

Revising the MPG Window Sticker: EPA's Focus Group Experience

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Summary

- EPA revised the fuel economy window sticker via a new regulation in 2006
- First focus group experience for many in OTAQ, and first used for this purpose
- We conducted two sets of focus groups
 - Stage 1: Assess understanding of existing label, need for revision; develop a range of alternatives for a proposed regulation
 - Stage 2: Post-proposal, to help us distill the options and finalize the label content and appearance
- Staff, management, stakeholders very happy with experience
- Focus groups clearly contributed to a better label



Elements of Stakeholder Involvement

- Rulemaking Process
 - Typical rulemaking opportunities for comment
 - Wide stakeholder outreach beyond focus groups – NGOs, consumer groups (AAA), auto companies, dealers (NADA)
- Focus Groups – dramatically enhanced stakeholder involvement
 - Five cities in each phase, 2 focus groups in each
 - Phase 1: Atlanta, Boston, Detroit, Kansas City, Los Angeles
 - Phase 2: Atlanta, Baltimore, Detroit, Kansas City, Seattle
 - A mix of participants, regional differences
 - Participants screened to:
 - Target recent car buyers, or those currently shopping
 - Eliminate anyone tied to auto manufacturing or sales



Statutory Constraints

- Energy Policy and Conservation Act of 1975
 - Label must contain:
 - Fuel economy of the automobile
 - Estimated annual fuel cost
 - Range of fuel economy of comparable automobiles
 - A statement that a fuel economy reference is available at dealers
 - Label can:
 - Contain other related information
 - Be incorporated into the “Monroney” label required by the 1958 Automobile Information Disclosure Act

Old Label

Compare this vehicle to others in the **FREE FUEL ECONOMY GUIDE** available at the dealer.

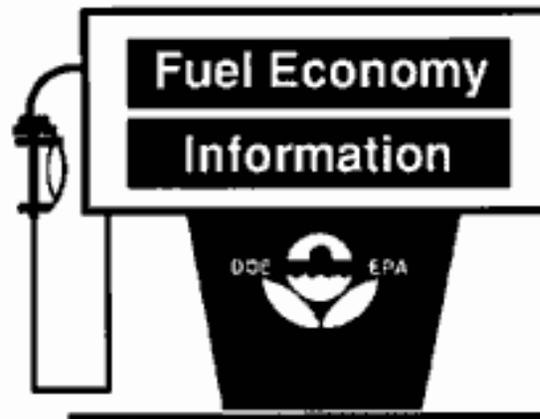
CITY MPG

23

Actual Mileage will vary with options, driving conditions, driving habits and vehicle's condition. Results reported to EPA indicate that the majority of vehicles with these estimates will achieve between

19 and 27 mpg in the city
and between

26 and 35 mpg on the
highway.



1993 CANARY 2.0 LITER
L4 ENGINE FUEL INJECTED
AUTO 3 SPD TRANS CATALYST
FEEDBACK FUEL SYSTEM

Estimated Annual Fuel Cost:

\$850

HIGHWAY MPG

30

For Comparison Shopping,
all vehicles classified as
COMPACT
have been issued mileage ratings
ranging from 11 to 31 mpg city
and 16 to 41 mpg highway.



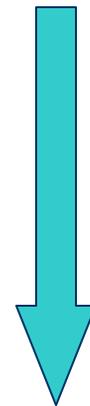
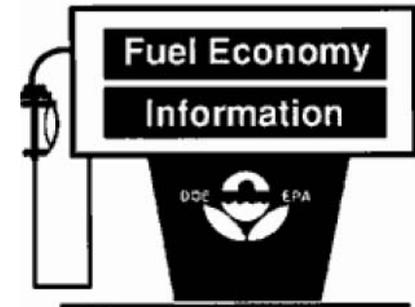
Key Lessons Learned

- Clearly identify the source of the information
- Even logos can add important value
- Include a way for consumers to get more information
- Beware of the fine print
- Avoid dramatic change of entrenched attachments
- Finding the balance between not enough and too much information
- There is a limited amount of time to convey information
- Consumers reacted positively to:
 - Updated graphics
 - Professional-looking layout
 - Simplification of information



Clearly Identify the Source of the Information

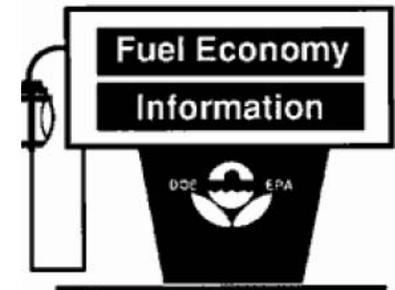
- Many respondents could not identify EPA as the data source
 - Old label had “EPA” in small text & an undistinguished logo
 - Focus group guesses included auto companies, auto dealers, Consumer Reports, JD Power, oil companies, car magazines
- Knowing EPA was the source increased the credibility of the label
 - Some expressed relief upon learning that the mpg information wasn’t simply “advertising” from car makers
- **New Label:** Prominent text at top indicating EPA role



