

RISLA

MARKET RESEARCH

FOCUS GROUP REPORT



Presented to:
Rhode Island Student Loan Authority
935 Jefferson Blvd., Suite 300
Warwick, RI 02886

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EXECUTIVE SUMMARY

Rhode Island Student Loan Authority (RISLA) contracted with Analytic Insight to conduct focus group sessions to explore how Rhode Island college-bound families make decisions about planning and paying for college, as well as refinancing education loans. The purpose of the focus group sessions was to seek recommendations to determine if RISLA should make changes and improvements to their marketing and communication strategies, as well as which improvements will have the most impact on the strength of the organization, products and services.

Eight focus groups were held between January 29 and February 7, 2019 with high school students, college students, parents and recent graduates. Each group consisted of participants of mixed gender, race and ethnicity, and was well attended with an average of 12 participants per group.

RISLA'S BRAND IMAGE

Focus group participants were asked to review three logo and color palette options. Most participants ranked RISLA's current logo as their favorite choice. Color palette 3 was their favorite color palette. Most participants prefer seeing Rhode Island Student Loan Authority spelled out so they know who the logo represents and what products and services are offered.



RISLA
RHODE ISLAND STUDENT
LOAN AUTHORITY

Palette #3



Participants agreed that this logo stood out to them the most, with many describing it as professional and official. Many agreed that the logo was informative and self-explanatory. Participants said they liked the use of red, using words such as bold, eye-catching, appealing and attractive to describe the logo.

Many participants described color palette #3 as calming or soothing, as well as professional and bright. During the discussion, several participants said the palette was nautical and reminiscent of the ocean.

FINANCIAL AID AND COLLEGE PLANNING PROCESS

Most participants found the financial aid and college planning process confusing, stressful and long. Many participants described frustration in having to obtain a great deal of personal information in order to complete the FAFSA application.

A few participants said that their greatest challenge was figuring out how to start the process. Several discussed the difficulty of finding a centralized location to find information on the FAFSA, student loan types like subsidized or unsubsidized, tuition rates and scholarships. One participant recommended a checklist to help guide students through the process more easily. Several recommended more information about scholarships and how to apply for them.

In general, high school and college students said that their parents provided the most help when completing the FAFSA. Most said their mother or father completed the majority of the FAFSA on their behalf, with only a few saying they completed the full application themselves.

Additionally, most participants agreed that the process got easier for them each year, largely due to the ability of the forms to be repopulated with the previous year's information. However, a few participants disagreed saying despite having to submit the FAFSA each year, they mostly forgot the process by the following year. Some participants described the ease of the IRS retrieval tool that pulls in information from a participant's federal tax return. Most liked this option and found it helpful.

CHOOSING A STUDENT LOAN PROVIDER

Many participants associated the student loan application process with stress and worry. Almost none of the focus group participants recalled making a conscious decision to choose a student loan provider. Most described completing the FAFSA application process, accepting their financial aid award proffered by the college or university, and then automatically being assigned a student loan provider through that institution.

When asked what participants would look for if they sought a student loan provider, most said they would want information about the interest rate offered, when they would be required to start paying on the loan and the minimum monthly payment amount.

Many participants determined that decisions about applying and paying for college included both themselves and their parents together. Some said that they chose which colleges or universities to apply for, while their parents made decisions about paying for it. Additionally, almost all of the participants said that they thought about how to pay for college after they applied and were accepted by that particular institution. Some described a process of evaluating the financial aid packages presented by the institutions they were accepted at to determine the best deal.

FACTORS INFLUENCING LENDING CHOICES

A vast majority of participants said that the monthly payment amount (94.4%) and interest rates (91%) were very important to their lending choices. Most participants also revealed that fees (79.8%), the maximum amount they could borrow (73%), the length of the loan (71.9%) and the repayment start date (69.7%) were very important when deciding about student loans. About one in three found the need for a co-signer (36%), early approval of a loan (32.6%) and a rewards program (30.3%) would be very important in influencing their lending choices.

