An Imbalance Of Power:
The Readability Of Internet Privacy Policies

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Abstract

The gap is growing. While collection techniques by today's business marketing professionals are becoming increasingly sophisticated, there is also an alarming lack of knowledge by Internet surfers about how companies track their online movements and use the information. The privacy policy is the document that provides the information regarding how the organization handles the dataflow in their organizations. The policy should answer the consumer's question, "What is being done with the information that I provide when I am on the Internet?" But how understandable are these policies? This research project is a multiple case study in which the privacy policies of three organizations are evaluated in terms of their readability and their user-friendliness. The three online organizations selected include PrivacyAlliance.org, Dell.com, and Amazon.com.

1. Introduction

*P*rivacy is, perhaps, the most important of the ethical issues surrounding computer and information technology. Individuals who walk through life knowing that each step creates a record that may or may not end up in a database somewhere are different from individuals who walk through life feeling free and confident that they live in an open society in which the rules are known and fair. Protecting personal privacy is not easy and is not likely to get easier. The most effective approach to privacy protection is a many-pronged approach (Johnson, 2001).

Marketers continually prod for, and exploit, personally identifiable information (PII) and non-personally identifiable information on the Internet. Generally, obtaining the names and email addresses of individuals who sign up for Web sites begins the process. The businesses can then associate this general information with a small text file which is referred to as a cookie that can record the various activities that the registering individual has carried out online during that session and later sessions. This file is stored on the individual's PC.

The tracking capability made possible with cookies is just the start of the tracking. By using other technologies such as spyware, Web bugs, chat-room analysis, and transactional database software, individuals and organizations can track a consumer's email and keyboard activities and distribute ads to them even when they are off-line. Additionally, organizations can broaden their knowledge of individuals by purchasing information about them from list companies off the Web and then connect the information to their own databases. This additional knowledge allows the organization to send targeted editorial content or advertising to consumers. More specific details also increase the value of the databases when they are marketed to other interested data miners.

Doing business online brings into sharp focus ethical questions about privacy and sharing data. Is there an imbalance of power between Internet organizations and consumers? Are information professionals in today's organizations prepared to respond to the challenging questions dealing with data privacy? Are privacy policies being clearly communicated to consumers?

For information technology professionals and management personnel in organizations, it is not unusual to lack awareness of the organization's data policies. As the debate over data privacy grows louder and more bitter, information technology professionals are increasingly finding themselves in the middle of the controversy because it is the information technology that facilitates the collection, manipulation, and dissemination of data (Wilder & Soats, 2001).

According to the annual survey by the Customer Respect Group, 90 percent of the largest 100 U.S. companies now publish online privacy policies. But a second report, by the Annenberg Public Policy Center, reveals that most consumers still "fundamentally misunderstand" how their personal data is used. More than half of users polled mistakenly believe that if a company publishes a privacy policy on its Web site, the company will not disclose or share their personal information to a third party (Turow, 2003). Such policies typically describe what information is collected about visitors and how it is shared among companies, subsidiaries, and affiliates. The mere existence of the policy does not imply that personal information will not be disclosed.

Despite the confusion, consumers very clearly want to control access to their personal information. More than 10 million people registered in one week in late June 2003 with the new national "Do Not Call" list, hoping to opt out of telephone solicitations. But unfortunately some companies don't seem to be getting the message. The Recording Industry Association of America, for example, is keen to prove that it can use customer data from music-swapping sites to sue hundreds of individuals this summer. This move may help curb copyright violations, but it's unlikely to win many friends (DeMocker, 2003).

The new survey of 1,200 adult Internet users illustrates a significant gap between increasingly sophisticated collection techniques by Internet marketers and an alarming lack of knowledge by Web surfers about how companies track their online movements and use the information. Nearly two-thirds of adults admitted never searching for information about how to protect their privacy on the Internet, and 40 percent confessed they knew "almost nothing" about how shopping sites collect and use their personal information (Turow, 2003).

For several decades, direct marketers have used an individual's personal information in order to send targeted offers to the appropriate consumers. During this time, there has been consumer concern about the use of this information. With the popularity of the Internet and its use as a marketing tool, personal information was exchanged and transferred to third parties with unprecedented speed. As a result, privacy concerns accelerated. With this, increased negative media followed. The issue gained the attention of state and federal lawmakers and new and – very often – complex laws were put in place aiming to regulate the use and handling of non-public personal information. But, what is the value of complex privacy policies, which result from the complex laws? Do consumers understand the policies?

