

LANGUAGE COMPLEXITY IN CREDIT CARD PDSSs

**WHAT LEVEL OF LANGUAGE COMPLEXITY IS
RECOMMENDED TO MAXIMISE THE
COMPREHENSION OF CONSUMER CREDIT
CARD PRODUCT DISCLOSURE STATEMENTS
FOR NEW CUSTOMERS?**

**BIANCA J SMITH
318 7500
COMM1183 - RMIT
NOVEMBER 2009**

Executive Summary

Looking at the increasing consumer debt levels and Australian government's attention towards increasing financial literacy levels in the community, this research study identifies tips for financial institutions to maximise comprehension of credit card product disclosure statements (PDS). This is important as increased internet use means many people only have the PDSs available online when applying for a new credit card account. From previous research it is discovered that no specific research is available (presumed to be proprietary) on this, but some has been done identifying the need for plain English in finance documents and disadvantaged groups benefit the most from plain English in finance documents. Much research has been undertaken on document readability and many researchers recommend using a tool such as the Flesch Reading Ease Formula to measure the complexity of documents and aim for a grade 10 reading level for best results.

The research merged these areas together. It conducted a communications audit examining the current readability levels of 10 online credit card PDSs from Australian financial institutions, finding all to be written at an acceptable level of complexity. A structured mall intercept survey tested three PDSs written at different levels of the Flesch Reading Ease Formula to see which is preferred and why. The final outcome was to identify four recommendations for financial institutions to use when writing or reviewing credit card PDSs: short sentences, no jargon, use dot points, and write for a grade eight level.

Table of Contents

Introduction	3
Key Research Question	3
Elements of the Research Question	3
Literature Review	4
Discussion of Legal Background and Terminology	4
Finance Industry Literature	4
English Language Literature	6
Summary of Literature Review	6
Methodology	7
Communications Audit	7
Consumer Survey	8
Limitations	9
Communications Audit - Research and Results	10
Consumer Survey - Research and Results	11
Trends in the Results	14
Outcomes	14
Avoid the use of jargon	15
Use short sentences	15
Use dot points	15
Write for a grade eight level	15
Conclusion and Recommendations for Further Research	16
Attachments	17
Attachment One - Communications Audit Results	17
Attachment Two - Language Complexity Survey - Sample Text	17
Appendix Three - Language Complexity Survey - Questions	18
Bibliography	19

Introduction

Since the 1990s increasing attention has been directed towards consumer literacy (Hilgert et al 2003). Concurrently, consumer debt levels have been steadily rising (Oliver 2009).

Much work has been done in Australia to increase financial literacy levels. The Australian Securities and Investments Commission (ASIC) launched the Fido website and has developed teaching kits for secondary schools. Financial planners are looking at the length of their client Statements of Agreement. The Australian Federal Government has introduced a Uniform Consumer Credit Code, and the National Consumer Protection Bill 2009 has just been passed by the Senate (Parliament of Australia 2009). These are all designed to help consumers make informed financial decisions.

A factor to increasing debt level is most Australians have at least one, if not multiple credit cards (ABC Radio National 2009) making them possibly the most prolific form of credit in Australia. And with the growth of the internet and online transactions they are fast becoming a 'must have item' from a young age. Banks and other financial institutions have also embraced the internet, encouraging new accounts, such as credit cards, to be established online. Even with the introduction of customer disclosure rules, terms of conditions and product disclosure statements (PDS)¹, online transactions lack the two-way communication of face-to-face applications which ensure consumers fully comprehend the financial commitments they are undertaking.

Key Research Question

What level of language complexity is recommended to maximise the comprehension of consumer credit card product disclosure statements for new customers?

Elements of the Research Question

The two main elements of the research question are what the financial institutions have done to introduce plain English and how plain English is defined as in the wider community by consumers legally able to hold credit cards (18 years of age or more).

The outcome of this research is to create a list of recommendations for banks to use when developing consumer product disclosure statements.

¹ Collectively referred to as Product Disclosure Statements (PDS)

Literature Review

The literature review expands the elements of the research question mentioned above and looks at the legal requirements for plain English and what defines plain English.

Discussion of Legal Background and Terminology

Despite the extensive work to increase financial literacy levels, there is very little peer reviewed research looking at language complexity from a financial perspective, and only one looking specifically at credit card or online account establishment.

Before looking at what has been discussed, it is important to cover the legislative background to the language requirements in the PDS documents.

