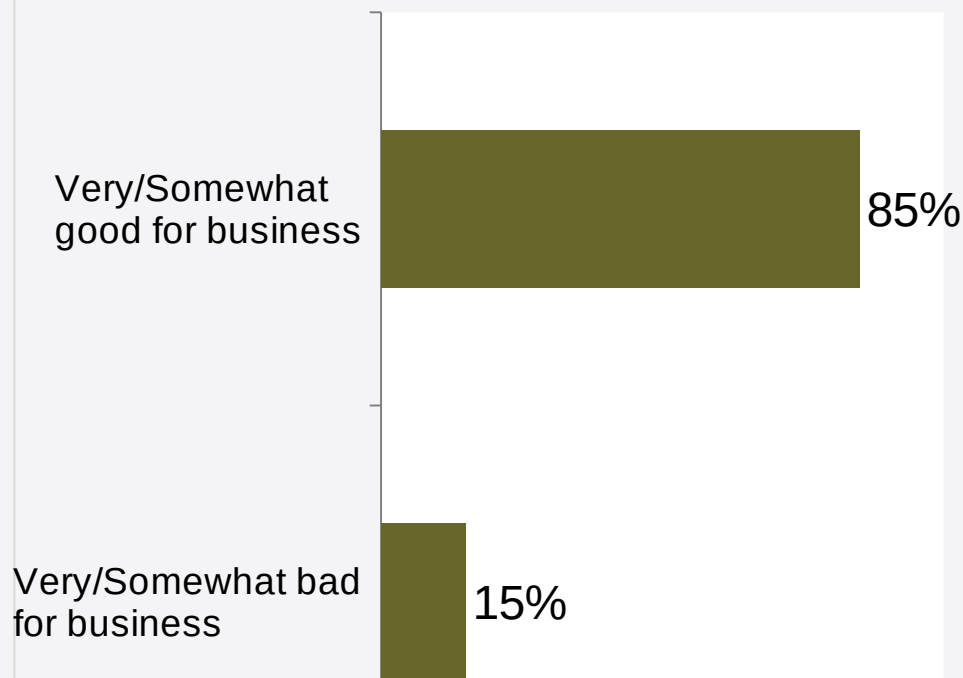
Q620 How often, if at all, do you lose a sale because the vehicle your customer was interested in had a low 5-Star Safety Rating?

Most consumers and dealers think the changes are a good idea

Consumer Perception



Dealer Perception

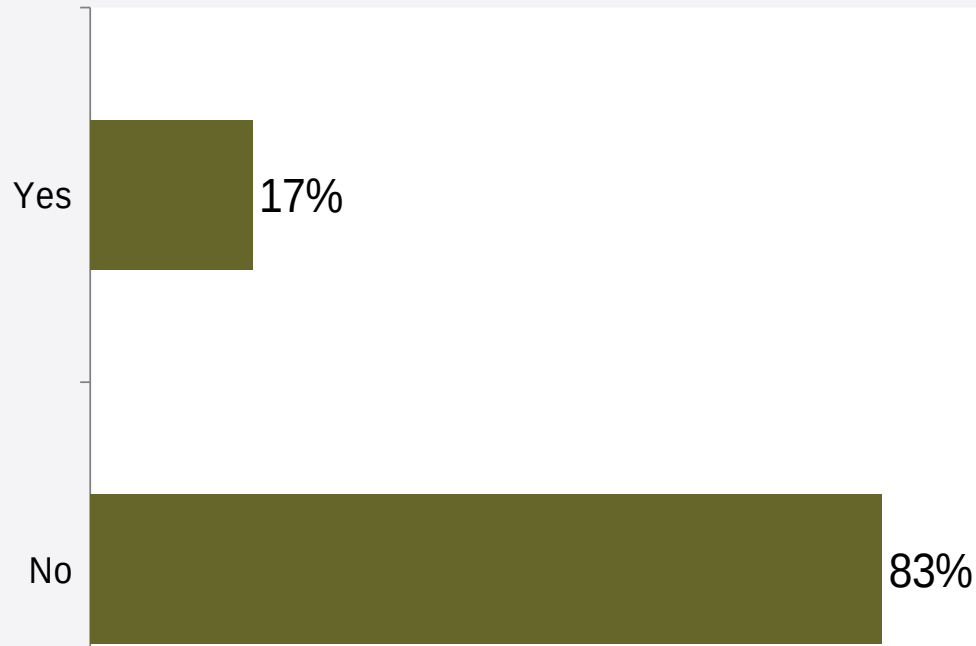


Base: Consumers = 774, Dealers = 206

Q630 Do you think these changes to the Government 5-Star Safety Ratings are:

