

Exploring the Path of Platform Vehicle Source Display and Consumer Trust Building under the Evolution of Used Car Trading Rules in the United States

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ABSTRACT

This article reviews the historical evolution of regulations related to used car sales in the United States, analyzes how these regulations affect the presentation of vehicle information on online used car platforms, and discusses how platforms can establish and improve consumer trust within this legal framework. The author believes that with the continuous improvement of the legal system and business practices of the federal and state governments in the United States, it is an important external driving force to promote the reform of platform information disclosure and standardization. Consumer trust maintenance is a comprehensive and systematic process that includes information quality, platform guarantee measures, credit evaluation system, and social supervision. The article aims to provide a theoretical perspective for understanding the normative development of the US used car online market and to provide some reference for the healthy and benign development of China's used car online market through the study of the correlation between rule changes, innovative presentation methods, and the formation of trust relationships.

KEYWORDS

US used car market; Trading rules; Online platform; Vehicle source display; Consumer trust; Information asymmetry

1. INTRODUCTION

The used car market in the United States has a long history and occupies a considerable proportion in the entire automotive industry. However, due to the heterogeneity of used car quality and incomplete vehicle condition information, there has always been a serious adverse selection phenomenon in the used car market, known as the lemonade problem. This greatly reduces the trading efficiency of the market and undermines consumer confidence. In order to overcome the market deficiencies mentioned above, the US federal government and various states have successively introduced and improved some laws and regulations related to the operation of second-hand cars, regulating the business behavior of operators, and mandatory disclosure of some important information to protect the legitimate rights and interests of consumers. Nowadays, online platforms have gradually become one of the main ways for second-hand car transactions, and vehicle source information is the first business card on online trading platforms, which has a direct impact on consumers' purchasing decisions and trust. Therefore, in the context of constantly changing rules, it is necessary to study how online platforms display vehicle source information and further systematically shape consumer trust [1]. The main task of the article is to sort out the information disclosure process of the platform under the influence of rule evolution, examine the corresponding evolution of the platform's vehicle source presentation, and ultimately return to the trust building

dimension of the platform, and then elaborate on the correlation mechanism between institutional environment, platform means, and market trust.

2. THE EVOLUTION OF US USED CAR TRADING RULES AND THEIR MANDATORY DRIVING FORCE FOR PLATFORM INFORMATION DISCLOSURE

The regulations on second-hand car transactions in the United States have gone through a process from decentralized legislation to centralized legislation, from state governments enacting legislation themselves to Congress enacting legislation. In the initial stage, the second-hand car market was regulated by general laws and sales laws of each state, and there was no mandatory information disclosure system implemented nationwide, resulting in differences in consumer protection levels; This leaves room for fraudulent behavior and concealment, exacerbating the lemon phenomenon in the market [2].

The most representative transformation occurred in the "Used Car Rules" formulated and implemented by the Federal Trade Commission in 1985. Although this rule did not regulate all parties involved in the transaction, it set minimum disclosure standards for certain specific sellers, explaining basic information, warranty guarantees, and important known drawbacks of the car in stickers [3]. This is the first mandatory regulation on the disclosure of second-hand car information at the national level, establishing the principles of information disclosure. Subsequently, various states successively promulgated more comprehensive lemon laws, stipulating legal remedies such as canceling the purchase relationship or providing economic compensation for cars that experienced serious malfunctions shortly after purchase, which to some extent increased the responsibility of truthful prior notification.

After entering the 21st century, with the commercialization and popularization of automobile history reporting services, the focus of relevant rules has shifted to the acquisition and disclosure of vehicle history information. State legislation has encouraged or mandated dealers to provide consumers with chassis numbers for them to check whether the vehicle has been involved in accidents, repairs, mileage, and other related historical information; The federal legislation regarding odometer fraud includes the Odometer Act and its amendments. This kind of fraud has also been prevented through severe punishment. In recent years, the emergence of data privacy and security laws has also brought new compliance challenges to how platforms handle consumer and automotive data [4].

The evolution of the above rules has had a direct and hard stimulating effect on online trading platforms: firstly, the trading platform itself is an information intermediary that gathers a large number of vehicle sources [5]. All vehicles displayed on the platform, especially those from cooperative distribution enterprises, must meet the legal minimum information disclosure requirements, otherwise they will bear corresponding joint and several legal liability and damage to reputation; Secondly, the evolution of rules has raised consumers' expectations for their right to know, forcing platforms not only to comply with compliance boundaries, but also to provide more extralegal information to the market to gain competitive advantages. Finally, the guidance on historical records and accident disclosure in the rules directly promotes the deep integration of third-party information products such as vehicle history reports and professional inspection reports with platform displays. Therefore, the evolution of trading rules essentially provides an indispensable external institutional pressure and development direction guidance for the platform's vehicle source display to move from information ambiguity to information transparency, and from subjective description to objective data.

