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## Americans See 100 mpg Cars as Biggest Fix for Global Warming, Have High Interest in Purchasing, but also Sensitivity about Costs

**To:** Don Foley and the Automotive X Prize (AXP) Team

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Our new survey<sup>1</sup> shows that Americans see the development of 100 mile-per-gallon cars as one of the most powerful ideas for combating global warming and reducing U.S. dependence on foreign oil. Furthermore, nearly two thirds of Americans say they would be highly interested in buying such cars. Yet Americans also show strong sensitivity to cost issues regarding these ultra-fuel-efficient cars – viewing their potential high cost as a major drawback, but also viewing the cost savings on gasoline as their biggest advantage. All this underscores the need for AXP competitors to achieve fuel efficiency within the context of affordability, and for both the Foundation and the competitors to stress the cost savings of fuel efficiency along with the benefits for the environment and American energy concerns.

Americans see 100 mpg cars as the single most powerful idea, of six tested, for combating climate change and global warming. In all, 22 percent pick the development of 100 mpg cars as one of the top two ideas for achieving this goal; the next strongest idea, providing tax credits for using solar and wind power, earns 20 percent. Developing 100 mpg cars is also one of the two strongest ideas, of seven tested, for reducing U.S. dependence on foreign oil and gas; 18 percent select it as one of their top two ideas for achieving this goal, with 21 percent selecting “requiring 25 percent of car fuel to come from renewable energy sources like ethanol.” Younger voters are most likely to see 100 mpg cars as solutions to these problems.

The survey also shows strong consumer interest in purchasing 100 mpg cars. Nearly two thirds of all Americans, 62 percent, are “extremely” or “very” interested in buying one sometime soon (over half of these, 34 percent, are “extremely” interested). Interest is strongest among upper income Americans (73 percent extremely/very interested among those over \$75,000 household income), among men under 50 years of age, (71 percent), and among people who drive more than 200 miles a week (69 percent). This high level of interest partly reflects the fact that Americans see the development of such cars as an important national project; 77 percent say it would be “extremely” or “very” important to have a project that

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<sup>1</sup> The findings are based on a series of questions added to a nation wide survey, based on telephone interviews with 1,000 likely voters, conducted July 25-29, 2007. The results are subject to a margin of sampling error of +/- 3.1 percent.

would lead to such cars being manufactured and sold in the U.S. in the next five years, nearly the same as when we asked this in June 2006 (81 percent).

Although there is strong consumer interest in buying 100 mpg cars, there is a real concern about high costs. Almost half of all respondents, 43 percent, say their biggest doubt about buying such a car (among five tested) is that "it would probably cost too much." Although 62 percent initially indicate they would be interested in buying a 100 mpg car, the response is 17 points lower if respondents are told the car would cost an additional \$5,000. The drop-off is even larger among men (a 22 point drop, from 69 to 47 percent); 18-29 year olds (down 26 points, from 71 to 45 percent); and, not surprisingly, among the lowest income respondents (down 27 points, from 59 to 32 percent, for those with incomes under \$30,000).

The American consumer's cost sensitivity can also be a strong positive for 100 mpg cars, however. The strongest selling point for such cars, among five tested, is that it would save money on gas. Fully a third of all respondents (33 percent) pick this as the strongest advantage, followed by reducing pollution and global warming, and reducing U.S. energy dependence (each picked by 29 percent). That said, there is a real gender divide here: men see the primary benefit in saving the gas costs (38 percent), while women believe that the biggest reason to buy a 100 mpg car is reducing pollution and global warming (35 percent).

These results suggest that as the competition goes forward, it will be important for competitors to develop their cars with an eye toward consumer affordability as well as fuel efficiency, and this is something the AXP team may want to stress in its communications to competitors. It also means that both the AXP team and the individual competitors will want to place significant emphasis in their public communications on the cost savings associated with super-fuel-efficient cars, as well as the benefits for the environment and American energy consumption. The AXP team may specifically want to look at ways to reassure the public that the price of these innovative cars is likely to decline in real terms over time – perhaps looking at the cost curves for other revolutionary innovations in the past.