2. Scope And Methodology

This study was a focus on the readability and understandability of the privacy policy itself, rather than more technical approaches to the privacy and security problem. The privacy policies of three very distinct organizations have been evaluated in this research project. Results of the study will be limited to the analysis of the online privacy policies of Amazon.com, Dell.com, and PrivacyAlliance.org. Due to the nature of this study being an exploration into privacy, it should be understood that research would be done from outside of the organization – from the source of the privacy policy disclosure, which is provided on a Web site. A review of those documents by the researcher will be a primary source of data. Consumer evaluations (done by adult students, age 25 or older, as a class project), interviews, writing analysis tools, and electronic communication have been utilized in this research investigation.

Findings on the readability and user-friendliness of each of the three policies are reported for each organization in this report under sections that identify "Assessment of Readability and User-Friendliness" for each of the three organizations. Additionally, a readability analysis of each of the three policies was completed for this study using software tools recommended by Dr. Mark Hochhauser. Hochhauser, a psychologist from Golden Valley, Minnesota, has devoted his career as a readability expert to the clarity and understandability of the written word for more than 15 years. The results of the software analysis are utilized in this study for comparison purposes between the three policies studied in this research project. The results of the software analysis are documented in a section entitled "Readability Analysis Comparison." An assumption made in this study is that the software products utilized for readability analysis will provide accurate results that provide data for comparative analysis.

3. Online Privacy Alliance Privacy Policy: Assessment of Readability And User-Friendliness

The Online Privacy Alliance (OPA) is a cross-industry partnership of over 30 global companies and associations committed to promoting the privacy of individuals in the online environment. The Alliance is an ad hoc organization with the purposes of defining privacy policy for the new electronic medium and fostering an online environment that respects consumer privacy. This organization is a direct contrast to the other two organizations included in this study because the OPA is not a virtual storefront such as Amazon.com and Dell.com; OPA is a trade association. The OPA has become the voice of industry on the issue of digital privacy. It created a set of guidelines for privacy policies that have become the industry standard and encourages online businesses to post privacy policies. The leadership position that Online Privacy Alliance has attained in the area of online privacy provided additional depth to this research study.

Alliance supporters include some of the most well known names in e-commerce, in addition to smaller start-up ventures and companies not normally associated with cyberspace. The group's mission, as stated on their Web site, is to lead and support self-regulatory initiatives that create an environment of trust and that foster the protection of individuals' privacy online and in electronic commerce. According to the Alliance's Web site, the Alliance has the following roles:

- Identify and advance effective online privacy policies across the private sector.
- Support and foster the development and use of self-regulatory enforcement mechanisms and activities, as well as user empowerment technology tools, designed to protect individuals' privacy.
- Support compliance with and strong enforcement of applicable laws and regulations.
- Support and foster the development and use of practices and policies that protect the privacy of children.
- Promote broad awareness of and participation in Alliance initiatives by businesses, non-profits, policy makers, and consumers.
- Seek input and support for Alliance initiatives from consumer, business, academic, advocacy and other organizations that share its commitment to privacy protection (OPA, 2003).

Before forming the Online Privacy Alliance, numerous companies and trade associations spent months debating privacy issues. The Alliance provided a framework for debate and a forum for attracting companies engaged in e-commerce across a wide variety of sectors – technology, telecommunications, publishing, entertainment, marketing, finance, consumer, and others.

Within three months of its existence, the Alliance had guidelines for privacy policies, a special policy regarding the collection of information from children, and a framework for enforcement. Because of its expertise in self-regulation and the diversity of companies represented in the organization, the Alliance has quickly become the leading voice of the private sector on online privacy policy. Alliance supporters are requested to provide the perspective of the American business community in discussions with policy makers in the United States, as well as internationally. Congressmen, European and U.S. regulators, journalists, and Administration officials look to the Alliance for input in discussions about the future of the Internet and e-commerce (OPA, 2003).

The Online Privacy Alliance policy is very brief and concise. The policy is generally easy to read and understand. The students who evaluated the policy felt that the public would not have a problem understanding the policy. One comment made by a participant in the study was that after reading this privacy policy, the other policies previously read seem much more confusing. However, some participants involved in the evaluation felt that verbiage in some of the links is sometimes difficult to interpret. Technology-laden terms generally are not explained. For example, the policy does not incorporate any explanation of terms such as "cookies" and "PGP public key." The student evaluators of this policy do not believe that the average Web user would have an understanding of PGP public keys.