3. EVOLUTION AND COMPARISON OF MAINSTREAM PLATFORM VEHICLE SOURCE DISPLAY MODES UNDER RULE CONSTRAINTS

With the pressure of external regulations and internal competition, the display of vehicles on mainstream used car websites in the United States has undergone a significant transformation, showing a trend from simple listing to a strong sense of experience, digitization, and openness.

3.1. Information Dimension Expansion

Traditional second-hand car e-commerce platforms only display information such as vehicle model, brand, age, price, and mileage. Under the requirement of information disclosure depth, the content displayed on second-hand car e-commerce websites has become very rich, including detailed vehicle configuration tables and body photos from different perspectives, vehicle condition introductions, interior decoration situations, and even 360 ° panoramic videos; Important vehicle report summaries, such as whether the vehicle has been involved in major accidents, number of transfers, maintenance and repair status, etc; A vehicle inspection report issued by a third-party professional organization to quantitatively evaluate the condition of various parts of the vehicle; And warranty information, vehicle location, dealer information, etc [6]. The information dimension has increased from static parameters to dynamic historical and current situation evaluations, meeting consumers' deep right to know needs.

3.2. Innovation in Display Forms

In order to better showcase the rich amount of information, the display methods are constantly innovating. The image display has expanded from a few to dozens or even hundreds, adding features such as 360 ° panoramic browsing, video introduction, and VR car viewing; The textual description has also shifted from promotional slogans to structured data labels. More importantly, presenting complex data, inspection reports, and historical records in visual charts, rating results, or pass/fail formats reduces the cost of understanding for consumers. This is a formal innovation aimed at presenting originally more professional information in a way that is more acceptable to users, and improving its accessibility and credibility [7].

3.3. Transparency Grading

The differentiation in transparency caused by different business models on platforms. Physical chain and online platforms such as CarMax can provide consumers with a highly standardized and transparent experience in terms of unified pricing, strict testing, and warranty commitments for vehicle sources; Pure online platforms like Carvana ensure transparency due to their comprehensive testing reports and return policies [8]. However, the C2B classified ads on Craigslist rely heavily on individual sellers for information transparency, with less platform intervention and the lowest transparency. This distinction corresponds to different levels of control that platforms have on vehicles, different business models, and different methods of building trust.

3.4. Comparison of Inter Platform Modes

In summary, platforms represented by CarMax, Carvana, Vroom, etc. have a core display mode of standardization and assurance. Through self owned testing, fixed pricing, and after-sales support, non-standard products are displayed as standardized as possible to create strong trust; Aggregated platforms such as Autotrader and Cars.com mainly provide dealers with a display window, and the degree and transparency of display vary depending on different dealers. They mainly use tools to help users make judgments, such as providing links to car condition reports, consumer reviews, and so on. Both operate based on certain rules, but the latter has a certain degree of control over the vehicle

situation and will disclose more information about the vehicle's quality and provide guarantees. The latter mainly functions as gathering and linking [9].

4. TRUST ORIENTED VEHICLE SOURCE DISPLAY STRATEGY AND TECHNICAL SUPPORT PATH

Vehicle source display is not only a presentation of information, but also an active tool for building trust. The platform aims to transform the presentation process into a starting point for trust building through a series of strategies and technological applications.

4.1. Information Quality Improvement Strategy

Improve information accuracy: Automatically fill in some information by requiring dealers or sellers to upload VIN to avoid inaccurate data caused by human error; Forcing or incentivizing the upload of a specified number and angle of photos to ensure that appearance defects can be seen; Deep integration with historical reporting companies such as Carfax/AutoCheck to provide accurate and timely reports. Establishing a third-party or independently developed automobile inspection platform, issuing authoritative inspection and appraisal opinions, and assuming the true and effective responsibility for appraisal results can directly meet users' needs for the accuracy of appraisal conclusions.

4.2. Experiential Display Optimization

In order to overcome the deficiency of consumers being unable to conduct on-site inspections of cars, the website extensively adopts and continuously upgrades various multimedia tools. High definition video introductions can present the appearance, interior, and main performance of a car in real-time during the operation process; VR technology allows customers to immerse themselves in observing cars from various angles; AR can display the appearance of a car in real life or directly showcase its interior structure. The above methods have created a feeling that approximates real car viewing, enhancing expressiveness and richness of information. Then it can be extended to offline visits and experiences, such as supporting remote car booking and arranging offline car viewing reception or on-site pick-up and drop off in a certain area, while directly setting up relevant booking links on the display interface. This forms a complete online offline chain [10]. In addition to extending the service time and space, it is more important to provide customers with a visible and touchable service outlet, reducing their concerns and doubts about products that they cannot see or touch, reducing perceived risks, and forming a foundation of trust for first impressions.