EPA Fuel Economy Estimates

Logos Can Convey an Important Message

- Old Label
 - The EPA logo went largely unnoticed
 - Some confusion over EPA vs. DOE
- New Label
 - Has separate and prominent DOE and EPA logos
 - Focus groups reacted positively to more visible logos
 - Logo adds an “official” look, credibility
 - Synonymous with a “seal of approval” (for data, not a vehicle endorsement)





Hang on to Consumer's Old Friends

- City vs. Highway distinction is remembered and valued above all
- Many could not identify other items on the label, but almost everyone knew – and was familiar with – the large City and Highway mpg values
- We tested alternative ways of representing fuel economy, such as a range, instead of City and Highway values
- Everyone strongly wanted the City vs. Highway mpg distinction to remain intact
- We also considered using fuel consumption instead of fuel economy as a metric
 - Did not specifically review with focus groups, but their forcefulness with respect to understanding mpg, as well as statutory constraints, eliminated this option
- **Result:** We retained City and Highway values as the most prominent pieces of information on the label



Include a Way to Get More Information

- There were conflicting views regarding how much information to place on the label
 - Given a range of alternatives, focus groups were often split
 - Some were minimalists, others wanted it all
- Find a reasonable balance, don't inundate consumer, but give them a way to find out more
- The internet is an obvious way to accomplish this
- New label provides a web link to EPA/DOE website www.fueleconomy.gov



See the FREE Fuel Economy Guide at dealers or www.fueleconomy.gov





Beware of Fine Print

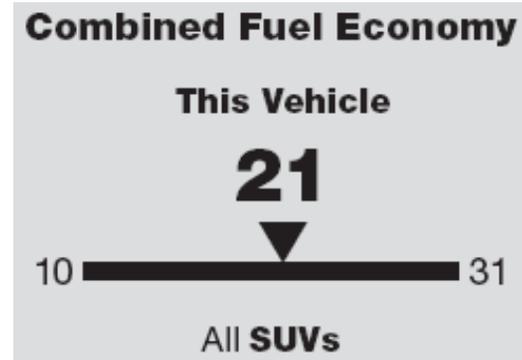
- Mixed reaction to fine print, but some conclusions were possible
 - Fine print that explained how numbers are generated are okay
 - Fine print that simply adds unnecessary or unclear information is not okay
 - General agreement that consumers did not want a lot of fine print
- Many stated that fine print would not get read
 - Small print “tells me you don’t want me to read it” or that you want to hide something
 - “If you want me to read it, make it bigger”
 - “I don’t read the little stuff there”
- Final label uses fine print sparingly



Graphics Can Be Better Than Words

- The “Comparison Shopping” text of old label was confusing to many – “I don’t want to think that much” (also a fine print issue)
- Most participants admitted to never reading this language; we frequently had to explain what this text meant
- Focus groups strongly preferred a graphical depiction of the range of fuel economy of comparable vehicles
- Some saw similarity to the FTC EnergyGuide rating found on new appliances – familiarity breeds....familiarity
- Easy to comprehend “at a glance”

For Comparison Shopping,
all vehicles classified as
COMPACT
have been issued mileage ratings
ranging from 11 to 31 mpg city
and 16 to 41 mpg highway.





Don't Leave Out Key Information (duh!)

- Old Label
 - The estimated annual fuel cost was meaningless to consumers
 - What is the basis?
 - Too small type size given its relative importance
- New Label
 - Provides basis for estimated annual fuel cost
 - Gives enough information for consumer to calculate their own customized annual cost estimate
 - Makes it front-and-center

Estimated Annual Fuel Cost:

\$850



**Estimated
Annual Fuel Cost**

\$2,100

based on 15,000 miles
at \$2.80 per gallon

Putting It All Together

EPA Fuel Economy Estimates

These estimates reflect new EPA methods beginning with 2008 models.

CITY MPG

18

Expected range
for most drivers
15 to 21 MPG

HIGHWAY MPG

25

Expected range
for most drivers
21 to 29 MPG

**Estimated
Annual Fuel Cost**

\$2,100

based on 15,000 miles
at \$2.80 per gallon

Combined Fuel Economy

This Vehicle

21

10 ————— 31

All SUVs

**Your actual
mileage will vary**
depending on how you
drive and maintain
your vehicle.



See the **FREE Fuel Economy Guide** at dealers or www.fueleconomy.gov





Thank You

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