CONSUMERS’ PERCEPTIONS OF BLAME IN THE FIRESTONE TIRE RECALL

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ABSTRACT

A survey using a convenience sample examined the relationships among blame placed on Firestone, Ford and the drivers in accidents involving Firestone tires. The amount of blame placed on one entity was unrelated to perceptions of others’ blameworthiness. Blaming Ford for the accidents predicted consumers’ desire to fine Ford, but not for more industry regulation.

INTRODUCTION

Most product recalls in the U.S. aim to withdraw goods from the marketplace that pose product related dangers (Jackson and Morgan 1988). An example is the Aug. 9, 2000, Firestone recall of about 6.5 million 15-inch ATX, ATX II and Wilderness AT tires. The recall fell most heavily on owners of Ford’s best-selling Explorer SUV’s, that were outfitted with those tires. The tires allegedly caused accidents, including some leading to 149 deaths, when the tire treads separated at high speeds.

Although the recall identified the tires as the source of danger to consumers, an interesting feature of the torrent of publicity following the recall was attempts to place blame for the problem elsewhere. For example, Firestone CEO John Lampe stated that “to say this is just a tire problem is not right” (Jones 2000, p. C1). Firestone “attributed most of the failures to tire damage or to under inflation” (Consumer Reports 2000, p. 10), effectively blaming the driver and Ford since Ford recommended lower tire inflation in their instructions to Explorer owners than did Firestone. In contrast, Ford maintained simply that the “accidents were caused by bad Firestones” (Jones, 2000, p. C1).

Whereas these statements might be simply due to the companies’ desires for the public to have a complete understanding of the potential dangers, they may also reflect the companies’ intuitive theories about attributions of blame. The finger pointing suggests an assumption that peoples’ perceptions of one company’s blame for the consequences of product failure are related to perceptions of the blame placed on others. That is, there is only a certain amount of blame to go around and one’s own portion diminishes if one can share the blame with others. However, that intuition may be unjustified for calamitous product failures, such as the accidents involving Firestone tires.

The extent to which perceptions of blame for the various entities involved in a recall are related and the consequences of that blame is the focus of the research presented here. We conducted a small-scale survey investigating perceptions of blame for the accidents on Ford Explorers with Firestone tires. As well as examining blame, we also examined consumers’ desires to fine Ford and Firestone. Research on moral evaluation suggests perceptions of blame influences desire to punish (Graham, Weiner and Zucker 1998; Shaver 1985). The form of punishment applied to corporations by the government or as a consequence of litigation is often a fine.
Understanding consumers’ desires to punish corporations for product problems through fines has relevance specific to the Firestone recall as well as more generally. The extent to which the company is at fault is an additional consideration beyond simply product performance in the victim’s collecting punitive damages from a product liability complaint (Morgan 1989). More specific to the Firestone recall, members of Congress proposed increasing fines for selling defective products as a consequence of their hearings about the recalls in Fall, 2000 (Alonso-Zaldívar 2000). Congress subsequently passed legislation increasing the regulation of the tire and auto industries (the TREAD Act) (NHTSA 2000).

How people think about blame in recalls and their perceptions of how the government should deal with the firms involved in a recall – whether the firms should be fined or regulation of the industry should be increased - is an important issue both generally and in understanding the Firestone tire recall. In gauging consequences of recalls for firms, the Johnson & Johnson recall of Tylenol in the 1980’s has often been held as a paragon of how to survive and even thrive in spite of a recall. The Firestone tire recall has been termed “the biggest product recall since Tylenol” (Business Week 2000). However, its status seems to be that of a classic case of the disastrous consequences of recalls, and on that basis alone is worthy of research. Although recalls have been examined from a legal perspective (e.g., Boedecker, Morgan and Saviers 1998), research is lacking on consumers’ perceptions of companies involved in recalls. The lack of research is noteworthy since it is believed that recalls can damage consumers’ perceptions of companies and so are a factor influencing companies’ willingness to voluntarily recall products or to accede to regulatory agencies’ requests for recalls (Jackson and Morgan 1988).

Blame for product recalls arising from extremely negative consequences

Previous research suggests that when consumers attribute product failure to the firm, they are less likely to attribute product failure to themselves (e.g., Folkes and Kotsos 1986; Meuter, Ostrom, Roundtree and Bitner 2000). Such a notion is consistent with the large literature on discounting. The presence of one cause often is discounted if the other cause is also present (Kelly 1972). Hence, if a consumer can blame a firm for product failure, that consumer could discount his or her own role in causing the problem.