All consumer financial credit documents (including those for credit cards) are directed by the Uniform Consumer Credit Code (UCCC). Section 162 of the Code simply requires that all credit contracts be:

“(a) must be easily legible; and

(b) must conform with the provisions of the regulations, if any, as to content, legibility and accompanying information; and

(c) must be clearly expressed.” (Consumer Credit Code 2002)

This vague description of ‘plain English’ is a mandatory requirement in most Australian consumer legislation, (and therefore financial credit documents). The Macquarie Legal Dictionary attempts to further define ‘plain English’ with limited success.

“Straightforward, concise language that is appropriate for the intended audience. This s usually involves avoiding complex or verbose language, obscure terms, jargon. It may also involve simplifying the structure and syntax used in order to make a document or communication more accessible to its audience” (Butterworths 2004)

As seen, the definition and legislation fail to give financial institutions guidance on how to word documents and allows them to be written with a high level of complexity. This can, intentional or not, confuse details and possibly lead consumers into debt. An outcome which would give financial institutions additional interest revenue.

Finance Industry Literature

From a finance perspective, most research is in commercial reports or by government organisations looking to improve legislation.

Many authors write of the need for plain language in financial documents (Consumer Credit Code 2002) (Donald 2009). Others take it a little further and require the language be suitable for the audience/most customers (McClelland et al 2008). The Organisation for Economic Co-operation and Development (OECD) takes it even further and recommends financial intermediaries, “...should have a responsibility to provide clients information that clearly and accurately represents the terms and conditions associated with the products they offer, openly describes the interests of the financial intermediary and its relationship to the information provided, and avoids deceptive language in marketing materials.” (OECD 2005).

Then, surprisingly, the most finance based research looks at consumers with a low level of financial literacy and how to identify those customers. The consensus is that financial institutions need to watch out for disabled, migrant or those with a low level of education (Tennant et al 2009) (OECD 2005) (Hilgert et al 2003) (The Social Research Centre 2008). Interestingly, Tennant adds in further groups: people with a household income <\$400 per week, young adults (18 to 24 years) and people who are renting their homes (Tennant et al 2009). No other research extends such general classifications. Only Dann specifically cautions when targeting this audience for credit card products (Dann et al 2006). While each of these identify there is a problem with the language complexity in PDS documents and claim there is a need for plain English, few take the step of giving a tangible description of plain English or steps for writing in plain English.

Godwin is a researcher who has presented some useful descriptions of what is plain English. In his presentation, “Plain Language Risk Disclosure” he listed six points that should be adhered in all writing. These are:

- short sentences
- definite, concrete, everyday language
- active voice
- tabular presentation or bullet lists for complex material
- no legal jargon or highly technical business terms
- no double negatives

(Godwin 2009)

In some research, also into risk, Linsley and Lawrence (2006) discovered that writing in a simple style (ie, plain English) irritates the reader less reducing the chance of them becoming distracted. The authors recommend using a readability test such as the Flesch Reading Ease Formula to measure the complexity of documents (Linsley et al 2007).

It is assumed more specific research into language complexity and PDS documents has been undertaken by financial institutions but has not been published.

English Language Literature

While not exclusively a finance instrument, Flesch readability tests are highly recommended to measure the level of language complexity in a document (Walters et al 2008) (Schiess 2008) (Wimmer et al 2006) (Johnston et al 2004) (Newsom et al 2008) (Belch et al 2007).

Flesch developed two main readability tests: Flesch Reading Ease Formula and the Flesch-Kincaid grade levels. Both tests calculate scores based on average word length and sentence length. Other scales have been developed but the Flesch Reading Ease Formula has become the most common after Microsoft included a calculation tool into the MS Word software. Walters's research into the comprehension of consent forms recommends using MS Word to test all forms. In his book, Schiess goes into detail on the tests, particularly the Flesch Reading Ease Formula, describing their benefits in helping reduce language complexity. He recommends aiming for a score of 50 or greater to ensure the best results. A score of 50 places the document at the reading standard of a typical US grade 10-12 student (Schiess 2008). See table 1.0 below for the full range of scores.