REFINANCING STUDENT LOANS

None of the respondents had refinanced a loan. A single respondent had consolidated, but not refinanced student loans. Most participants were unfamiliar with refinancing.

COMMUNICATION PREFERENCES

Email communication is the preferred method of communication for most information. Participants who prefer this method described the ease of finding the information quickly and having the information readily available to them despite their physical location. Participants who prefer mail tended to say that they overlook email communications because so many emails are received each day, including spam and advertisements. Participants also associated information by mail as more important such as their yearly tax summary. Telephone was the least preferred communication, except for important items in need of immediate attention such as overdue notices.

INTRODUCTION

Rhode Island Student Loan Authority (RISLA) contracted with Analytic Insight to conduct focus group sessions to explore how Rhode Island college-bound families make decisions about planning and paying for college, as well as refinancing education loans. The purpose of the focus group sessions was to seek recommendations to determine if RISLA should make changes and improvements to their marketing and communication strategies, as well as which improvements will have the most impact on the strength of the organization, products and services.

Eight focus groups were held between January 29 and February 7, 2019. Two focus groups were held with high school students, two with college students, two with parents of high school and/or college students, and two with pending or recent graduates. Participants were recruited through social media advertising. In order to participate, individuals had to self-report that they were a resident of Rhode Island, attend college in Rhode Island, or plan to apply for college in Rhode Island.

All focus groups were held at the Providence Marriott Downtown. Each group consisted of participants of mixed gender, race and ethnicity. Each focus group was well attended with an average of 12 participants.

DISCUSSION TOPICS

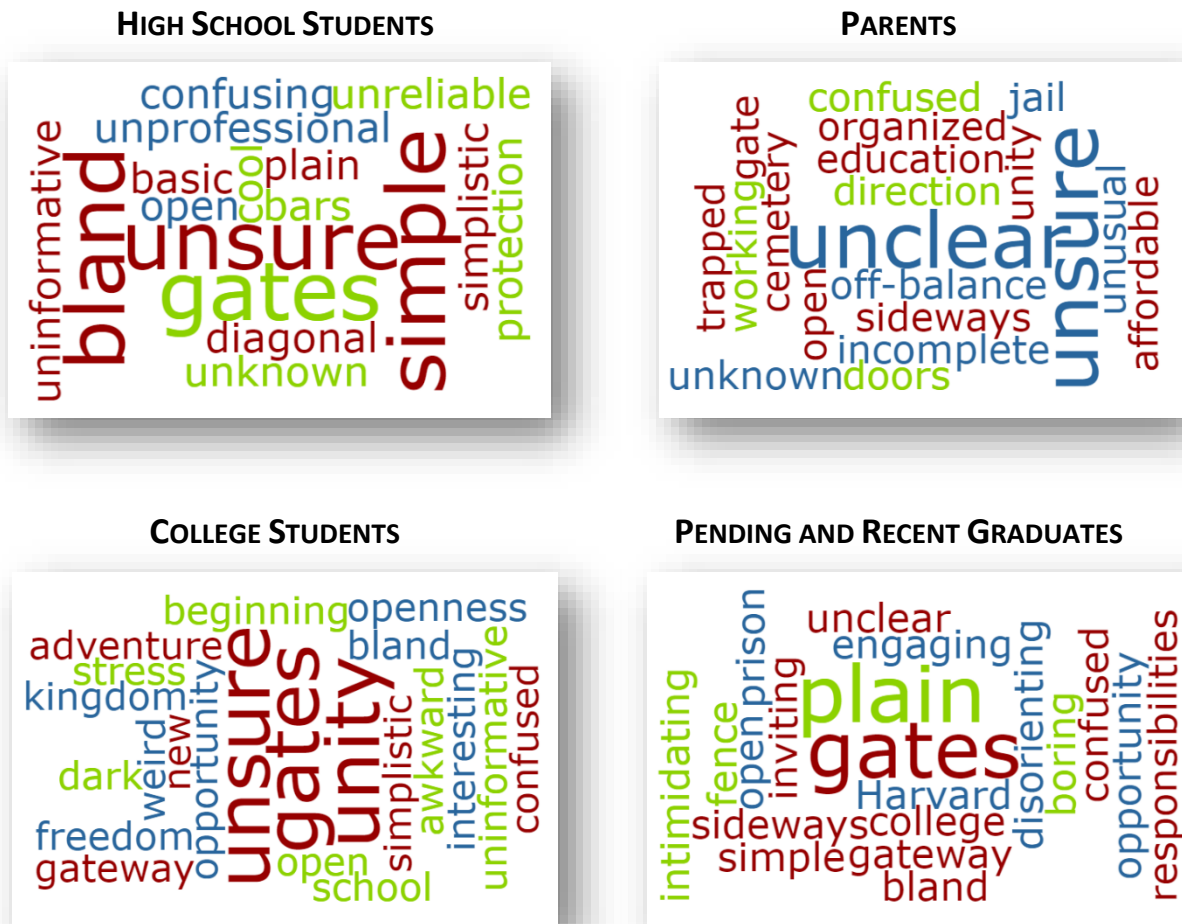
- ❖ Brand awareness
- ❖ Logo and color palette preferences
- ❖ Financial aid and college planning
- ❖ Influences in selecting a student loan provider
- ❖ Communication preferences

