

Payment plans: a powerful weapon in the fight against student debt

A post secondary credential
has never been more important.

Graduation is important!

Students who do not graduate:

3x more likely to default
on student loans

Median debt for
those who default is

\$8,900.



Source:
U.S. Department of Education

More than **40%** of first-time,
full-time students do not graduate.

Strong correlation

between states with high default rates
& low completion rates
at 4-year public colleges

Just **9%** of students from
the lowest income quartile
graduate by age 24,
compared to **77%**
of top income quartile.

Payment plans are a WIN/WIN!

SURVEY SAYS!

A student survey of
2018-19 Transact Payments
clients revealed these
insightful results.



7 out of 10

payers agree that payment plans
have significantly increased
their chances of graduating
on time with less debt.

Positive payer experience

84%

“excellent” or “fair”
payment experience

73%

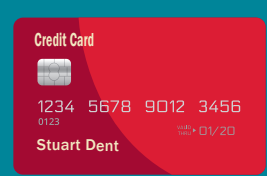
“very likely” to enroll in a
payment plan again



How would you pay your balance if payment plans weren't an option?



Student loans



Credit cards



Other methods of borrowing
(e.g., home equity line of credit)

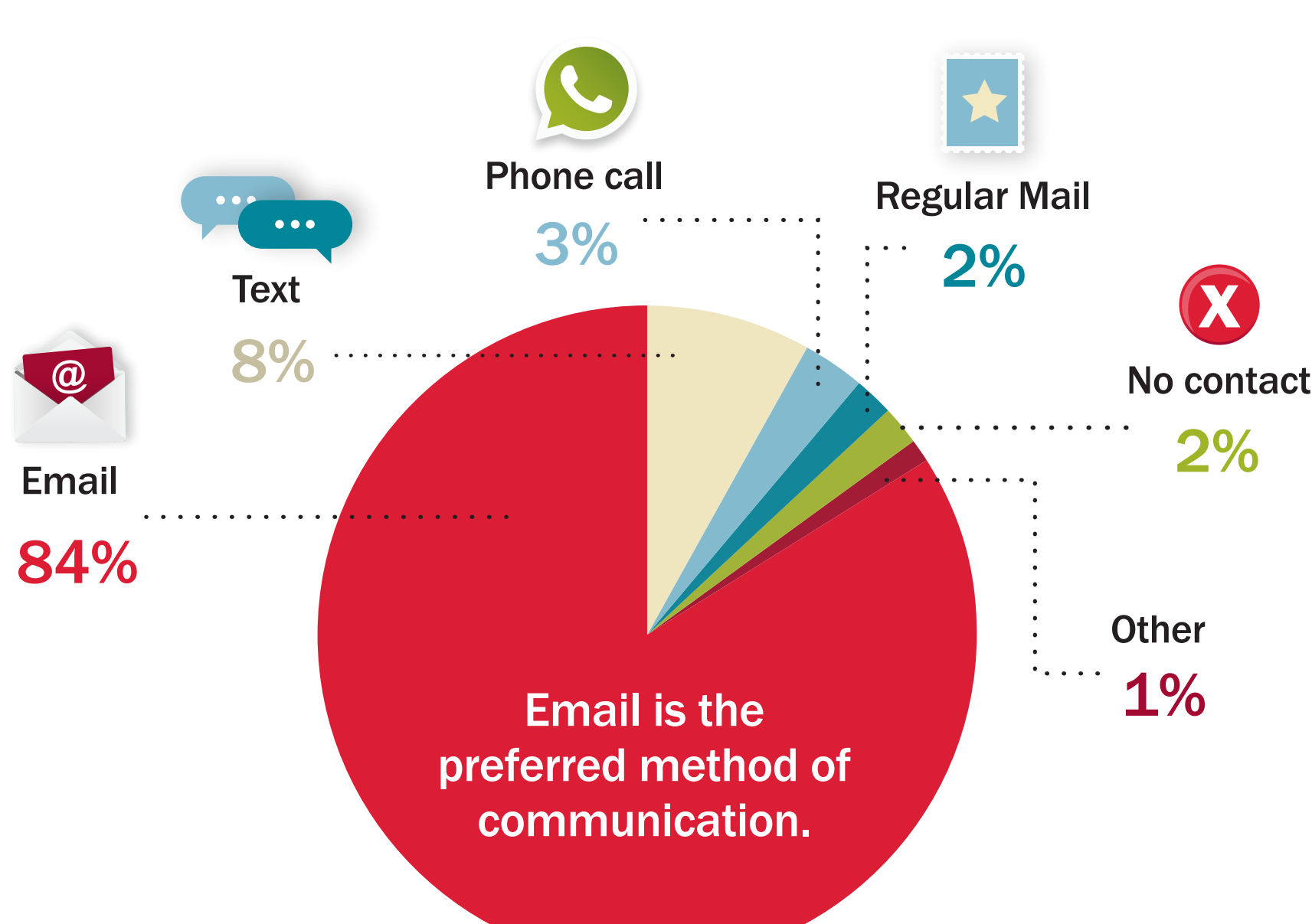
The most successful payment plans:

- Provide instructions & support for first-time payers
- Give payers choices
- Are timed well with bills
- Over communicate



Getting the
word out about
payment plans is critical!

What is your preferred method of communication about payment plans?



Emails
Postcards
Buck slips & posters

Need help with marketing
support & services?
We offer assistance with:



Segment

Freshmen need to be educated,
returning users need to be reminded.

Families

Don't assume students will share
information with their parents.

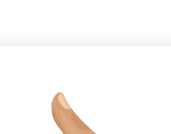
Frequency

Use a combination of channels (email, post cards, collateral) to ensure
students and families have the information they need about your payment plans.

Transact payments powered by Cashnet offers
solutions, services, and the consultation you need
to support your students' payments journey.



Payment plans are an
effective tool for supporting
student success.



Those that participate in
payment plans have a
positive experience.



Market segmentation is
important when promoting
payment plans.

transactcampus.com