Reading Ease Rate	Difficulty	Education Level	Typical Magazine Style
0-30	Very difficult	Postgraduate	Scientific
30-50	Difficult	Undergraduate	Academic
50-60	Fairly difficult	Grade 10-12	Quality
60-70	Standard	Grade 8-9	Digest
70-80	Fairly easy	Grade 7	Slick fiction
80-90	Easy	Grade 6	Pulp fiction
90-100	Very easy	Grade 5	Comic

Table 1.0 Flesch Reading Ease Formula (Linsley et al 2007)

The Flesch Reading Ease Formula is not flawless. Schiess points out that it is only a measure of average word and sentence length. It doesn't (and can't) rate on the tone of the document and warns a document with a high score can still be nonsensical (Schiess 2008). Therefore the scale and similar tests are recommended as a guide as part of the communications audit but not all the audit (Johnston et al 2004).

Summary of Literature Review

Three key themes emerge from the literary review. No one disputes the need for plain English in financial documents, but the legal requirement it considered vague and very open to interpretation. Most consider plain English a requirement to encourage disadvantaged groups to gain a stronger

level of financial literacy. The third theme is that language complexity can be measured and tests such as the Flesch Reading Ease Formula should be used to guide writers.

The limited research on the degree of language complexity that can be used while maximising comprehension of credit card applications highlights the need for more specific research.

Methodology

From the literature review it was identified while much research has been done into language complexity, very little available research has been done into language complexity and PDS documents. However with consumer debt levels increasing and financial literacy tagged as a tool to avoid uncontrolled debts, it is important more research is done to closer identify what tools financial institutions can use to help their customers.

To be able to form a list of recommendations for financial institutions, two types of quantitative research were needed. The following description of these methods provides an initial overview of why these methods were chosen. Further detail of each methods is included in subsequent sections of this report.

The first method is a communications audit of the current PDS documents for consumer credit card applications. The second is a consumer survey testing the comprehension levels of consumer credit card PDS documents. The communications audit assessed the current language complexity financial institutions are using in their credit card online PDS documents. The consumer survey discovered what are the elements of the 'ideal' credit card PDS document.

Communications Audit

A communications audit was conducted to identify the current levels of language complexity in the consumer credit cards PDSs.

Documents were selected from ten financial institutions. These were chosen to ensure all types of financial institutions were included: banks, credit unions and credit providers.

The financial institutions examined were:

- National Australia Bank
- Commonwealth Bank of Australia
- Westpac Banking Corporation
- ANZ Bank
- Bendigo Bank

- CUA
- ME Bank
- Myer Visa Card (managed by GE Capital)
- Suncorp-Metway Limited
- American Express

If the financial institution has more than one credit card PDSs, the one pertaining to the card likely to be most frequently applied for was used. For example, the CBA and American Express documents applied to their base cards, not one requiring applicants to have higher income levels, such as gold or platinum cards.

Using MS Word, the Flesch Reading Ease Formula score was calculated to determine its language complexity level. The results were then collated into a table.

Consumer Survey

The other primary research was a consumer mall intercept survey. The purpose of the survey was to test differing levels of language complexity on consumers. The questions were designed to test comprehension and preference. Additional demographic questions were added both for screening (age question) and to identify any possible trends in the results.

The survey involved asking a random sample to read three abridged PDSs (only 1-2 paragraphs). Each was based on one from the Westpac Banking Corporation but written to the Flesch Easy Reading Formula scores of 76.06 (Statement One), 60.34 (Statement Two) and 43.5 (Statement Three). The original sample is scored 60.34 (grade 8-9 reading level). The two other score levels were chosen to represent extremes in the scale, but still maintain credible readability. The three paragraphs are included as Attachment Two.

Participants were asked to choose which statements they preferred, found easiest to read and most confusing and why each was chosen. The demographic questions identified age, gender, highest level of education, occupation and experience with credit card products. The demographic questions were used to check a cross-section of the community was surveyed and to identify possible trends between the respondents' preferences and age, education, gender or occupation.

No identifying details were collected and results have been reported in aggregate.

The survey was mainly structured with the only open questions asking why each version was selected, and for any suggestions to improve the documents. This allowed for faster survey

questioning, more anonymity, and reduced any apprehension participants may have over financial details. While the key research question relates to the wording of the consumer credit card PDSs, a sensitivity towards disclosing financial details was acknowledged. All survey questions are located in Attachment Three.

A random convenience sample was selected during mall intercepts in the Melbourne central business district, in the Melbourne Central Shopping Centre and the Southern Cross station. The survey was conducted over several days in October and September 2009 and times (mix of day, peak and evening times) to ensure a range of participants are included. In total 41 surveys were complete against a target of 40. This volume was selected as being one of the lowest results able to give a statistically reliable result.