The majority of dealerships have yet to talk about the Government 5-Star Safety Ratings changes

Dealerships Already Talking About 5-Star Safety Rating Changes

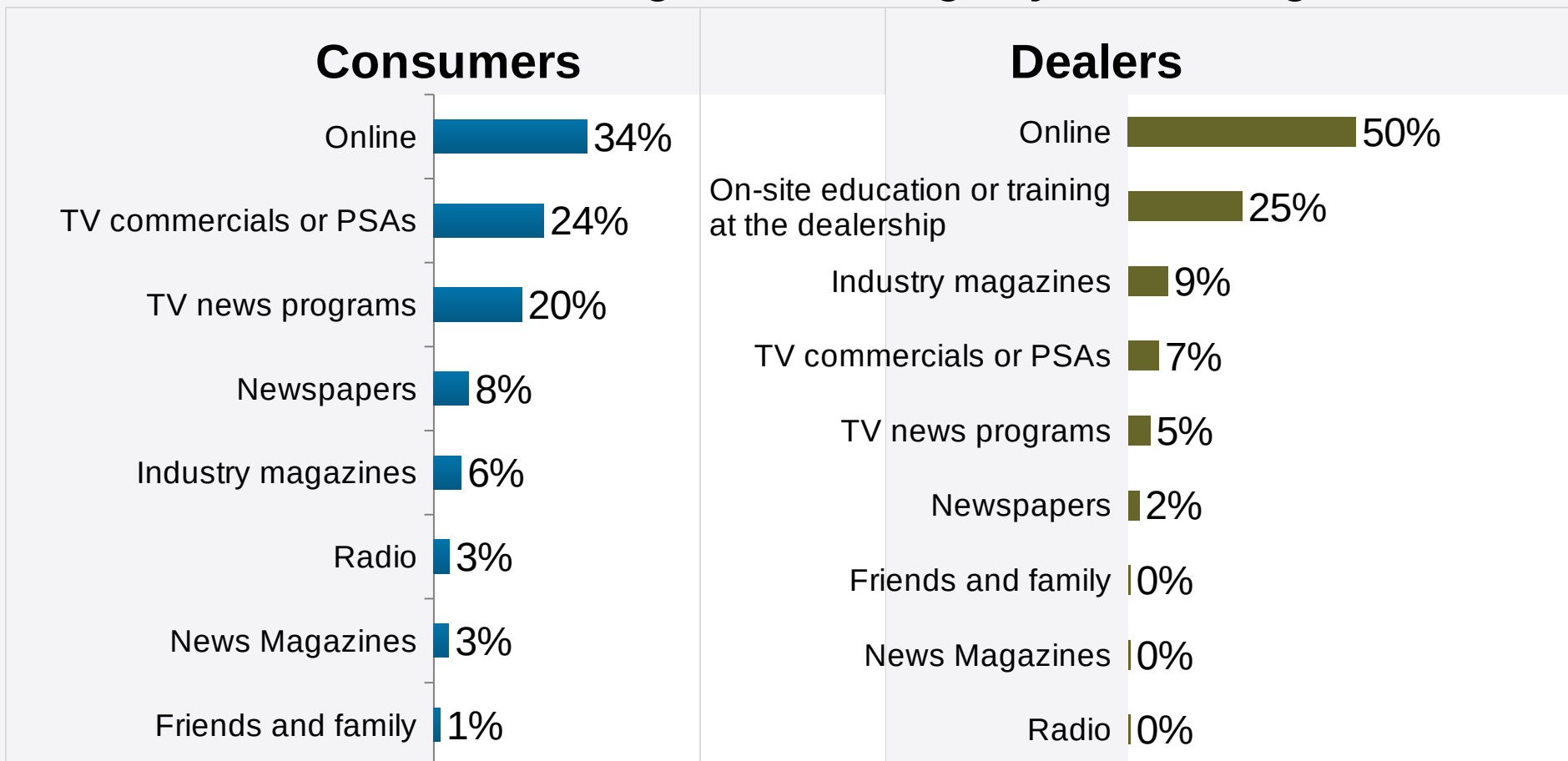


Base: Dealers = 206

Q632 Has your dealership begun talking about these changes yet?