However, discounting is less likely to occur for extreme outcomes. Extremely negative events lead people to make attributions to multiple causes more than do moderate events (Kelly 1972). When several entities have some role in a product failure with very serious outcomes (e.g., death), discounting should be less likely to be observed. Blame of one firm involved in the extreme event may be unrelated to the blame placed on another firm and even unrelated to the amount of blame placed on the consumer. In sum, we hypothesize that the amount of blame placed on one entity for serious problems caused by a recalled product is unrelated to the amount of blame placed on another entity for the same serious problems caused by the same recalled product (hypothesis 1).

Consumers’ company-specific versus industry-wide responses to recalls

If blame among entities is unrelated for a product recall, a similar relationship should hold true
for punishment. People that blame an individual for harm want to punish that individual more than one who is thought to be less to blame (Graham et al 1998; Shaver 1985). Hence, those who blame a firm more for the consequences of the recall should want to fine that firm more than those who place less blame on that same firm for the consequences of the recall. If Firestone is blamed more for the accidents than Ford, consumers should want to fine Firestone more than Ford. Additionally, blame of Ford should be related to the desire to fine Ford, as should blame of Firestone be related to the desire to fine Firestone.

As well as examining the desire to fine the companies, we examined another public policy aspect of the Firestone recall—consumers’ desires for greater government regulation. Blame placed on one company involved in a recall should be focused so that it influences the desire to fine the company but should not influence the desire for greater regulation of that company’s industry. Explanations for harmful events are generally particularistic, focusing on causes that contributed uniquely to that event, rather than on universalistic causes (Hart and Honore 1959). Such a principle suggests that consumers would stress the particular behaviors of the individual companies rather than on broader, situational factors that might influence the behavior of an entire industry when explaining a specific product recalls. Further, news stories that highlight individual agents evoke individualistic attributions rather than attributions at a broader, more societal level (Iyengar 1990). When one firm’s brand is recalled rather than those of several firms, news stories are likely to emphasize that one firm. For example, when Firestone tires were recalled, news stories seemed to focus on Firestone rather than tire companies more generally. Hence, the extent to which consumers blame a company for well-publicized, reprehensible behaviors may be unrelated to the desire for an industry-wide solution. Consumers who place greater blame on Ford for recall related accidents may not consider the broader implications of Ford’s behavior for other vehicle manufacturers and so not desire more regulation of SUV’s than those who consider Ford blameless. Similarly, blame placed on Firestone may be unrelated to the desire for more regulation of the tire industry. In sum, we hypothesize that the desire to fine one company for problems caused by a recalled product is unrelated to the desire to fine a different company for the same problems caused by the recalled product (hypothesis 2). Additionally, the amount of blame placed on a company for problems caused by a recalled product is related to the desire to fine that same company but not to the desire to regulate that same industry (hypothesis 3).

METHOD

The participants were a convenience sample of 100 MBA students in Los Angeles. The Firestone tire recall was more likely to be an important issue for our sample than for those in many other locales, considering that Los Angeles is heavily dependent on automobiles and that the problems were prone to happen in warm climates (Consumer Reports 2000). The students completed a questionnaire asking about their opinions about the Firestone tire recall. To confirm that the outcome was perceived as having severe outcomes, respondents were asked “how serious is the problem with Ford Explorers and Firestone tires?” (anchored by 1 = not at all, 9 = extremely). The high mean response suggests that the event was perceived as serious (M = 7.46).

The desire to punish the companies was measured by asking “In your opinion, should the U.S.
government fine Ford/Firestone because of the accidents” (1= should not, 9= should). The U.S. government was identified as the entity fining the firm because of the congressional hearings’ discussion of such a remedy. There was no mention of the fine going towards compensating the victims so that the measure would not reflect a desire to aid the injured as opposed to punishing the firms. To examine the desire for more regulation, respondents were asked “do you think there should be more or less regulation of tires/sport utility vehicles (SUV’s) by the U.S. government?” (1=less, 9=more).

A blame index was created from two questions, one asking about blame and the other asking about control. Perceptions of control are antecedents of blame in that people who lack control over a negative outcome are blamed less for that outcome (Graham et al. 1998; Shaver 1985). For each entity, the respondents indicated “How much blame should be placed on Ford/Firestone/the individual drivers for the accidents” (1 = none at all, 9 = all the blame). They were also asked, “do you think the accidents were beyond the control of Ford/Firestone/the drivers” (1 = definitely beyond control, 9 = definitely had control). The ratings were related for each entity (alpha = .72 for the Ford items, .66 for the Firestone items and .82 for the driver items). Respondents were also asked about their feelings of sympathy because research suggests that it is a consequence of blame. Those who suffer negative outcomes that are beyond their control attract the sympathy of others (Graham et al. 1998). Sympathy decreases punishment. The items asked “how sympathetic do you feel” toward Ford, Firestone, and the individual drivers (1= not at all, 9= extremely). Each item was not highly correlated with the corresponding blame and control items and so the sympathy items were treated as a separate measure.