4.3. Pricing Transparency Display

The second is to utilize the big data trading and market price information mastered by the platform, obtain credible price information through data analysis software, and provide it as a credit endorsement to consumers. For example, prominently display the fair price or reasonable price range calculated through big data next to the car price list for consumers to compare. Display the historical price trend chart of the vehicle model on the platform or in the region where it is located, showing the price trend; Some platforms directly set prices, stating that there is no bargaining, and even take pride in making the transaction process public and convenient. These practices all attempt to eliminate the uncertainty and skepticism caused by the lack of necessary information in previous bargaining, and visualize the pricing mechanism. This is to facilitate guiding users to consume scientifically, while using objective data rather than subjective speculation to verify the professionalism and rationality of the given prices, gradually establishing consumers' trust in the operation of this platform.

4.4. Guarantee Embedding in Display

Directly reflect the after-sales service commitment on the vehicle source page and establish a first impression of trust. Clarify which quality assurance services and warranty periods are included in the vehicle condition, such as limited warranty, powertrain warranty, etc; Emphasize the platform's relevant return and exchange rules, such as a seven day no reason return policy; Explain the relevant value-added services and corresponding terms provided by the platform, such as financing, insurance, delivery, etc. The above guarantee information is presented in parallel with the vehicle information, providing consumers with signals of transaction security and rights protection, and visualizing consumer risks as a guarantee.

5. MULTI DIMENSIONAL PATH FOR BUILDING SYSTEMATIC TRUST ON THE PLATFORM

Optimization of vehicle source display is the front-end of trust building, but a complete trust system requires systematic and multidimensional support from the platform.

5.1. Platform Guarantee and Reputation Mechanism

A reliable trust foundation relies on strong platform guarantees, including strict network access review for sellers, dynamic supervision of the transaction process, clear dispute resolution methods, and compensation funds for consumers; The online reputation evaluation system, such as the buyer seller evaluation system and the dealer rating certification mark, accumulates individual transaction experiences and makes them transparent, forming a self supervision and self signal transmission mechanism within the community, which supplements formal rules and platform supervision.

5.2. Ecological Collaboration and Third Party Endorsement

Proactively contact a third party for endorsement. For example, collaborating with professional testing agencies, vehicle historical data companies, financial institutions, insurance companies, and logistics companies to incorporate third-party services into the entire transaction process; Alternatively, endorsement can be provided by reputable business improvement agencies or even industry standards can be drafted in relevant associations to enhance the platform's level of trust. This ecological collaboration embeds platform trust into the overall business reputation of society.

5.3. Consumer Education and Communication

Active consumer education is also an important means to reduce information asymmetry and form rational trust. The platform uses blogs, videos, car purchase guides, and other forms to educate consumers on how to understand vehicle history reports, test items, determine vehicle prices, and prevent common pitfalls. Open communication strategies, such as smooth customer service phone numbers, detailed question answering, and public responses to complaints, all demonstrate the platform's respectful and responsible attitude towards consumers, which can establish emotional trust.

5.4. Compliance Culture and Social Supervision

Therefore, in the dynamically changing legal environment, establishing and maintaining a positive compliance culture is an important prerequisite for the stable and sustainable development of second-hand car websites and gaining substantial trust. Second hand car websites should not only meet the requirements of complying with relevant regulations, but should also take the concepts of higher information disclosure, honest operation, and safeguarding user interests as the basic principles of corporate spirit and company operation than those stipulated by law. This indicates that legal and

reasonable factors should be fully considered in the top-level design, product development, and even front-end customer service process of enterprises, and the platform actively welcomes effective supervision from all sectors of society, such as public opinion supervision by journalists, evaluation by third-party consumers, and review by third-party research institutions. And public opinion supervision from social networks. These are all very important market voices and social supervision forces. The platform can smoothly respond to channels, publicly improve mechanisms, carefully listen to opinions, actively respond to concerns, absorb reasonable suggestions, transform external pressure into a driving force for continuously optimizing products and services, improving and revising relevant rules and regulations, and form a good interactive relationship between internalized compliance culture and external social supervision. It promotes the trust building activities of the platform from fragmented measures or emergency measures to standardized, regular and institutionalized actions, and establishes a solid and stable user trust foundation in the constantly changing competitive landscape.

6. CONCLUSION

The development history of the second-hand car trading system in the United States has influenced the presentation and trading activities of car source information on second-hand car online trading platforms. It is the most important external factor in promoting the standardization and openness of car source information display on second-hand car online trading platforms. Under its regulation, the presentation of second-hand car source information on second-hand car online trading platforms has gradually evolved from a simple list based introduction to a comprehensive and three-dimensional experiential introduction. From the above business models, it can be seen that there are different levels of transparency on online second-hand car trading platforms. In the future, the trust mechanism on the online used car trading platform in the United States will rely more on technology to support: using blockchain to establish a system for tracing the true information of vehicles; Utilize AI and big data for vehicle value assessment. Virtual reality will provide a more realistic experience for viewing cars from a distance. The establishment of a comprehensive service ecosystem, the improvement of user information security, and the implementation of ESG responsibilities are also important aspects in enhancing user confidence. The development trend and experience of the US market have important reference significance for the rapid and healthy development of China's second-hand car e-commerce industry. It has certain reference and inspiration significance for coordinating market efficiency and consumer protection, and utilizing technology to drive trust revolution.

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