

Responses to Written Questions Submitted by Honorable Todd Young to Honorable Heidi King

*Question 1.* In your testimony, you mention that under the Consent Order, NHTSA and the Independent Monitor are encouraging best practices (i.e., texting, social media, and door-to-door canvassing) to notify consumers of owning a car that needs to be fixed.

What lessons have you learned in the process of developing your best practices? What has worked? What has not?

*Response.* The required first-class mailing is an important part of official notification, but it is just one step in informing consumers of the risk they face. There are many challenges to successful recall completion. These challenges include obtaining accurate contact information for affected consumers, communicating effectively with those consumers, and ensuring dealer networks are well-informed and actively assisting in the recall process.

Effective outreach by vehicle manufacturers includes communicating in an attention-grabbing, direct manner that the consumer understands; this means frequent and urgent messages delivered with simple, straight-forward language. Personalizing the message, making clear that recall repairs are free, and explaining the steps the vehicle manufacturer is taking to overcome the inconvenience of recall repairs (i.e., free loaner cars or towing) also grab consumers' attention. Unsurprisingly, conducting outreach in a language spoken by the consumer improves awareness and understanding of the problem. It is incumbent upon vehicle manufacturers to work creatively and effectively across their internal teams to develop strategies that accurately locate affected vehicle owners and then effectively communicate the urgent nature of the defect and the free repair.

NHTSA and the Independent Monitor have provided recommendations and best practices, and will continue to provide information to vehicle manufacturers to assist them in achieving the remedy completion targets and 100% accounting in the Takata recalls.

*Question 2.* In the development of those best practices, have you consulted with behavioral economists to help identify the most effective methods? If not, do you believe this is the type of problem a behavioral economist might play a constructive role in developing best practices?

*Response.* Behavioral economics is a method of economic analysis that applies psychological insights into human behavior to explain economic decision-making. The methods studied by behavioral economists to influence choices have been employed in many consumer-facing initiatives and industries in recent decades to improve awareness and influence individual decision-making. Those methods inform consumer-facing efforts in the Takata air bag recall campaign, including the methods, frequency, and messages employed. The Independent Monitor has attempted to utilize this specialized knowledge, including qualitative and quantitative research on effective outreach. NHTSA is confident that the real-world lessons, data, and research developed have provided robust best practices directly applicable to the Takata air bag recalls. The Agency encourages each vehicle manufacturer affected by the Takata recalls to adopt and implement the existing best practices. Nevertheless, NHTSA continuously seeks input

from relevant fields of research and incorporates all lessons learned, to ensure operating guidance best reflects the circumstances and unique nature of each recall campaign.