Another student participating in the evaluation of the policies felt that because this organization was a privacy leader, she expected a policy that was more in depth. She stated that although OPA does not specifically outline your rights as a user or consumer of the site, they do detail how the information is used by their organization.

When questioned regarding misleading language, one participant in the study mentioned that she noted a conflict between two statements in the policy. Her concern was that the policy stated that "any and all information collected at this site will be kept strictly confidential and will not be sold, reused, rented, loaned, or otherwise disclosed." This was followed with a conflicting statement regarding that information "will not be used in ways that you have not consented to." The concern expressed dealt with possible implied consent.

The benefit that OPA has in presenting a privacy policy is that they provide a wealth of information on privacy issues in other areas of the Web site. Although the policy is brief, the additional resources provided on privacy are extensive. For organizations or consumers wanting to educate themselves in online privacy policies, the Online Privacy Alliance Web site is a beneficial resource. Because of its expertise in self-regulation and the diversity of companies represented, the Online Privacy Alliance has become the leading voice of the private sector on privacy policy online according to the OPA Web site. Additionally, the leaders of the Alliance provide education and promote education among its members in a user-friendly manner. Unfortunately, their own privacy policy is not overly user-friendly based on the results obtained in this study.

4. Dell.com Privacy Policy: Assessment Of Readability And User-Friendliness

According to the organization's Web site, Dell is a premier provider of products and services required for customers throughout the world to build their information-technology and Internet infrastructures. Dell believes that their climb to market leadership is the result of a persistent focus on delivering the best possible customer experience by directly selling computing products and services based on industry-standard technology. Revenue for the last four quarters totaled $36.9 billion and the company employs approximately 40,000 team members around the world (Dell, 2003).

Dell was founded in 1984 by Michael Dell, the computer industry's longest-tenured chief executive officer, on a simple concept: that by selling computer systems directly to customers, Dell could best understand their needs and efficiently provide the most effective computing solutions to meet those needs. This direct business model eliminates retailers that add unnecessary time and cost, or can diminish Dell's understanding of customer expectations. The direct model allows the company to build every system to order and offer customers powerful, richly configured systems at competitive prices. Dell also introduces the latest relevant technology much more quickly than companies with slow-moving, indirect distribution channels, turning over inventory every three days on average (Dell, 2003).

What does Dell do with all the information that they gather from their online customers? Can we determine what is happening with our personal information by reading the privacy policy? According to a statement by Gary Clayton (2000), president of the Privacy Council, posted as part of a Privacy Workshop provided by InformationWeek Online, the Dell privacy policy disproves the theory that shorter is necessarily better. Gary Clayton is a world-renowned expert on privacy issues and has advised senior executives of U.S. and international corporations on Internet, technology, and privacy issues for over 10 years. Recently, Mr. Clayton drafted language for the Texas State Legislature's new privacy legislation. Additionally, he is frequently asked to testify before the U.S. Congress and U.S. Senate on privacy matters. Although Clayton feels that the Dell policy is too long, he believes that it is clearly written and designed to instill confidence that privacy is important to the company. The fact that Michael Dell even takes the opportunity to state this opinion in his own policy statement further supports the degree of commitment that this organization demonstrates.

Dell states in their online policy, "At Dell, your right to privacy and data security is a primary concern." For some evaluators of this policy, this statement seems to conflict with the impression that they receive, which is that increasing their business is Dell's primary concern.

The students who evaluated the policy generally believed that the policy is written at high school level or slightly higher. Some of the terminology regarding computer technology such as data "encryption" and "cookies" may be unclear to many readers but the privacy policy provides links to clarify meaning of many of the statements that may be unclear. Evaluators found this descriptive and explanatory content very beneficial. One mentioned that

terms were "well defined with clarity." Another participant in this study commented, "I believe that Dell has done a very good job of wording their policy to make the information clear and understandable for everyone. On a scale of one to ten, ten being the highest, I would give them a ten." However, this evaluator goes on to say, "They say they will not share then they go on to add they will share with agents of Dell or contractors of Dell. What constitutes a third party seems to be misleading."