TABLE 1: FOCUS GROUP COMPOSITION

Focus Group Date	Focus Group Time	Focus Group Composition	Number of Participants
January 29	5:30 – 7:00 PM	High School Students	12
January 29	7:30 – 9:00 PM	College Students	12
January 30	5:30 – 7:00 PM	Parents	13
January 30	7:30 – 9:00 PM	Pending/Recent Graduates	12
January 31	5:30 – 7:00 PM	High School Students	13
January 31	7:30 – 9:00 PM	College Students	10
February 7	5:30 – 7:00 PM	Parents	11
February 7	7:30 – 9:00 PM	Pending/Recent Graduates	9

Some differences and similarities appeared across the different focus group participants. Most participants across all groups recognized the use of gates. A few college students found optimism in the logo, using descriptors like unity, adventure and opportunity. In contrast most of the high school students and pending or recent graduates described the logo as simple, bland or plain. Many respondents, especially in the high school and parent groups were unsure or unclear what the logo represented. Several participants found the stark black and white image to be hostile and described the gates as closed or prohibitive.

FIGURE 2: SQUARE LOGO DESCRIPTORS BY FOCUS GROUP

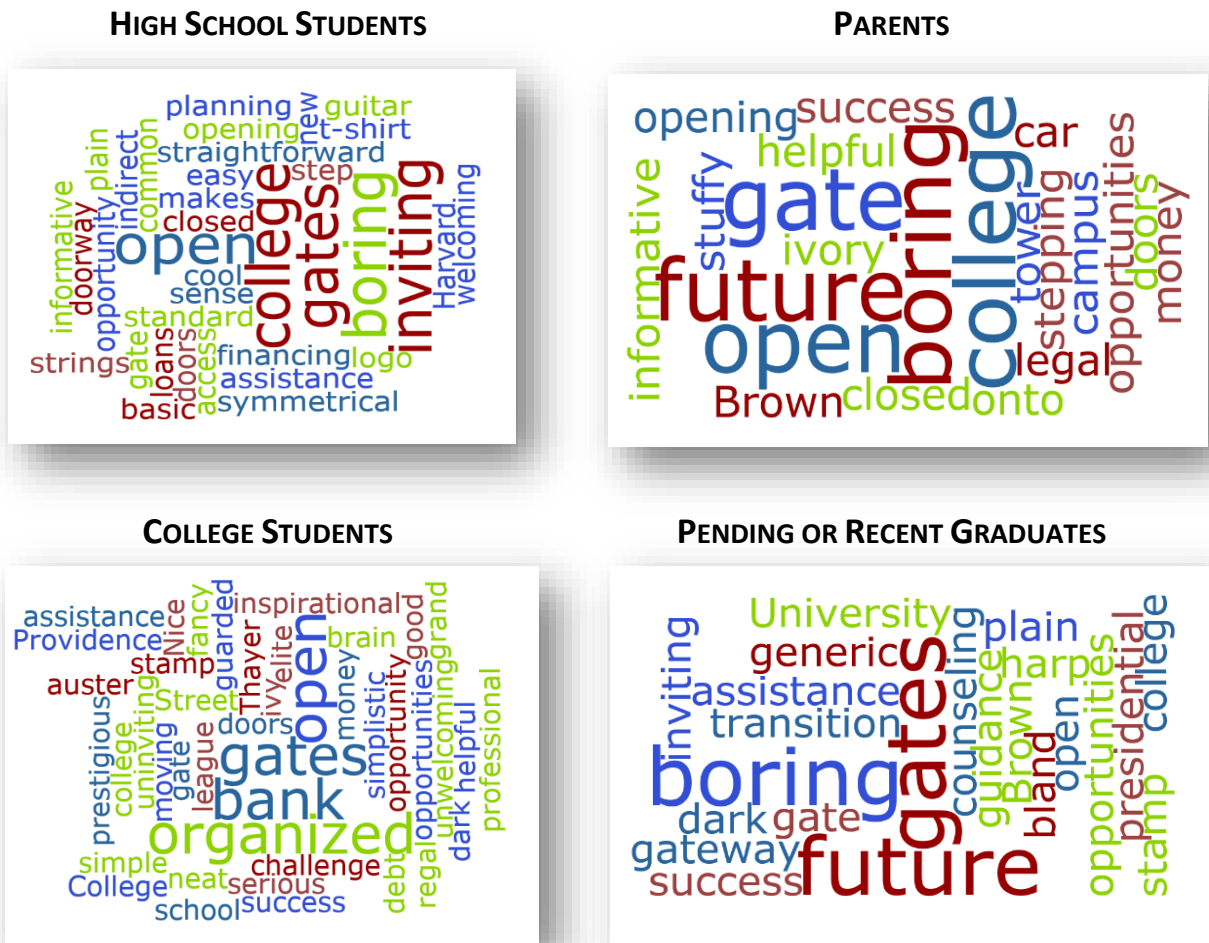


As with the first logo, several differences and similarities appeared across the focus groups. For one, high school and college students used more words to describe this logo with only a few similar words appearing among the participants. By contrast, parents and pending or recent graduates used similar words more frequently to describe this logo.

Some high school students described the logo as inviting. A few college students agreed that the logo felt organized. Participants across both the parent and pending or recent graduate groups used words such as future and success when describing the logo.

High school students, parents and pending or recent graduates were more likely to associate this logo with a college or university, while several college students associated the logo with a bank. Many high school students, parents and pending or recent graduates described the logo as boring.