We also included measures of two control variables that might be related to blame and punishment to help clarify those relationships. The control variables were personal involvement and subjective knowledge. Involvement has been defined as “a person’s perceived relevance of the object based on inherent needs, values and interests” (Zaichkowsky 1985, p. 342). Highly involved consumers may care more about punishing an offender regardless of blame. Drawing on Zaichkowsky (1985), the involvement index consisted of two items asking about the extent to which the Ford SUV-Firestone tire issue was “personally relevant” and the extent of the person’s “interest in” the Ford SUV-Firestone tire issue (1= not at all, 9= extremely) (alpha = .70). That index measure was correlated with measures of product usage. Those who were more involved reported that they “typically ride in or drive a Ford Explorer” (r = .63, p<.01) and that the cars they “typically ride in or drive have Firestone tires” (r = .53, p<.01).

Additionally, the respondents’ knowledge about the recall was assessed in case it was related to punishment. The students may have felt that they knew or may have concluded from their knowledge of the extensive media coverage of the Firestone tire recall that Ford and Firestone should be punished without their having beliefs about blame. Subjective knowledge was assessed by asking “how well informed are you about the Ford-Firestone tire-related accidents” (1= not at all, 9= extremely). The mean suggests that respondents considered themselves moderately knowledgeable (M = 4.69). The objective knowledge item asked respondents to estimate the number of deaths in the U.S. that had been caused by Firestone tire related problems in Ford Explorer SUV’s up until August 1, 2000. At the time of the survey (October, 2000), the media had publicized that 101 deaths were linked to Firestone tires in Ford SUV’s. Hence, the accuracy of the estimate provided a measure of respondents’ knowledge. On the one hand, no
one gave the correct number (101 in October). However, 86.9% of respondents estimated deaths between 2-200, suggesting that people were fairly well informed about the magnitude of the problem. The absolute value of the difference between 101 and the respondent’s estimate was calculated to take into account both overestimates and underestimates and was normalized with a log transformation. As expected, the subjective knowledge item and the objective knowledge item were negatively related \( (r = -0.31, p < .001) \) (i.e., as subjective knowledge increased, errors in death estimates decreased).

RESULTS

To identify relatively discrete factors among the measures, a factor analysis was conducted. Five factors emerged with eigenvalues greater than one (Table 1). The loadings for the first factor suggest a driver blame factor. The second factor shows a heavy loading for the involvement items. The third factor appears to reflect Firestone blame and the fourth to reflect Ford blame. The fifth factor can be interpreted as a knowledge measure.

Although each sympathy measure loaded with the respective blame and control measures (e.g., sympathy for Ford loaded on the same factor as blame of Ford), the lower correlations of the sympathy measures suggested that each should be treated as a separate measure from blame in the analysis. Table 2 shows the means and standard deviations for the measures, as well as correlations among measures.

Insert Tables 1 and 2 about here

Hypothesis 1 predicts that blaming of one entity will be unrelated to blaming another. Consistent with that prediction, blaming Ford was not significantly correlated with blaming Firestone or with blaming the drivers (see Table 2). Nor was blaming Firestone correlated with blame of the drivers. Further, blame placed on one entity was not significantly negatively correlated with the combined blame indices for the remaining entities. The blame index of Ford was not negatively related to the total other blame score (i.e., Firestone blame plus driver blame) \( (r = .16) \). Blame of Firestone was negatively related to the total other blame score (i.e., Ford blame plus driver blame), but to a trivial extent \( (r = -.06) \).

Hypothesis 2 predicts that the desire to fine one company will be unrelated to the desire to fine the other company. Consistent with this hypothesis is the finding that the survey participants blamed Firestone more than Ford and also wanted to fine Firestone more than Ford. Respondents were significantly more likely to blame Firestone than Ford, \( (t = -10.21, p < .001) \) (Table 2). Similarly, they wanted to fine Firestone more than to fine Ford \( (t=6.44, p<.001) \). Yet, the results show that the desire to fine Ford was positively correlated with the desire to Fine Firestone \( (r = .60, p<.001) \), in contrast to the prediction of Hypothesis 2. The desire to regulate one industry was also positively correlated with the desire to regulate the other \( (r = .73, p < .001) \).

