Eye-tracking software makes insurance policies easier to understand

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Credit: University of Nottingham

Researchers at the University of Nottingham and insurance law firm Browne Jacobson LLP are using eye-tracking software to help insurers write policies that are much easier to read and understand.

If you've ever found an insurance document difficult to read, then you are not alone. A new study has found that one of the reasons for this is the number of 'uncommon words' which are used in most policies.

The study looked at five different insurance policies selected by Browne Jacobson and given to the Linguistic Profiling for Professionals (LiPP) unit at the University of Nottingham to review.

Using 27 participants, experts from the LiPP used in-depth psycholinguistic analysis of policy documents to assess how people responded when they read them. They used 27 volunteers with an

average age of 34.

The system uses advanced imaging software coupled with high-speed infra-red cameras to allow researchers to track every movement of the human eye as it moves across a document.

Using the eye tracking software on its volunteers, the researchers from LiPP looked at a number of different areas including: how the use of punctuation helped or hindered readers, the impact of using pronouns versus nouns and the educational level required to be a competent reader of a policy document.

The study also looked at the 10 most uncommon words found in each policy, the reading difficulty level of each policy and whether or not the reader had understood if they were adequately covered by their policy.

The research found that the readability of the policies tested could be improved and that each one had sections that were difficult to understand. This was shown both through the eye tracking data, which showed readers taking longer over certain words, and comprehension questions, which showed less than a complete comprehension for all policies.

The top 10 slowest words to process for all the policies were compiled too. These varied, but taken together can be used as a clear guide for words that should be clearly defined.

For example the words 'insured', 'insurer' and 'insurance' feature 18 times in the list of the slowest words to process in the policy documents reviewed. It's likely that the slowness of reading these words relates to the time taken to recall the definition of the word and to apply it to the clause in the question.

Experts also found that if a policy is badly written in the first place, then punctuation on its own doesn't make it any easier to read, so more attention should be used to the words used initially instead of relying on punctuation.

Phrases such as 'in so far as' and 'provided that' caused real difficulty for the group. By using these caveats to an initial statement, readers were challenged to re-evaluate their understanding of the clause in the question, which they found difficult.

Kay Snowley, Business Development Manager from LiPP, says: "Drafting a perfectly worded policy document is virtually impossible, but what our research proves is that there clearly is a lot that can be done to improve how they are currently written. Each finding shows that with a little alteration, over time, the overall readability and understanding of these documents can be improved.

"This isn't just helpful for the individual but is much better for the companies issuing them. There is no benefit for there to be doubt in people's minds as to what and how they are covered by a policy."

Tim Johnson, insurance partner at Browne Jacobson, added: "From the discussions we have had across the industry there is almost universal acceptance that the current level of complexity needs to be addressed.

"There is no silver bullet but we have demonstrated that through the use of a range of drafting techniques, including the use of eye-tracking software, we can significantly increase the number of people who can easily read and understand the cover they have purchased.

"The insurance industry has a regulatory duty to ensure the information in policies and contracts is clear and expressed in plain and intelligible language.

"Failure to do so could not only make them harder to sell but leaves the industry vulnerable to legal challenge from policy holders and the real possibility of further regulatory intervention."

  More information: The study is available online: brownejacobson.turtl.co/story/ … 316913720f23d351bf8e

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