

**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)

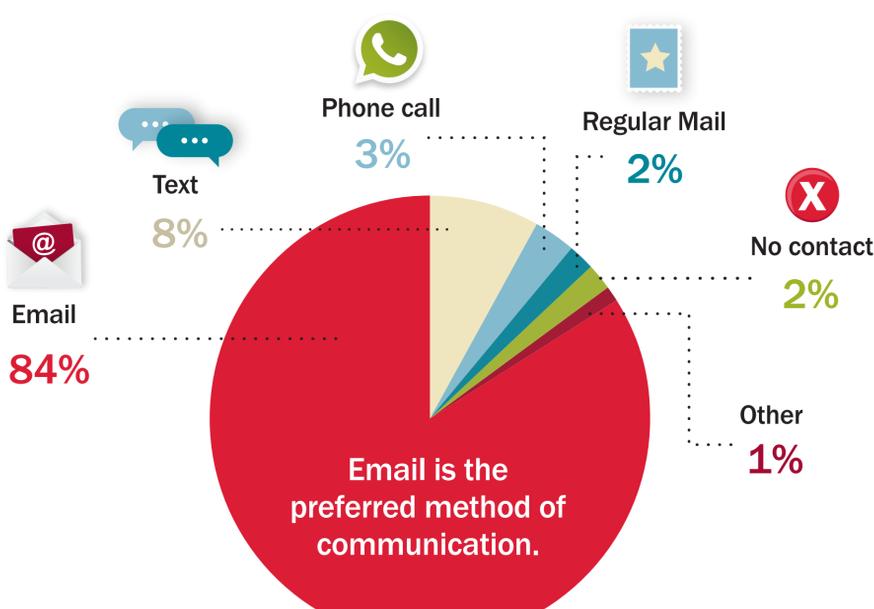
**The most  
successful  
payment plans:**

- 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 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.

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