Hypothesis 3 predicted that blaming a company should be related to the desire to fine the company but not to the desire to regulate the industry. The relationships between blame and punishment were tested using a stepwise regression analysis that also included sympathy as well as the involvement and knowledge measures. Blame of Ford, sympathy towards Ford, sympathy
towards the driver and involvement accounted for 44% of the variance in the desire to fine Ford, F = 17.92, p<.001. Table 3 shows the unique variance explained by a set of variables as a proportion of the variance not estimable by other sets of variables. Blame of Ford was the best predictor of the desire to fine Ford. The next predictor, sympathy toward Ford, reduced the desire to fine Ford. Additionally, when consumers felt less sympathetic toward the drivers they were more likely to want to fine Ford. Finally, more highly involved consumers wanted to fine Ford. F-tests indicate that other sets of variables were not significantly associated with the desire to fine Ford. None of the variables were significant predictors of the desire for more regulation of SUV’s.

Insert Table 3 about here

In contrast to the Ford results, only subjective knowledge and the blame placed on the drivers predicted the desire to fine Firestone. Further, those two variables explained only 20% of the variance, F = 11.96, p <.001. Survey respondents that considered themselves knowledgeable were more likely to want to fine Firestone (Table 3). As with the desire to fine Ford, those who blamed the driver less were more inclined to advocate fining Firestone. A stepwise regression using the same variables found no significant predictor for the desire for greater government regulation of the tire industry.

DISCUSSION

There is no evidence that finger pointing is effective in reducing blame, though blaming the consumer may reduce the desire to punish the firm. The amount of blame placed on one company was unrelated to the blame placed on the other and the blame placed on each company was unrelated to the blame placed on the driver. However, the absence of a significant correlation with Firestone blame must be interpreted with caution considering that there was relatively low variance for the Firestone blame measure (Table 2).

Blame influenced the desire to fine what our respondents perceived as the minor culprit (Ford) rather than the major culprit (Firestone). The respondents blamed Firestone more than Ford and wanted to fine Firestone more than Ford. More importantly, blaming Ford for the accidents was the best predictor of the desire to fine Ford. However, the desire to punish Ford via a fine was independently influenced by other variables. Positive affect in the form of sympathy toward the company reduced the desire to fine the company. That finding is somewhat surprising considering that sympathy is a consequence of blame (Graham et al. 1998). Perhaps our sympathy measure also reflects empathy or identification with the Ford. Whereas sympathy toward Ford reduced the desire to punish, involvement in the issue motivated the desire for greater punishment. Finally, sympathy toward the driver also increased the desire to fine. In short, many respondents appear to be motivated to punish Ford rather than simply to make judgments of blame.

In contrast to the complex factors influencing the desire to fine Ford and the substantial amount of variance explained by those variables, the same variables were much less successful in predicting the desire to fine Firestone. The fact that subjective knowledge was the best predictor of the desire to fine Firestone indicates that the media may have had a major influence on beliefs
about the actions to be taken in regard to Firestone and the tire industry more generally. Perhaps the absence of a significant effect of perceptions of blame on the desire to punish Firestone is partly due to some consensus that Firestone should be blamed. Table 2 suggests relatively low variance for perceptions of Firestone’s blameworthiness. Additionally, sympathy for Firestone may not have influenced the desire to fine Firestone because of low variance for the measure and a ceiling effect. Table 2 shows that little sympathy was expressed toward Firestone. Yet, there is some evidence that finger pointing might be somewhat beneficial for Firestone because greater blame on the driver reduced the tendency of consumers to advocate fining Firestone, just as it did for Ford.

The small amount of variance explained by the survey measures for fining Firestone provokes some speculation about other potential predictors. Perhaps consumers differ in their perceptions of appropriate punishments for firms, with some more prone to advocate fines than others. The desire to fine Ford and Firestone was positively correlated for our respondents (r = .60).

Although fining Ford appears to be a consequence of blame, the desire for greater regulation for SUV’s in general was unrelated to blame (see Table 2). Further, the desire for regulation of the two industries – automobile and tire - was highly correlated, suggesting that some people simply prefer more regulation than others do. Consumers’ preferences for government regulation may be a fairly stable attitude that is relatively unaffected by specific events, such as the Firestone tire recall. Such a notion is suggested by data from another domain. Attitudes toward government regulation of advertising have remained fairly stable over more than a decade (Calfee and Ringold 1994). Whereas increased government regulation of an industry, such as that specified in the TREAD Act, might be portrayed as a response to public outcry against a firm’s blameworthy behavior, our results suggest that blame and regulation are not linked in consumers’ minds.