Between one and three surveyors were used in each location, with all responses recorded on a paper form and later transferred to a database.

This technique is in line with Malhotra's recommendations for personal surveys in a central, public location (Malhotra et al 2002).

Limitations

It is acknowledged that these research methods had limitations.

Taking into account the increasing use of online credit card applications, an attempt was made to only use documents obtained online, in the same manner a consumer would. However, only eight of the ten financial institutions have their PDSs online. Two of the online documents were in secured Adobe PDF files and unable to be converted to MS Word format, so in all, four paper copies were obtained from branches and scanned to be converted to MS Word format. While this issue isn't directly related to language complexity, it identifies a difficulty consumers can face when getting all the information pertaining to their financial lives.

The second limitation identified with the communications audit was using the sole measure for complexity. The Flesch Reading Ease Formula measures complexity by looking at the length of words and sentences used. Johnston recommends that because of this limitation in the scale, a Flesch test should only one component of a communications audit (Johnston et al 2004). The sole measure was chosen for expediency with limited time available for the research.

Three limitations were identified with the consumer survey.

One was with the sample selection. While the locations chosen for the mall intercept survey and times the survey was conducted allowed for a wide range of participants to be approached, they still restricted the participants to those who are employed, reside or were passing through the Melbourne CBD. It misses all others.

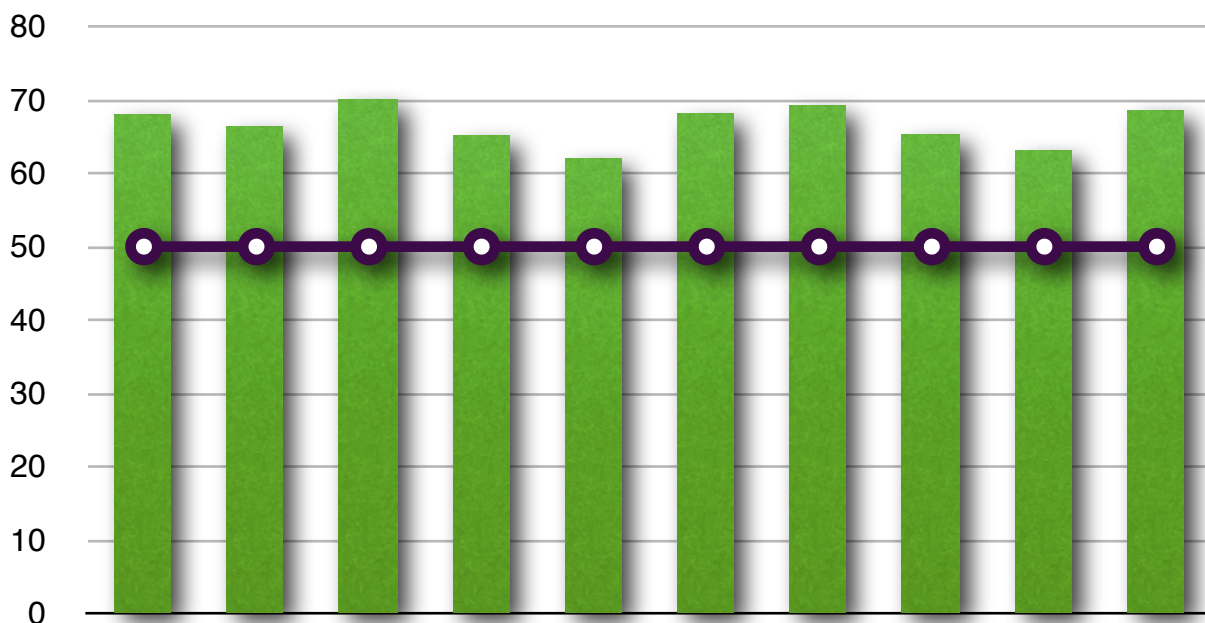
The second is that doing a quantitative survey doesn't allow for the surveyor to clarify responses or ask probing questions to gain a deeper understanding.

A final limitation is while age screening occurred to ensure only those old enough to hold a credit card could respond, a participant could lie. The demographic data obtained showed an equal mix of male and female respondents with a range of occupations. However there was a prevalence of people aged 25-34 years and also of those with a post-graduate education.