One comment shared was provided in the form of a comparison; it was easy to read compared to other "fine print" such as a warranty card on new purchases. He felt that it was no surprise that this company was doing so well in a tough market based on their commitment to consumer privacy.

Some reviewers who evaluated the policy found the policy language to be misleading relating to "what" information is collected, "how" it is collected, and "how" the information will be used. Consumer rights include fair information practices of Notice, Choice, Access, and Security and these rights are communicated fairly well in the policy with the exception to the "how" and "what" vagueness, according to some comments shared by evaluators in this study. For example, one evaluator asked after reading the policy, "So, do they give our personal information to others or don't they?" After reading the policy, she was confused.

One evaluator found the policy to be misleading regarding the topic of third party sites. In one area, the customer is told that it is safe on this site but if the customer enters a third party site linked to Dell, they are responsible. She stated, "I do not always realize when I click on other sites." The confusion for her was determining what links were Dell links versus links that were third party links. The concern was that the distinction was lacking.

One evaluator suggested that Dell clearly identify a section in their policy as "User's Rights." It was believed that the site does not indicate what the consumer rights are other than to give a contact for correcting errors. Most evaluators commented that the policy was long but that it covered the necessary areas and was "pretty straightforward."

In regards to opting out, one evaluator believed that "it sounds easy" to opt out (to specifically instruct a company not to release any personal information it may collect about you) and remove your name from mailing lists. Another commented that opting out was "very easy." He stated that he knows this first hand since he actually did opt out. He believed that Dell provided a method that was designed as user friendly for him to complete the process. However, another participant noted that the policy states that it can take up to six weeks to get the requested changes to be in effect. The evaluator felt that this was a long time to complete this task.

Another evaluator commented, "When I registered with Dell, I didn't notice an area to opt-out; however, in the privacy policy it says I can. They also give you an option to opt-out upon receiving an e-mail." Another criticism noted is that Dell makes a rather sketchy statement that they "may enhance or merge your information collected at its site with data from third parties for purposes of marketing products or services to you." This should be explained, as it seems to diminish the otherwise strong privacy statement according to Gary Clayton of the Privacy Council (2000).

5. Amazon.com Privacy Notice: Assessment Of Readability And User-Friendliness

Amazon.com opened its virtual doors in July 1995 with a mission to use the Internet to revolutionize book buying into the fastest, easiest, and most enjoyable shopping experience possible. While the Amazon.com customer base and product offerings have grown considerably since 1995, the organization professes to still maintain the founding commitment to customer satisfaction and the delivery of an educational and inspiring shopping experience.

Today, Amazon.com believes that their Web site is the place to find and discover anything you want to buy online. According to the Amazon.com Web site, 30 million people in more than 160 countries have made Amazon.com the leading online shopping site. They advertise to have the Earth's Biggest Selection™ of products, including free electronic greeting cards, online auctions, and millions of books, CDs, videos, DVDs, toys and games, and electronics (2003).

Despite the company's origin in Jeff Bezos' garage, Amazon.com does not fit the Web start-up stereotype of "twenty-somethings" in ponytails according to David Anderson's case study on Amazon.com (2000). Bezos was a systems development executive at Bankers Trust in New York in the late 1980s—the youngest Vice President in the bank's history. Yet, when the explosive growth of the Web got his attention, he saw an even bigger opportunity in online commerce. Two years later Bezos, founder and CEO of Amazon.com, was part of a group of young entrepreneurs using cyberspace technology to take market share from traditional businesses with strong consumer and industrial franchises. Bezos was named Time's 1999 Person of the Year, largely for creating one of the most award-winning and rapidly growing companies in the history of U.S. business.

The financial demands on e-commerce organizations led Amazon.com into arrangements that would capitalize on its prime assets – its name, its secure online payment system, and its detailed knowledge of the spending habits of approximately 30 million customers. However, the extensive data that the company keeps – and what it plans to do with that data – alarms some Internet security and privacy watchdogs.

Amazon.com says it will not show its customer data to other companies, but may use that information in other business dealings. This is what concerns privacy experts. Amazon.com's policy changes have prompted public concern and national media coverage; several organizations have discontinued their affiliations with Amazon.com. One key reason for Amazon.com's inclusion in this research study is based on the immense amount of attention the organization has received regarding its privacy notice. A secondary reason for Amazon's inclusion in this study was based on Amazon.com's leadership position in the electronic marketplace.