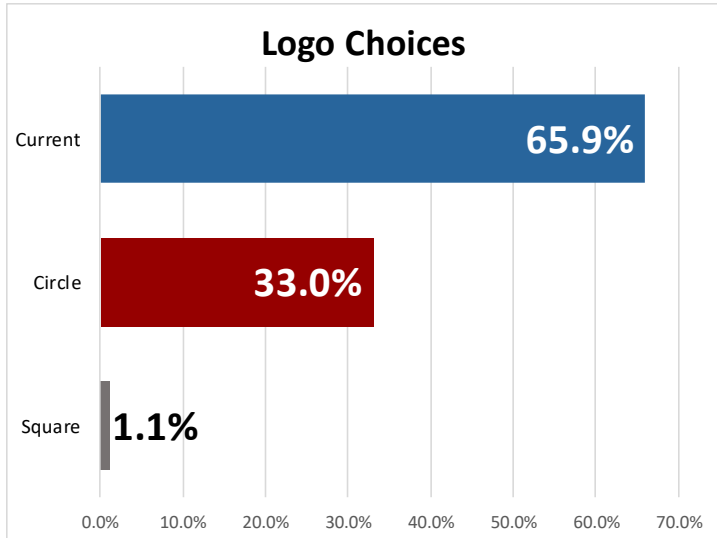
FIGURE 4: CIRCLE LOGO DESCRIPTORS BY FOCUS GROUP



LOGO AND PALETTE RANKINGS

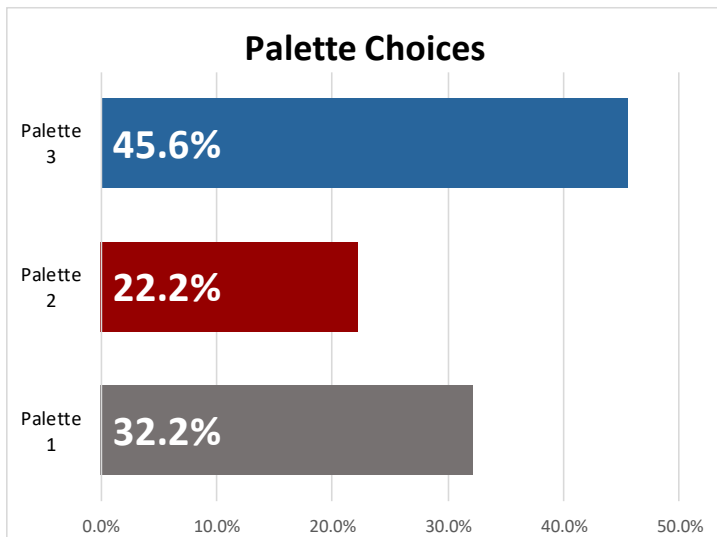
The majority (65.9%) of the focus group participants ranked the current RISLA logo as their favorite logo choice, with about one in three (33%) ranking the circle as their first choice. Only one participant ranked the square logo as their favorite choice.

FIGURE 10: LOGO CHOICES



We see more disparity in how participants ranked their first choice among the color palette options. Almost half (45.6%) of the focus group participants ranked Palette 3 as their first choice, while almost one in three (32.2%) chose Palette 1. About one in five (22.2%) ranked Palette 2 as their favorite choice.

FIGURE 11: COLOR PALETTE CHOICES



FINANCIAL AID AND COLLEGE PLANNING PROCESS

Most participants found the financial aid and college planning process confusing, stressful and long. Some used words such as complicated and a headache when describing the FAFSA application process. Many participants described frustration in having to obtain a great deal of personal information in order to complete the FAFSA application.