Both audiences most prefer learning about the changes online

Preference for Learning About Ratings System Changes

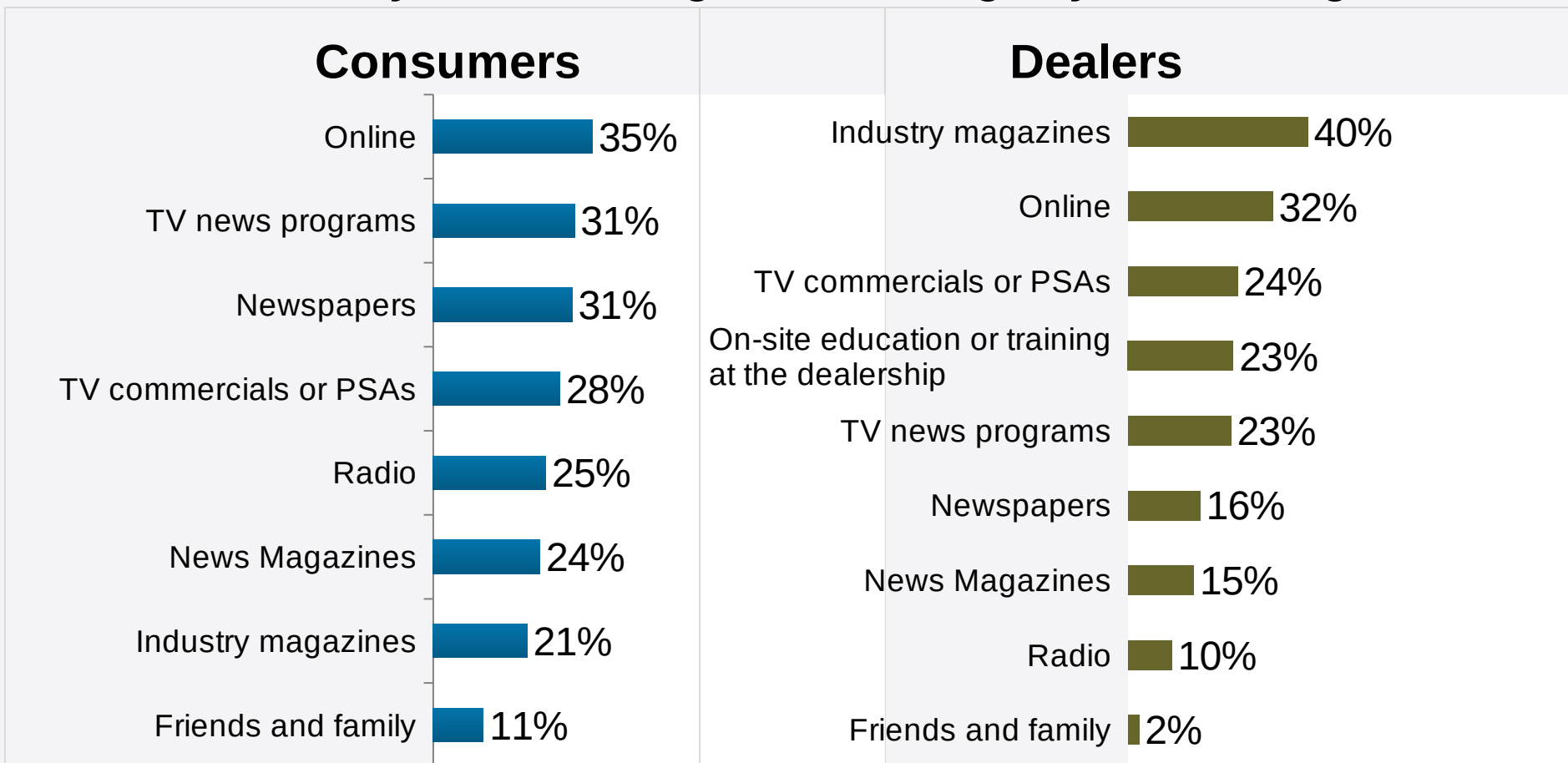


Base: Consumers = 774, Dealers = 206

Q700 Thinking specifically about the changes that are occurring to the Government's 5-Star Rating System, how would you **most** prefer to learn about these changes?