What can we expect from Amazon.com, based on their leadership position in e-commerce? Will the oganization instill the trust of consumers through their privacy policy? Some evaluators believed that language in the policy, for the most part, is no higher than a high school difficulty level and some statements regarding computer technology may be unclear at that level. Consumer rights are adequate and expressed in a straightforward manner with the exception of sharing information with other third parties. Some evaluators felt that Amazon.com was very thorough in explaining how and what information is collected from the customer and the content of the policy was clear.

Another evaluator mentioned that most people would probably perceive the policy as being a little convoluted. He mentioned that references were made to features in their site, which were confusing without knowing what they were referencing.

The "opt-out" option received some criticism by the evaluators. Some evaluators felt that it was difficult, or even impossible, to "opt-out" at the Amazon.com site. Under the heading "What Choices Do I Have" within the policy, opting out of releasing personal information is not a listed option. This would lead the consumer to believe that either Amazon.com will not share this information or the consumer does not have a choice. However, in the policy section entitled "Does Amazon.com Share the Information It Receives," it states, "Information about our customers is an important part of our business, and we are not in the business of selling it to others." It further describes the types of third parties with which information is shared (with no option to opt-out). In addition, for other third parties than those listed in this portion of the policy, the consumer will receive notification and may choose not to share. However, it is not clear whether this notification offers an opt-out or opt-in choice. This was brought to the attention of the Amazon.com feedback personnel by one of the student evaluators and the response received did not clarify this question of opt-out or opt-in according to the recipient of the Amazon.com response.

Other evaluators were of the opinion that terminology in the Amazon.com site was hard to follow. Additionally, one evaluator commented, "The Amazon policy almost had a 'blaming' tone to it." The statements within the policy that the student evaluator presented to support her view included the following:

- By visiting Amazon.com, you are accepting the practices described in this Privacy Notice.
- We receive and store certain types of information whenever you interact with us.
- When you visit Amazon.com or send e-mails to us, you are communicating with us electronically. You consent to receive communications from us electronically.

Another felt that the policy was very confusing, and thereby not very user-friendly because the first paragraph may say your information will be kept in confidence and later in the policy is the statement that Amazon.com "shares information to enhance your shopping or information is sold to other buyers."

Some evaluators were concerned about the technical language used in the policy. One complaint voiced was that customers will not know the definition of Secure Socket Layer and a sufficient explanation is not provided. Another mentioned that the information on "cookies" was too technical and that the explanation of the term was confusing to her. This unclear terminology lowers the user-friendliness image of the policy.

An important question addressed to the participants of the study dealt with the surfer's rights as either a user or consumer of this site. As one participant mentioned, "The policy is written showing very little concern for consumer rights." The evaluator went on to add, "Everything is written as to say 'Here are the rules and by visiting the site you accept them.'"

Mark Hochhauser has devoted his career as a readability expert to the clarity and understandability of the written word for more than 15 years. Hochhauser (2000) wrote an article entitled, "Why I stopped shopping at Amazon.com: A reading expert sounds off" which is posted on the Privacy Rights Clearinghouse Web site. Hochhauser comments that he has shopped at Amazon.com for several years but that he has decided to quit shopping there because of several reasons. Some deal with the privacy notice. Their revised privacy "notice" (not a "policy") states that they gather information about consumers every time they search for a product. Hochhauser feels that this means that Amazon has developed a profile on him based not only on what he buys, but also what he might buy. Many consumers don't want businesses knowing that much information about them.

6. Readability Analysis Multiple Case Comparison

Most online organizations will not argue the importance of disclosure of privacy policies. However, some individuals wonder if the large online organizations really want the consumer to understand what they disclose. Maybe not, based on the research.

Privacy policies began showing up on the Web about five years ago, but many policies continue to be confusing because privacy is inherently complex. It appears that if the policy is easy to read and simple, the content is not sufficient for the average consumer. If too many details are presented, it can become complicated. Furthermore, privacy policy evaluators say most policies are contradictory. Companies commonly declare that they do not sell or rent customer information–then two paragraphs later, it is mentioned that they pass information along to unnamed third parties.