Communications Audit - Research and Results

The communications audit results were unexpected. Going into the study, the researcher expected all documents to have a high level of language complexity, confirming the myth that the documents are difficult to read. The results dispelled the myth. All documents, except that of CBA, recorded Flesch Reading Ease Formula scores of between 60.0 and 69.21. These all represented a reading level of a grade 8 or 9 student. The CBA document scored even higher at 70.23, matching it to the reading level of a grade seven student. This is displayed in the graph on the following page.

Graph 1 - Communications Audit Results



As can be seen by the purple line, all documents score well above Schiess' recommended minimum score of 50 (Schiess 2008). The full list of scores is included as Attachment One.

From looking at the scores, it is interesting to note the most complex document is that of Bendigo Bank. Bendigo Bank positions themselves as being a community focussed bank. Its values statement describes the high level of engagement it aims to have with its customers and how it will 'go the extra mile' to enhance the customer experience (Bendigo Bank 2009). American Express has the second most complex document. This was expected as their branding infers an elite image for higher education (and thus earning) people (American Express 2009).

The limitations of a Flesch Reading Ease Formula were evident in the communications audit. While they all scored well, they are still considered complex documents by Godwin's definition of plain English (Godwin 2009). Legal jargon and technical business terms, such as warrant and indebtedness, occurring frequently in the CUA PDSs, is typical of all (CUA 2008).

Consumer Survey - Research and Results

As previously mentioned, the mall intercept survey resulted in 41 complete responses. The following discussion and analysis will review the results of each of the 12 questions, as a basis for drawing out and examining key findings.

The first question served a dual purpose of both screening respondents to ensure only those old enough to hold a credit card account were included (18 years and older), and to gain demographic information. Results showed a reasonably even spread across the span. The largest group was 25-34 year olds (29.27%), and the smallest being the 35-44 year olds (12.2% or 5 respondents). The other groups (18-24, 45-54 and 55+) held an even number of respondents at eight each (19.51%).

The second and third questions discussed which statement the respondents found easiest to read and why. The vast majority (85.37%) found the statement written to a grade seven level (Statement One) the easiest to read. The results continued inline with the complexity of each statement. Five respondents (12.2%) found the statement written to a grade 8-9 level the easiest to read (Statement Two), and only one respondent found the statement written to an undergraduate level (Statement Three) the easiest.

When explaining why the respondents who chose the more simple statement found it easiest to read, many used the phrases "plain English and simple English". Others stated it was less complex than the others. Typical responses included:

“uncomplicated - tells you what you need to know in the most simple way”

“a lot of the language in the other statements goes over my head”

“uses a communicative language”

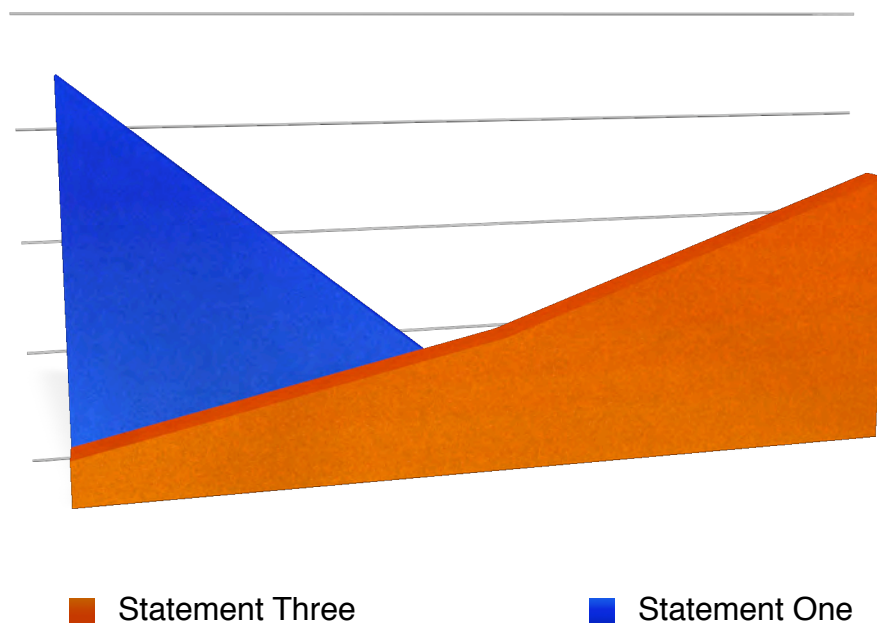
It is interesting to note that while many expressed a preference for plain English, few defined it. This mirrored the findings of the literature review. Two comments that came close to defining plain English were:

“no jargon, no clause numbers, simple grammar”

“to the point without all of the technical jargon that I don’t care about”

Questions four and five asked which statement was the most confusing. The results here were an inverse relationship to which was the easiest to read question, but with a slightly more even spread, as seen below in Graph 2.