Consumers and dealers indicate a mixed channel approach is optimal

Other Ways for Learning About Ratings System Changes



Q710 What **other** ways would you like to learn about changes to the Government 5-Star Safety Ratings?

Base: Consumers = 774, Dealers = 206

General news programs (local and national) are expected to provide the most information



TV News Program Expected to Learn From Most	Consumers	Dealers*
News reports / local and national news	44%	30%
FOX	21%	20%
CNN	21%	40%
60 Minutes	9%	-
MSNBC	9%	10%
NBC	7%	20%
ABC	7%	20%
Dateline	6%	-
20 / 20	6%	-
Good Morning America	3%	-

Base: Most Prefer TV News (Consumers = 151, Dealers = 10) *caution, small base size (n<50)

Q705 Which [news program] would you expect to learn from most? (ONLY MENTIONS 3% OR GREATER SHOWN)

Local newspapers are expected to provide the most information



Newspaper Expected to Learn From Most	Consumers	Dealers*
Local newspapers	80%	80%
USA Today	10%	40%
Wall Street Journal	10%	-
Any / all vehicle related sites	5%	-
60 Minutes	2%	-
ABC	2%	-
All others	7%	-
Don't know / none in particular	5%	-

Base: Most Prefer Newspaper (Consumers = 60, Dealers = 5) *caution, small base size (n<50)

Q705 Which [newspaper] would you expect to learn from most? (ONLY MENTIONS 3% OR GREATER SHOWN)

Consumers expect to learn most from Time magazine, while dealers expect to learn more from trade media



News Magazine Expected to Learn From Most	Consumers*	Dealers*
Time Magazine	31%	-
Road & Track	19%	-
Car & Driver	15%	100%
Auto magazines - unspecified	15%	-
Motor Trend	12%	100%
Local newspapers	8%	-
Automobile	8%	-
Auto Week	4%	-
Automotive News	-	100%
All others	35%	-
Don't know / none in particular	4%	-

Base: Most Prefer News Magazine (Consumer = 26, Dealers = 1) *caution, small base size (n<50)
 Q705 Which [news magazine] would you expect to learn from most? (ONLY MENTIONS 3% OR GREATER SHOWN)

Consumers rely heavily on Consumer Reports, while dealers tend to turn to trade media



Industry Magazine Expected to Learn From Most	Consumers	Dealers
Consumer Reports	28%	-
Car & Driver	26%	11%
Road & Track	21%	-
Motor Trend	17%	6%
Auto magazines - unspecified	6%	6%
Automobile	6%	-
Edmunds	6%	-
Any / all vehicle related sites	6%	-
Automotive News	4%	44%
Dealer / manufacturer	-	17%
AAA	-	6%
All others	9%	33%
Don't know / none in particular	2%	6%

Base: Most Prefer Industry Magazine (Consumer = 47, Dealers = 18) *caution, small base size (n<50)

Q705 Which [industry magazine] would you expect to learn from most? (ONLY MENTIONS 3% OR GREATER SHOWN)

Kelley Blue Book is the most popular online resource for consumers, many dealers rely on NHTSA



Website Expected to Learn From Most	Consumers	Dealers
Kelley Blue Book	31%	14%
Edmunds	17%	10%
Yahoo	14%	10%
Dealer / manufacturer	13%	28%
MSN / autos.msn.com	13%	3%
Consumer Reports	11%	3%
Google	10%	8%
Government sites - unspecified	8%	7%
Cars.com	6%	4%
Any / all vehicle related sites	4%	1%
NHTSA	4%	21%
Auto Trader	3%	8%
News reports / local and national news	3%	2%
CNN	3%	1%
NADA.com	3%	8%
Car & Driver	3%	1%
IIHS / Insurance Institute for Highway Safety	1%	3%
Automotive News	-	10%
All others	17%	12%

Base: Most Prefer Online (Consumer = 263, Dealers = 104)
 Q705 Which [website] would you expect to learn from most?