A few participants said that their greatest challenge was figuring out how to start the process. Several discussed the difficulty of finding a centralized location to find information on the FAFSA, student loan types like subsidized or unsubsidized, tuition rates and scholarships. One participant recommended a checklist to help guide students through the process more easily. Several recommended more information about scholarships and how to apply for them.

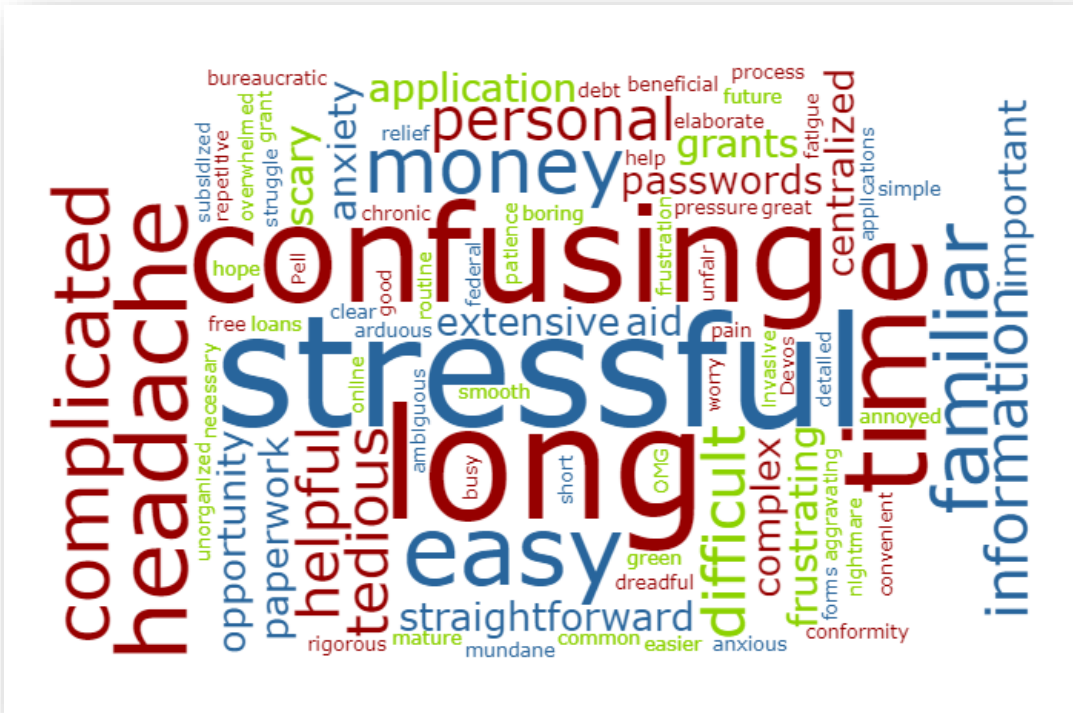
High school and college students relayed that they often needed the help of a parent or guardian to complete the FAFSA application. Some participants expressed frustration that they needed to obtain information from their parents about their financial history and status. Students with divorced parents or who completed their FAFSA application as an independent found this particularly troublesome.