Graph 2 - Easiest Statement to Read Versus Most Confusing



The most interesting finding here was four people (9.76%) found the least complex statement (One) the most confusing. When asked why, they said it was “too vague, indirect and didn’t provide the necessary detailed information”. The main criticisms of the most complex statement was that it was too wordy, too technical and one respondent described it was “flamboyant”.

The next group of questions, six and seven, explored statement preferences. While it could be assumed that people would prefer the most simple statement, results proved this was not true.

Only 58.54% of respondents said they preferred Statement One, versus 85.37% of respondents who found it easiest to read. This inconsistency was at the other end of the spectrum too, with 12.2% preferring Statement Three (the most complex) but only 2.44% (or one respondent) finding it easiest to read. An explanation for this may be found in one of the respondents' explanation. They said Statement Three is their preferred because "it gives enough information to be trustworthy". In addition to this, as many respondents found Statement Two as their preferred as had found it most confusing (29.27% each).

Reasons for preferring Statement One included:

"information is straightforward"

"it tells me what I need to know"

Question eight asked respondents what could be done to make consumer finance terms and conditions documents easier to read. This question was added to give respondents the opportunity to expand on their previous comments.

The most frequent suggestion (nine occurrences) was that terms and conditions documents should be written in basic layman's terms without jargon. The next most frequent request was for short sentences (five occurrences). Other comments included suggestions for shorter, more simple documents, easy to understand and using dot points. As the communications audit showed, some of these suggestions are already part of the terms and conditions documents (short sentences, dot points), suggesting many people do not read them.

An unexpected response for this question was a request for a two-stage document. Multiple respondents (three) suggested a basic introductory document containing the most important information referring to a second, more detailed document. While this appears to be a good idea, if consumers already aren't reading the terms and conditions documents, as assumed above, then the question needs to be asked if they'll read a second document that they may need to request or obtain to have all the information pertaining to their financial lives.

The main demographic questions started from question nine. Here the respondents' level of experience with credit cards was checked. Respondents were asked if they have, or previously have a credit card account. The majority (80.49%) currently, or have previously held a credit card account. Only eight respondents (19.51%) have never.

Looking at the occupations of respondents (question 10), showed a wide variety. The most frequent occupation was students (six), followed by security personnel (four) and researchers and information technology professionals (three each). Occupations ranged from those requiring minimal training (at home parents and wait staff) to business owners and registered nurses. This strong cross-section gives weight to the results in this research reflecting the wider population.

The occupations lead onto education levels in question eleven. Again a wide range was recorded, from not having finished high school (five respondents) to completing post-graduate studies (nine respondents). Overall, 78.05% of respondents have attempted or completed post high school education and just over half all respondents (51.22%) completing a university course.

The final question tallied the gender of respondents. Males made up 51.22% of respondents. The remainder, of course, being female.

Trends in the Results

Cross referencing the results found some enlightening trends.

A direct correlation was found between occupation types and language preference. Respondents working either entry level or more trade oriented occupations showed a distinct preference for simple documents.

The consumer survey also identified a correlation between higher education and more complex documents. However, there was a limit with the degree of complexity, with the preference being to Statement Two. When taking it up to Statement Three, the highest education range opens up to include all who have completed high school.

From looking at the small group of respondents who stated a preference for Statement Three, there was a strong female presence (80%) and also 80% of this group had completed high school, as mentioned above.

Outcomes

The key findings of this research was for a list of recommendations for financial institutions to use when reviewing or introducing consumer credit card PDSs.

This list has been generated predominantly from the preferences expressed by respondents in the consumer survey, supplemented by the suggestions also given by the respondents.

Avoid the use of jargon

The most important suggestion from the research (both the communications audit and consumer survey) was to avoid the use of jargon. The communications audit gave each document a high Flesch Reading Ease Formula score, but a deeper audit would show these documents to still have a high level of complexity due to their excessive use of jargon. Avoiding jargon (or using basic words) was the most prevalent suggestion in the consumer survey.

The documents use terms such as 'pre-contractual agreement' and 'insolvent' frequently. Even if a glossary is included, the terms can confuse consumers of all education levels. It is recommended that consistent descriptions of these words be used instead.