For the benefit of consumers, privacy policies need to be reasonably understandable and avoid the usage of legalese. They need to be designed to call attention to the nature and significance of the content and clear in outlining the information that is being collected. Additionally, the policy needs to clearly communicate the choices that consumers have regarding the collection of personal information. The policy needs to clearly and accurately communicate the means that consumers have to access information contained about them. The goal of the privacy practices of any organization should be to instill consumers with trust that the organization will respect their privacy and personal information. In this study, readability statistics were compiled for the privacy policies of Amazon.com, Dell.com, and PrivacyAlliance.org using the writing analysis software tool Words Count (Harris & Trottier, 2003), and Microsoft Word. Descriptions of the assessed categories examined in this study are defined as documented within the Words Count software documentation, unless noted differently.

6.1. Word Count

The lengths (word count) of the three policies varied with the policy of Amzon.com being approximately eight times the amount of words in the PrivacyAlliance.org policy statement. The Word Count analysis did not include any text retrieved from links on the main policy page when calculating the number of words per policy. The following numbers represent the Word Counts for each of the three privacy policies:

Amazon.com	2425
Dell.com	1695
PrivacyAlliance.org	294

6.2. Words Per Sentence

The Words Per Sentence option returns the average number of words in each sentence of the document. As an example, Gulliver's Travel has an average sentence length of about 38 words; some of Swift's sentences are longer than 60 words, according to the Words Count software documentation. Yet, his style is quite readable. However, since the eighteenth century, average sentence lengths have become much shorter. Some businesses insist on an average of 15 words or less but the developers of the Words Count software evaluation tool feel that the 15-words-or-less length provides a document with sentences that are too choppy, except for very terse memos. For ordinary general writing and college level essays, an average from about 18 to 35 words is recommended. An average of around 22 does well as a target for college writing. Readability depends on many factors other than mere words per sentence; long sentences are not necessarily unclear or difficult to follow. Too many very short sentences can actually be harder to follow, since they can lack coherence (Harris & Trottier, 2003).

The three policies evaluated produced the following words per sentence averages:

Amazon.com	35.14
Dell.com	21.73
PrivacyAlliance.org	19.60

6.3. Readability Formula: Gunner's Fog Grade Level

Readability formulas are methods used to find out if documents are written at the correct reading level for their targeted audience. The most commonly used and well-validated readability formulas are those of Gunning (Gunner's Fog Index) and Flesch (Flesch-Kincaid Grade Level). Both indexes are based on word and sentence length. Fog indexes measure the complexity of writing samples, and often provide a means of calculating the reading or educational level required to understand a particular passage. Robert Gunning developed a way to measure how difficult something is to read. His Fog Index is considered the most reliable formula for testing writing. It is not an index of quality of writing; its focus is on the ease of understanding of the writing. The formula is calculated as follows:

Fog index = ((average number of words per sentence) + (number of words of 3 syllables or more)) * 0.4

It assumes that the longer the words you use and the more complex your sentences, the more difficult the document will be to read. The Fog Index level translates into the number of years of education a reader needs to read the material easily. The "ideal" score is 7 or 8; anything above 12 is too difficult for most people to read.

The Fog Index does not determine if the writing is too basic or too advanced for a particular audience; it helps you decide whether a document is likely to be difficult to understand by the intended audience. If the Index is soaring into the teens, it can be expected that the audience has become lost in the dense fog. Following is a listing of some popular magazine and the Fog Index of each (BPA, 1999):

Fog Index	Reading Level By Grade	Magazines At This Level
17	College graduate	
16	College senior	No popular magazines at these levels
15	College junior	
14	College sophomore	
13	College freshman	
12	High school senior	*Atlantic Monthly*
11	High school junior	*Time, Harper's*
10	High school sophomore	*Newsweek*
9	High school freshman	*Reader's Digest*
8	Eighth grade	*Ladies' Home Journal*
7	Seventh grade	*True Confessions*
6	Sixth grade	Comic books

Source: BPA (1999)

The three polices evaluated scored the following Gunning Fog Grade Level ratings:

Amazon.com	18
Dell.com	12
PrivacyAlliance.org	11

6.4. Readability Formula: Flesch-Kincaid Grade Level

The Flesch-Kincaid grade level is designed to reflect the number of years of schooling required to under-stand the document. Flesch-Kincaid was developed many years ago and may not have much bearing on actual grade levels at this time. It can, however, be utilized as a comparison according to the developers of the Words Count software. A document with a grade level rating of 8 should be easier to read than one rating a grade level of 11. Much of the good writing tested by the developers of the Words Count software rates at an 11 or 12 on Flesch-Kincaid, which is recommended for general writing.