(ONLY MENTIONS 3% OR GREATER SHOWN)

NPR or local radio shows appeal to both consumers and dealers

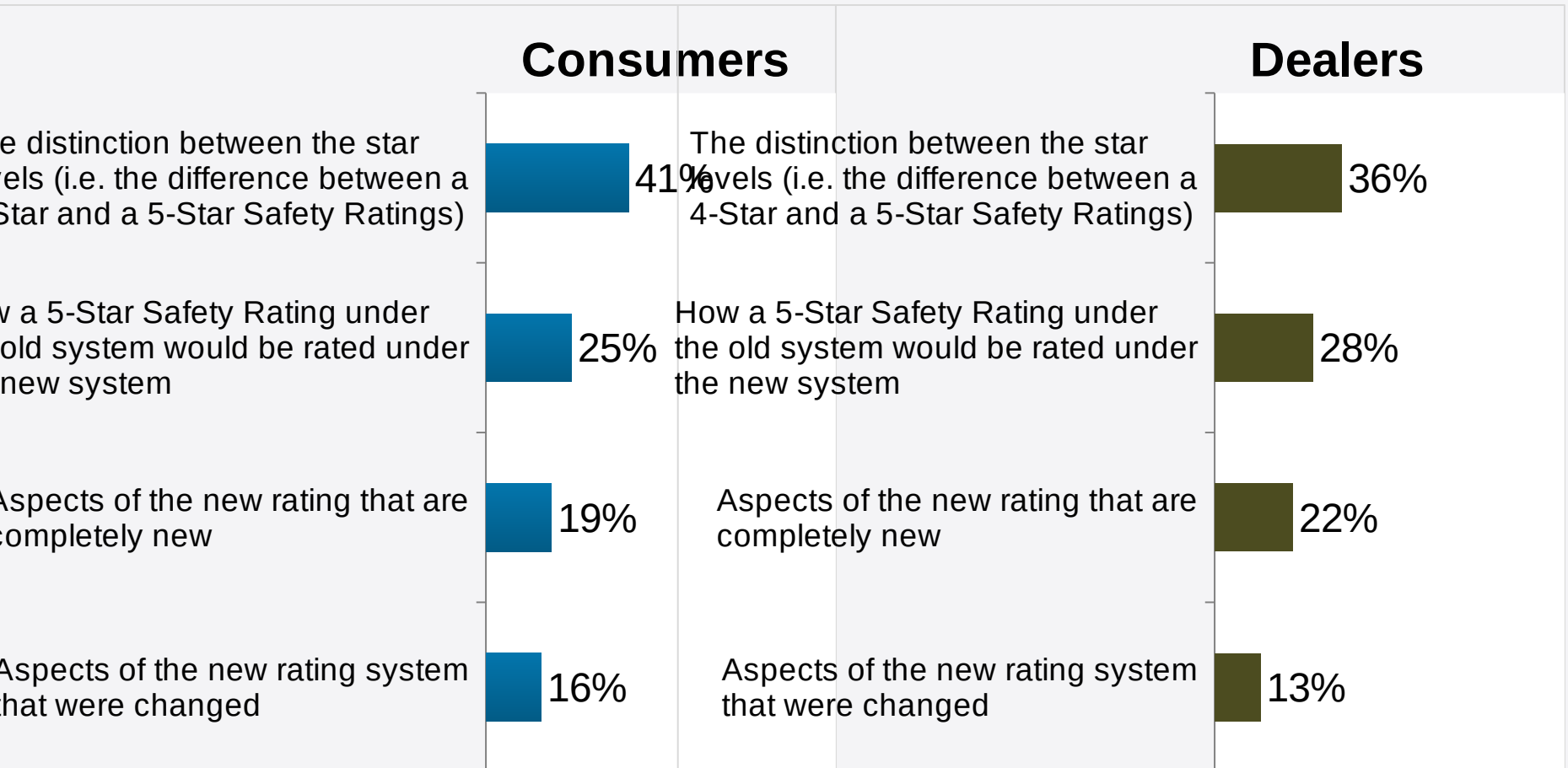


Radio Program Expected to Learn From Most	Consumers*	Dealers*
Local radio or NPR	70%	100%
News reports / local and national news	26%	-
FOX	4%	-
Any / all vehicle related sites	4%	-
All others	7%	-

Base: Most Prefer Radio (Consumer = 27, Dealers = 1) *caution, small base size (n<50)
Q705 Which [radio program] would you expect to learn from most? (ONLY MENTIONS 3% OR GREATER SHOWN)

Understanding the difference between the different star levels is most important to consumers and dealers