Use short sentences

This recommendation is already in place by the financial institutions, as seen in the communications audit. The sentence length was contributing factor in achieving strong Flesch Reading Ease Formula scores by each of the 10 financial institutions examined. Also, as over 10% of respondents identified short sentences as what would improve consumer credit card terms and conditions documents, it is strongly recommended sentence length not be increased.

An ideal sentence length for these type of documents is between 15 and 20 words (Plain English Campaign 2009).

Use dot points

The use of dot points break up information into 'bite sized chunks', increasing comprehension and reading ease. While the statement in the consumer survey with dot points was not the most preferred, several respondents suggested their use. When combined with simple English, they are very effective and therefore it is recommended financial institutions continue using dot points in their documents.

Write for a grade eight level

While the communications audit showed the majority of the consumer credit card terms and conditions documents audited to be written for no higher than a grade 8-9 level, focus on eliminating jargon would increase the Flesch Reading Ease Formula score further, increasing readability.

Conclusion and Recommendations for Further Research

Consumer financial literacy will continue to be important as long as there are credit providers and financial institutions. This research study has shown the financial institutions need to take some of the responsibility of ensuring comprehension instead of demanding consumers must increase their literacy levels.

There is still a long way to go before Australians can say they fully comprehend their responsibilities when entering into credit card contracts. Several areas where further research can be beneficial have been highlighted through this study. First, expanding the communications audit to include the use of jargon would give a stronger picture of the current situation. The difficulties faced by the researcher in obtaining several credit card terms and conditions documents and the disconnect between the current documents and consumers' understanding of them prompts the idea of further study into the accessibility and use of the documents. Finally, expanding the consumer survey to include more respondents would give more representative views of consumers.

Attachments

Attachment One - Communications Audit Results

Financial Institution	Credit Card Product	Flesch Reading Ease Score	Grade Level
NAB	All except third party cards	68.05	8-9
Westpac	All	66.34	8-9
CBA	All except Gold and Platinum cards	70.23	7
ANZ	ANZ Frequent Flyer Card	65.15	8-9
Bendigo Bank	All	62.01	8-9
CUA	All	68.13	8-9
Myer Visa Card (managed by GE Capital)	All	69.21	8-9
Suncorp-Metway Limited	All	65.3	8-9
American Express	Standard	63.06	8-9
ME Bank	Mastercard	68.6	8-9

Attachment Two - Language Complexity Survey - Sample Text

Statement One

Interest will be charged on purchases and cash advances. If your credit card account has an interest free time, it still applies. The interest will be charged each month, on the statement date. How much interest charged will be printed on your statement.

The annual interest rate will change. To find out the current rate please visit a branch or www.westpac.com.au.

Statement Two

(a) Interest charges on Cash Advances and (subject to the interest free period conditions) on purchases will be calculated in accordance with clause 7.2.1 and charged for each statement cycle at the statement date. Details of the interest charges will be shown on your statement.

(b) The annual interest rate on purchases and the annual interest rate on Cash Advances on your Card are variable. For information about current interest rates, please visit westpac.com.au or call into one of our branches.

Statement Three

Interest charged on cash advances and on purchases (those which are subject to an interest-free period criteria) will be calculated in accordance with clause 7.2.1 and will be charged for in each statement cycle (generally monthly) and on each statement date.

The annual interest rate on any purchases and the annual interest rate on any cash advances on your credit card account are variable and will fluctuate. For information about the most recent annual interest rate figure, navigate to www.westpac.com.au or attend one of our Westpac branches.

Appendix Three - Language Complexity Survey - Questions

How old are you?

18-24 25-34 35-44 45-54 55+
(if the respondent is under 18yo please do not continue)

Read the three statements to the respondent and ask the following questions.

Questions

Which statement is the easiest to read, and why?

Which statement is the most confusing and why?

Which statement do you prefer and why?

What recommendations do you have to make credit card terms and conditions details easy to read?

Have you have had a credit card account?

What is the highest level of education you have completed?

Some high school	High School
Some TAFE	TAFE
Some university	University
Some post-graduate university	Post-graduate university
Other	

What is your occupation?

What is your gender?