Several high school and college students reflected that they worried about whether their financial aid award would cover the cost of tuition. Evaluating their financial aid package to ensure it covers all tuition costs as well as materials and living expenses provides an additional stressor for many families.

“The hardest part was that I had to get my parent’s information, like their Social Security numbers, how much they earn, if they have student loans themselves and how much do they have. Why do they need all this information just for me?”

- College Student

FIGURE 12: FAFSA DESCRIPTORS



FINDING HELP TO COMPLETE THE FAFSA APPLICATION

A few participants described seeking help at the College Planning Center to complete their FAFSA application. Most of these participants found that this resource was especially helpful; however, many participants were unaware that this resource existed in the community.

A few participants described college preparation electives or workshops hosted through their local high school. One Hispanic participant described how hard it is to keep her mother informed since no information provided by her high school is in Spanish. This participant suggested that information be translated into Spanish or an information meeting be hosted in Spanish, either by the high school or by another organization.

Most parents thought their high school children received help on college and FAFSA applications through the high school's guidance counselors. However, most of the high school and college students disagreed saying that any help they received through their guidance counselors had to be sought out by the student themselves.

"In our high school, I had to be the one to go down [to the guidance counselor]. I had to insist on it. They didn't ask me."

-High School Student

In general, high school and college students said that their parents provided the most help when completing the FAFSA. A majority said their mother or father completed the FAFSA for the most part on their behalf, with only a few saying they completed the full application themselves.

PERCEPTIONS OF THE FAFSA OVER TIME

While a majority of the focus group participants found the financial aid and college planning process complicated, many participants found the process easy and familiar, especially over time. Most agreed that the process got easier for them each year, largely due to the ability of the forms to repopulate with the previous year's information. However, a few participants disagreed saying despite having to submit the FAFSA each year, they mostly forgot the process by the following year.

"The first time I filled it out was very difficult. But it got easier every time."

-Recent Graduate

Some participants described the ease of the IRS retrieval tool that pulls in information from a participant's federal tax return. Most liked this option and found it helpful. Two participants said they were unable to use the tool. One sought help through an in-person appointments at a local IRS tax office and the other re-typed the information. Several participants commiserated about the difficulty of remembering the correct password to gain reentry into the online system each year.