**Greenberg Quinlan Rosner Research  
National Survey Results  
Automotive X Prize July 25-29, 2007**

Q.1 (SPLIT A) Now I am going to read you a list of possible actions; please tell me which TWO would do the most to help combat climate change and global warming.

	<b>Total</b>
Developing cars that get 100 miles per gallon .....	22
Providing tax credits to consumers for using solar and wind power .....	20
Increasing the tax credit for buying hybrid cars .....	15
Capping carbon emissions from power plants .....	13
Building more nuclear instead of coal power plants .....	13
Increasing funding and incentives for car pooling and mass transit .....	10
(Don't know/refused) .....	6

Q.2 (SPLIT B) Now I am going to read you a list of possible actions; please tell me which TWO would do the most to reduce America's dependence on foreign oil and gas.

	<b>Total</b>
Requiring 25 percent of car fuel to come from re- newable energy sources like ethanol .....	21
Developing cars that get 100 miles per gallon .....	18
Providing tax credits to consumers for using solar and wind power .....	16
Increasing incentives for more oil and gas explora- tion in the US .....	11
Increasing the tax credit for buying hybrid cars .....	10
Building more nuclear power plants .....	9
Increasing funding and incentives for car pooling and mass transit .....	9
(Don't know/refused) .....	5

Q.3 Now imagine there was a project that led to cars being manufactured and sold in the US within the next 5 years that got 100 miles per gallon. How important would you say that would be for the United States - extremely important, very important, somewhat important, just a little important, or not very important for the United States?

	<b>Total</b>
Extremely important .....	41
Very important .....	35
Somewhat important .....	15
Just a little important .....	3
Not important at all .....	4
(Don't know / refused) .....	1
<b>Total extremely/very important .....</b>	<b>77</b>
<b>Total somewhat/little/not important.....</b>	<b>22</b>

Q.4 (SPLIT A) Now imagine auto makers started selling cars that got 100 miles per gallon. How interested would you be in purchasing such a car sometime soon? Would you be -

	<b>Total</b>
Extremely interested.....	34
Very interested .....	29
Somewhat interested.....	22
Just a little interested.....	6
Not interested at all .....	7
(Don't know/refused) .....	3
<b>Total extremely/very interested .....</b>	<b>62</b>
<b>Total somewhat/little/not interested .....</b>	<b>35</b>

Q.5 (SPLIT B) Now imagine auto makers started selling cars that got 100 miles per gallon, but they cost about five thousand dollars more than other cars. How interested would you be in purchasing such a car sometime soon? Would you be -

	<b>Total</b>
Extremely interested.....	20
Very interested .....	25
Somewhat interested.....	29
Just a little interested.....	9
Not interested at all .....	16
(Don't know/refused) .....	0
<b>Total extremely/very interested .....</b>	<b>45</b>
<b>Total somewhat/little/not interested .....</b>	<b>54</b>

Q.6 (ONLY FOR THOSE WHO SAY EXTREMELY, VERY, SOMEWHAT, OR LITTLE INTEREST) Assuming auto makers started selling cars that get 100 miles per gallon, which ONE of the following would be the biggest reason you might be interested in buying such a car?

	<b>Total</b>
Save money on gas.....	33
Help reduce pollution and global warming .....	29
Help reduce U.S. energy dependence .....	29
Help reduce excessive oil company profits .....	7
Exciting to own a cutting-edge car .....	1
(Don't know/refused) .....	1

Q.7 Assuming auto makers started selling cars that get 100 miles per gallon, which ONE of the following would be your biggest doubt about buying such a car?

	<b>Total</b>
It would probably cost too much.....	43
It would probably not really get 100 miles per gallon .....	19
It would probably have high repair costs .....	16
It would probably be less safe .....	12
It would probably be less attractive .....	4
(Don't know/refused).....	6