Bibliography

- ABC Radio National (2009). Deeper in Debt: a history of consumer credit. RearVision. K. Phillips.
- American Express (2005). Credit Card Conditions and Financial Services Guide. Sydney, Australia, American Express Australia Limited.
- American Express. (2009). "American Express Australian Website." Retrieved 23 October 2009, 2009, from <https://home.americanexpress.com>.
- ANZ (2009). ANZ Frequent Flyers Rewards Terms and Conditions. Melbourne, Australia, ANZ.
- Australian Securities and Investments Commission. (2009). "fido." Retrieved 22 August 2009, 2009, from <http://www.fido.asic.gov.au/fido/fido.nsf>.
- Belch et al, G. (2007). Advertising and Promotion. New York, USA, McGraw-Hill Irwin.
- Bendigo Bank (2008). Bendigo Credit Card Terms and Conditions. B. Bank. Melbourne, Australia, Bendigo and Adelaide Bank Limited.
- Bendigo Bank. (2009). "Bendigo Bank Values." Retrieved 24 October 2009, 2009, from http://www.bendigoadelaide.com.au/public/about_us/our_values.asp.
- Butterworths (2004). The Macquarie Concise Australian Legal Dictionary. The Macquarie Concise Australian Legal Dictionary, Butterworths.
- CommonwealthBank (2009). Important information about Credit Cards. Sydney, Australia, Commonwealth Bank of Australia.
- Consumer Credit Code (2002). Consumer Credit Code. O. o. t. Q. P. Counsel.
- CUA (2008). General Information, Terms & Conditions. Brochure. C. U. Australia. Brisbane, Australia.
- Dann et al, S. (2006). ANZ Supplement 3e to accompany Advertising and Promotion. North Ryde, Australia, McGraw-Hill Australia.
- Donald, M. S. (2009). "All aboard the PDS Titanic." JASSA(2): 47.
- GE Capital (2009). Contract Documents. Melbourne, Australia, GE Capital Finance Australia.
- Godwin, A. (2009). Plain Language Risk Disclosure. 2009 Research Workshop Series. University of Melbourne.
- Hilgert et al, M. A. (2003). "Household Financial Management: The Connection between Knowledge and Behaviour." Federal Reserve Bulletin **89**(7).
- Johnston et al, J. (2004). Public Relations Theory and Practice. Crows Nest, Australia, Allen and Unwin.
- Linsley et al, P. (2007). "Risk Reporting by the Largest UK Companies: readability and lack of obfuscation." Accounting, Auditing & Accountability Journal **20**(4).
- Malhotra et al, N. (2002). Marketing Research: An Applied Orientation. Frenchs Forest, Australia, Prentice Hall.
- McClelland et al, J. (2008). Review of the Code of Banking Practice, Final Report. Sydney, Australia: 108.
- ME Bank Members Equity Mastercard Terms and Conditions. Melbourne, Australia, Members Equity Bank Limited.
- NAB (2008). NAB Credit Cards. Melbourne, Australia, National Australia Bank.
- Newsom et al, D. (2008). Public Relations Writing. Belmont, USA, Thomson Wadsworth.
- OECD (2005). Improving Financial Literacy: Analysis of Issues and Policies. Paris, France, Organisation for Economic Co-operation and Development: 181.
- Oliver, S. (2009). Falling debt and rising savings – how big a problem? Oliver's Insights, AMP Capital Investors: 2.
- Parliament of Australia. (2009). "Bills Of The Current Parliament." Retrieved 22 August 2009, 2009, from Bills Of The Current Parliament.
- Plain English Campaign (2009). How to write in plain English. London, UK, Plain English Campaign.
- Schiess, W. (2008). Preparing Legal Documents. Chicago, USA, ABA Publishing.
- Suncorp (2009). Suncorp Clear Options Personal Credit Card. Sydney, Australia, Citigroup Pty Ltd.
- Tennant et al, J. (2009). "Financial hardship and financial literacy: a case study from the Gippsland region." JASSA(2): 180.

- The Social Research Centre (2008). ANZ Survey of Adult Financial Literacy in Australia. North Melbourne, Australia, The Social Research Centre: 199.
- Walters et al, K. (2008). "Consent Forms, Lower Readability Levels and Using Flesch-Kincaid Readability Software." Drug Information Journal **42**(4).
- Wenzel, M. (2009). Language Complexity in Statements of Agreement. B. Smith. Melbourne, Australia.
- Westpac Banking Corporation (2009). Consumer Credit Cards Conditions of Use. Sydney, Australia, Westpac Banking Corporation.
- Wimmer et al, R. (2006). Mass Media Research: an introduction. Belmont, USA, Thomson Wadsworth.