Microsoft Word also provides an analysis tool for the Flesch-Kincaid Grade Level within the Grammar Check tool, which was utilized in this evaluation. The formula for the Flesch-Kincaid Grade Level score is calculated as follows (Microsoft Word):

Flesch-Kincaid Grade Level = (.39 x ASL) + (11.8 x ASW) – 15.59

where:
ASL = average sentence length (the number of words divided by the number of sentences).
ASW = average number of syllables per word (the number of syllables divided by the number of words).

The three policies evaluated scored the following Flesch-Kincaid Grade Level ratings:

Amazon.com	12
Dell.com	12
PrivacyAlliance.org	11.3

6.5. Negativity Rating

The Negativity rating selection returns the percentage of the document made up of negative words such as "no," "not," and "never." A range of 0.0 to 1.0% is recommended. If there are more than 1% negative words in a document, the writing may be too negative and most readers appear to prefer writing that is more positive. Accord-

ing to the documentation for the readability software, some people find negative words more difficult to process, and even miss an occasional "not" in a sentence (Harris & Trottier, 2003).

The three policies evaluated scored the following Negativity ratings:

Amazon.com	.82%
Dell.com	1.24%
PrivacyAlliance.org	2.72%

6.6. Immediacy

Immediacy is a measure of the down-to-earth, here-and-now quality of the writing. Words counted in this assessment include dynamic, active verbs such as "get," "choose," "give," and "see;" direct words such as "here," "now," and "this;" and words that point to exactness like "example," specific," and "instance." An adequate immediacy rating should reveal writing that is energized, direct, and, hopefully, interesting. The writing evaluated as lively by the developers has a range on this measure of 3 to 6%. A document may have difficulty holding the reader's interest if the rating is below 3%. The purpose of the Immediacy measurement is to count the occurrences of a sample of the words that provide immediacy, rather than every possible word (Harris & Trottier, 2003).

The three policies evaluated scored the following Immediacy ratings, which were all in the recommended range:

Amazon.com	3.13%
Dell.com	3.01%
PrivacyAlliance.org	3.74%

6.7. Vagueness And Qualification

The Vagueness and Qualification measurement reveals the degree of usage of words that qualify statements ("perhaps", "might", and "maybe") and words that are vague, unclear, and overly unspecific ("many", "really", and "somehow"). Qualification is necessary in most writing, and careful thinkers will need to qualify their assertions. For this reason, do not think that all vagueness and qualification are signs of impropriety or that the text should yield a figure of zero on this scale. However, too much qualification can weaken writing by making it lame and apparently indecisive. Similarly, too many vague words create an impression of uncertainty and a lack of clarity. The recommended range is from 0 to 2.0% (Harris & Trottier, 2003).

The three policies evaluated scored the following Vagueness and Qualification ratings, which were all in the recommended range:

Amazon.com	1.15%
Dell.com	.29%
PrivacyAlliance.org	.34%

6.8. Subordination

The subordination selection returns the percentage of the document made up by subordinating conjunctions, together with the total number of occurrences. The commonly used subordinating conjunctions are tested for by this measure. Generally speaking, the higher the percentage of subordination, the better the writing, because subordinating conjunctions help to show important relationships (cause, reason, condition, concession, time, etc.) between ideas. Consequently, a good use of subordination actually can make writing clearer and more understandable. Conversely, too much subordination may make the writing overly complex and hard to follow.

For general-purpose writing, a minimum of 3.2% is suggested. Less than that may indicate that the ideas within the text are not related to each other well enough. A maximum of about 5.8% is suggested. More than that may create difficulty in following the syntax (structure) of the writing. Subordination is one of the measures of coherence, or how well writing is glued together.

The three policies evaluated scored the following Subordination ratings:

Amazon.com	3.88%
Dell.com	3.19%
PrivacyAlliance.org	1.36%

7. Summary Of Readability Analysis

If an organization has a privacy policy but no one truly understands it, what is the point? Many policies continue to be confusing because privacy is inherently complex. The policy needs to clearly and accurately communicate the means that consumers have to access information contained about them. In a nation in which most people read at the 10th-grade level or below, that means a minority will understand the policies.

The following table provides a summary of the comparisons between the three privacy policies in the readability areas evaluated. Each metric is defined and recommended results are listed if available.

