



## Direct marketing and your credit report

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### Credit reporting 'know your rights' series no. 14

This fact sheet is the fourteenth in a series that outlines what you need to know about how your personal information can be handled in the Australian consumer credit reporting system. It contains information about whether your consumer credit report can be used to direct market goods and services to you. There are lots of technical terms used in the credit reporting system and we refer to some of those terms in this series. You can find more information about these terms in no. 2 (Privacy fact sheet 27) of this series.

### What is direct marketing?

Direct marketing involves the use and/or disclosure of your personal information by an organisation to communicate directly with you to promote goods and services. That communication may occur through a variety of channels, including telephone, SMS, mail, email and online advertising.

### Can the personal information in your credit report be used for direct marketing?

No. The personal information in your consumer credit report cannot be used or disclosed by a credit reporting body (CRB) or a credit provider for the purpose of directly marketing goods or services to you.

This means that a credit provider cannot use the information in your consumer credit report (such as your name or address) to contact you with information about its credit services. However, this restriction does not apply to information that a credit provider **did not collect from your consumer credit report** (for example, if the information was collected directly from you) irrespective of whether that information is also recorded in your consumer credit report.

### Can the personal information in your credit report be used as part of pre-screening customers?

Following a request by a credit provider, a CRB may use particular types of information in your consumer credit report to determine whether you are **ineligible** to receive direct marketing communications from that credit provider.

Importantly, a CRB is **not** permitted to use information about your current credit accounts or your repayment history as part of this pre-screening process.

### How does pre-screening work?


Pre-screening is conducted by a CRB on behalf of a credit provider. Pre-screening is a process that enables a credit provider to determine whether you are ineligible to receive communications about credit offers from that provider, before those offers are sent.

Pre-screening involves the following steps:

**Step 1:** The credit provider gives a CRB a list of its customers.

**Step 2:** The CRB compares those customers against criteria specified by the credit provider. The results of this comparison will determine whether a particular customer is ineligible to receive communications about credit offers from that provider.

**Step 3:** The CRB gives the results of that assessment to the credit provider or another organisation that sends



out information about credit offers on behalf of the credit provider (for example, a mailing house).

Importantly, **none** of the personal information contained in your consumer credit report is disclosed to the credit provider as part of the results of that pre-screening assessment.

### **Can you prevent your credit report being used for pre-screening?**

Yes. You can make a request to a CRB that the personal information in your consumer credit report **not** be used for pre-screening.

#### **For further information**

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