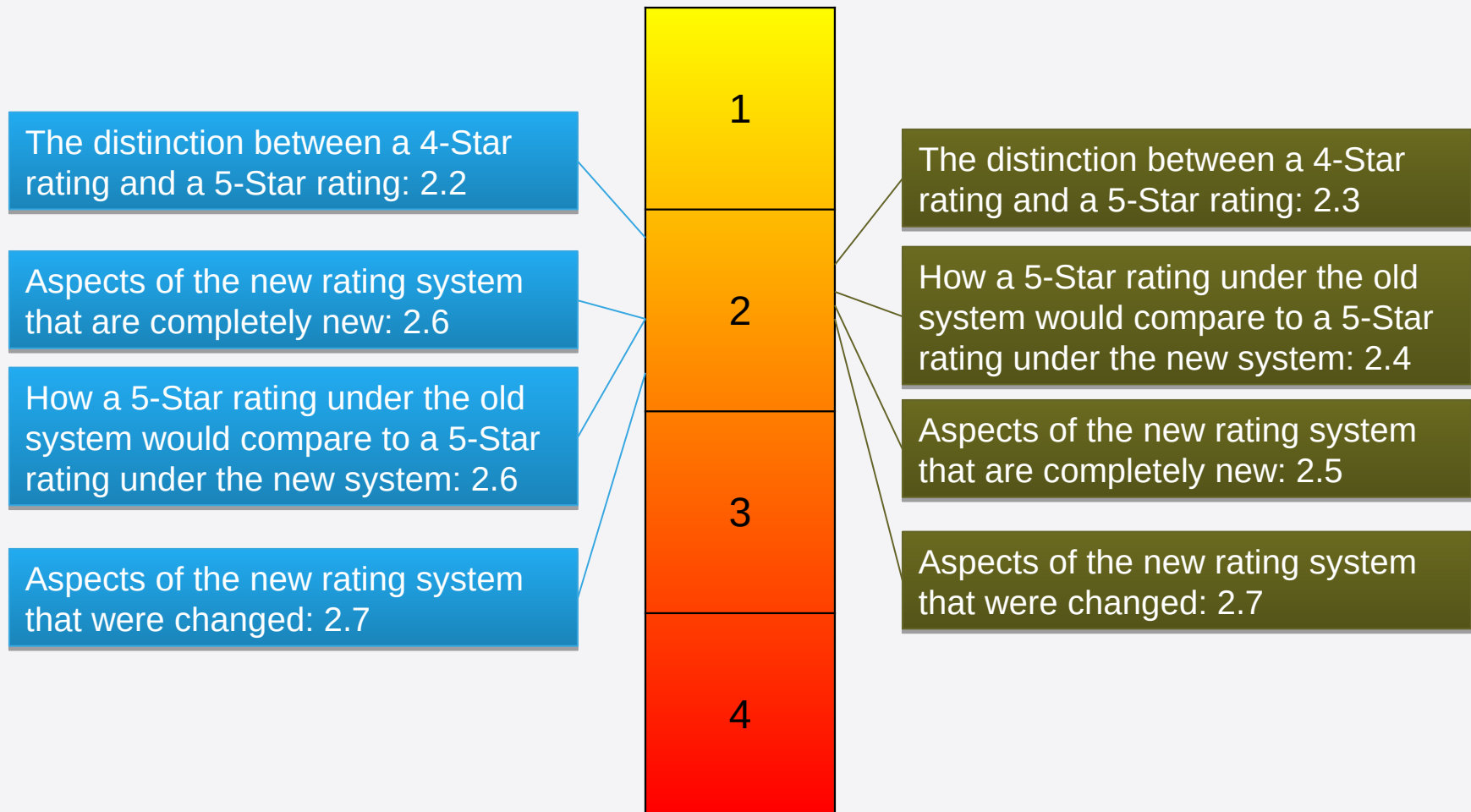
Most Important Information About Ratings Changes



Base: Consumers = 774, Dealers = 206

Q715 Please assign a "1" to the item most important to you. You must use each of the numbers between 1 and 5 once, no numbers can be repeated.

Dealers view understanding how new ratings compare to the old as more important than consumers do



Base: Consumers = 774, Dealers = 206

Q715 Please assign a "1" to the item most important to you. You must use each of the numbers between 1 and 5 once, no numbers can be repeated. (MEAN scores shown)