LIMITATIONS

Several aspects of the research limit its generalizability. One of these is our focus on a particular recall. Although unique, the Firestone recall is likely to be held as a model to avoid, as have been some heavily publicized past product failures (e.g., GM’s Corvair in the 1960’s). Our research provides more systematic data than that typically accessible to marketing professionals and academics about this widely publicized recall. Another limitation is that our convenience sample obviously is not representative. The MBA’s in our survey may have identified more with the companies, leading them to feel an empathy and a sympathy for Ford that was independent of the extent to which they blamed Ford.

Nevertheless, our respondents’ different perceptions of Ford and Firestone, measured in October 2000, are consistent with other indicators of consumer responses to the firms in the months following the recall. Our respondents were significantly more likely to blame Firestone than Ford (Table 2). A survey of 814 people conducted by Harris Interactive on the Internet in September found that 67% said the recall would be very likely or extremely likely to affect their decision to buy a Firestone product. This is compared to 25% stating that the recall would be very likely or extremely likely to affect their decision to buy a Ford product (Power and Ansberry 2000). Additionally, sales figures suggest that consumers were more negative toward
Firestone than Ford following the recall. Firestone admitted to declining sales on October 17, with inventories as much as 50% above normal (Jones, 2000). Ford reported that sales of Ford Explorers increased 1.1% compared to September of the previous year - 37,510 in 2000, versus 37,119 in 1999. U.S. auto sales increased 5.3% in September, with Ford sales up 3.4% and G.M. down 3.3%.

Another issue is the relevance of finger pointing as a corporate strategy for dealing with recalls. Finger pointing probably is more relevant as a response to recalls when more entities are involved and more entities can be blamed. Many recalls do involve more than one firm. For example, recently Kellogg recalled breakfast cereals because of concern that its suppliers might have sold them the StarLink corn, which is restricted to nonhuman consumption. Although more parties subject to blame may increase the propensity to point the finger at someone else, it may be that finger pointing is more effective when only one company is involved. With just a buyer and a seller, blame may be negatively correlated because of the desire to make someone accountable.

IMPLICATIONS

The National Highway Traffic Safety Administration’s standard for notification and recall is that “the defect results in a significant number of vehicle performance failures” and the “defect must present an unreasonable risk of accidents or death” (Jackson and Morgan 1988, p. 155). However, companies’ decisions about whether to voluntarily recall or to contest a recall take into account the monetary expenses in taking back and replacing goods. Additionally, firms may fear the negative publicity about problems associated with product use. The salience of the firm’s role may increase the consumer’s tendency to blame the firm for any problems that arise. Consumers seem to have a tendency to blame firms rather than themselves anyway (Folkes and Kotsos 1986). Increased blame for problems may, in turn, increase product liability complaints and the likelihood that the company will be fined for the problem.

Firms may also fear that a recall will attract the attention of government regulators to their industry. That would seem to have been a realistic fear for Firestone. In September 2000, the House and Senate proposed legislation increasing government regulation of the automobile and tire industry. Following the hearings, President Clinton signed the TREAD Act, which increased the NHTSA’s regulatory abilities to deal with the kinds of problems that arose with the Firestone tires (NHTSA 2000). Although issues of blame were publicized as a result of the hearing and increased regulation was a consequence (Alonso-Zaldovar 2000), there was not a corresponding relationship in our survey participants’ minds between blame and regulation.

Rather than being a response to consumer demand for regulation, increased regulation may reflect the ability of regulators to identify universalistic causes rather than the particularistic causes of a product’s failure. Identifying blameworthy actions leads to considerations of how to avoid that harm in the future (Shaver 1985). With complex product failures, regulators may more easily identify those industry-wide remedies than consumers may.

REFERENCES


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### TABLE 1
Factor Analysis Results

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<td>Control of driver</td>
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<td>Interest</td>
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<td>Subjective Knowledge</td>
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Initial Eigenvalues: 3.028, 2.142, 1.579, 1.357, 1.140

Extraction method: Principal Component Analysis
Rotation method: Varimax

### TABLE 3
Stepwise Regression Analysis Summary for Consumer Blame Variables Predicting Desire to Fine Ford and to Fine Firestone

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<thead>
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<th>R Square</th>
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<td>Step 3</td>
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* p < .001