Metrics and Categories Evaluated	Comments	Online Privacy Alliance	Dell	Amazon
Word Count	Number of words in privacy policy (main page only; supplemental links not included).	294	1695	2425
Words per Sentence	18 – 35 recommended for general writing and college level essays. Some businesses insist on an average of 15 words or less.	19.60	21.73	35.14 HIGH
Gunner's Fog Grade Level	"Ideal" score is 7 or 8; anything above 12 is too difficult for most people to read	11 HIGH	12 HIGH	18 VERY HIGH
Flesch-Kincaid Grade Level	Grade level of 11 or 12 recommended for general writing.	11.3	12	12
Negativity Rating	Percentage of document made up of negative words. (Range of 0.0 to 1.0 is recommended).	2.72% HIGH	1.24% HIGH	.82%
Immediacy	Measure of down-to-earth, here-and-now quality of the writing (document rating below 3% may not hold reader's interest; evaluated as lively would be in the 3-6% range).	3.74%	3.01%	3.13%
Vagueness and Qualification	Degree of usage of words that qualify statements (0 to 2% is recommended).	.34%	.29%	1.15%
Subordination	Returns the percentage of the document made up of subordinating conjunctions (Minimum of 3.2% and maximum of 5.8% is recommended).	1.36% LOW	3.19% LOW	3.88%

The goal of the privacy practices of any organization should be to instill trust that the organization will respect consumer privacy and personal information. The organization must realize that a large percentage of the American population does not understand the complex uses of their data by marketers. Research confirms that this is not always the case. Information must be communicated clearly and concisely and there are tools that can assist in developing an easily readable and understandable policy if organizations are proactive enough to utilize the tools.

8. Final Analysis

The World Wide Web has had a profound impact on consumers and has changed the corporate legal landscape. No longer do you have to go to the library to get information; the Internet brings the information to you. A person does not need to leave the comforts of home to buy items such as clothing, books, computer equipment, and even groceries. To facilitate these online transactions, large amounts of personal information is transmitted using Internet technology.

Ethical issues preceded information technology but sophisticated datamining technology and the increasing usage of the Internet has amplified ethical concerns. Online organizations constantly gather and use demographic information from users who are concerned that their personal data—including credit card numbers or their behavior on the Internet—may be sold, used, or revealed in an inappropriate manner. Such fears keep many consumers from shopping online and this hinders the growth of electronic commerce. Privacy means different things to different people and privacy must be balanced against the needs of society.

Internet consumers are facing an increasingly hostile environment. Faced by online profiling companies that seek to know about their online surfing habits and Web sites that change their privacy policies at will, consumers are increasingly left to their own devices in protecting their privacy.

The collection and use of personal information for marketing purposes and related privacy concerns are very complex issues. While many different forms of personal information have traditionally remained in the public domain, increasingly easy access to such data, spurred on by new technologies and the Internet, are raising privacy concerns from consumers and public policymakers. This, in turn, has led to increased calls for government regulation. The direct marketing industry believes that self-regulation is effective and, with a few narrow exceptions, preferable to government involvement in the marketplace.

As a safeguard, the consumer should look for a privacy policy on the Web site before making a purchase online. Unfortunately, for the organization, just having a policy on the site is not enough, which this study verifies. Privacy policies vary widely in the information they provide to the customer and the manner in which the information is presented. The privacy policy represents important legal information and should be given significant attention in designing an online environment for any organization. Companies should provide consumers with notices that are easy to locate, read, and understand. These notices should clearly state the company's information collection and sharing practices and provide customers with choices regarding these practices.

According to the Online Privacy Alliance (2003), the amount of corporate resource commitment inherent in the commitment to adopt and implement a privacy policy cannot be overstated. These are expensive and time-consuming exercises, often requiring significant corporate reengineering. However, the rewards run deep because when the customer benefits from the policy, the organization also benefits by the trust earned.

The threat of information theft or misuse gives Internet users reasons for concern towards ensuring that their information is protected. While much of the authority to safeguard personal information on the Internet is already available to those going online, it is obvious that many consumers and policy makers, as well, need more information on the issue. The technology sector must do a better job of educating and empowering consumers so they can feel safe on the Internet and so legislators will be less inclined to overact and legislate quickly without taking stock of all the consequences of a regulated Internet. The bottom line is that the privacy policy of any organization must be understandable and there is room for improvement.

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