THE DECISION MAKING PROCESS

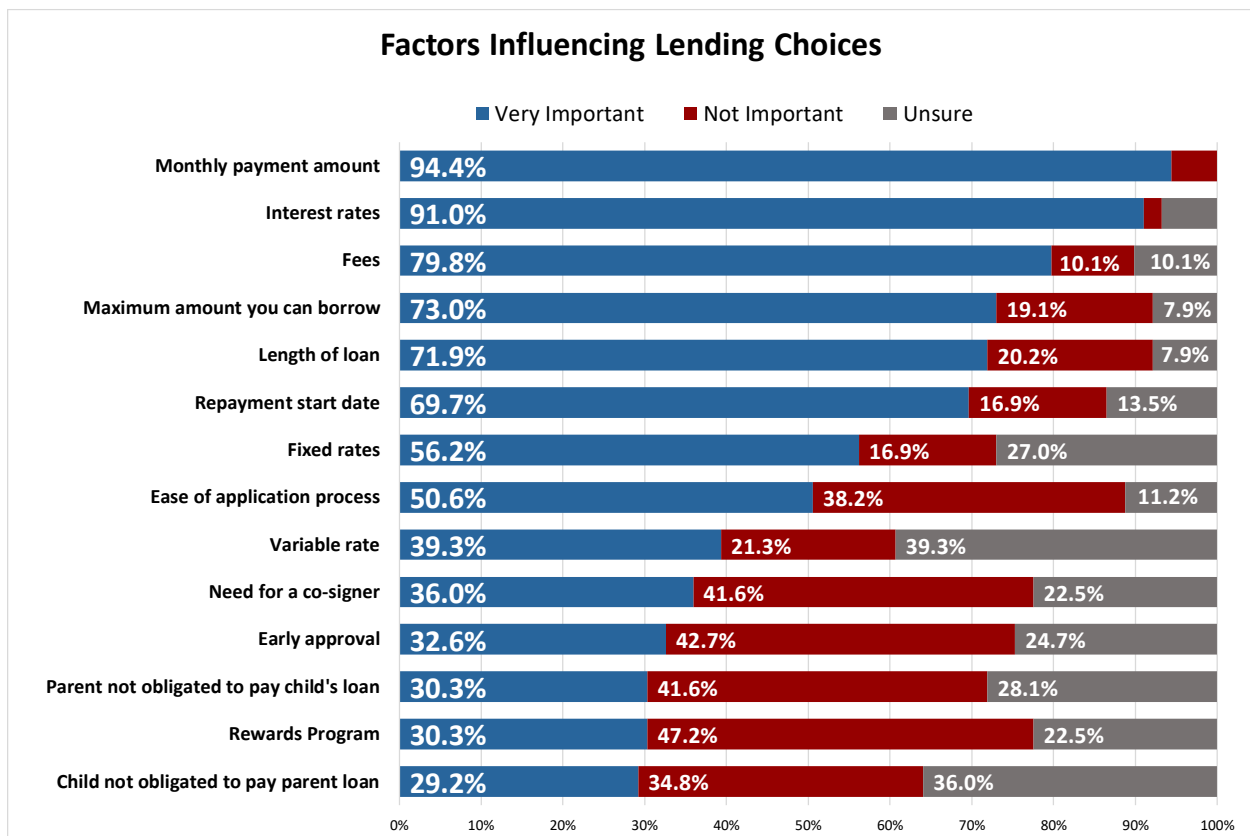
Participants were asked who the key decision maker was when it came to applying and paying for college. Results were mixed. Some participants said that they were the key decision maker, while some others said their parents were. One participant described the decision-making process as a partnership between herself and her mother. Indeed, many participants determined that decisions about applying and paying for college included both themselves and their parents together. Some said that they chose which colleges or universities to apply for, while their parents made decisions about paying for it.

Additionally, almost all of the participants said that they thought about how to pay for college after they applied and were accepted by that particular institution. Some described a process of evaluating the financial aid packages presented by the institutions they were accepted at to determine the best deal.

FACTORS INFLUENCING LENDING CHOICES

A vast majority of participants said that the monthly payment amount (94.4%) and interest rates (91%) were very important to their lending choices. Most participants also revealed that fees (79.8%), the maximum amount they could borrow (73%), the length of the loan (71.9%) and the repayment start date (69.7%) were very important when deciding about student loans. About one in three found the need for a co-signer (36%), early approval of a loan (32.6%) and a rewards program (30.3%) would be very important in influencing their lending choices.

FIGURE 14: FACTORS INFLUENCING LENDING CHOICES



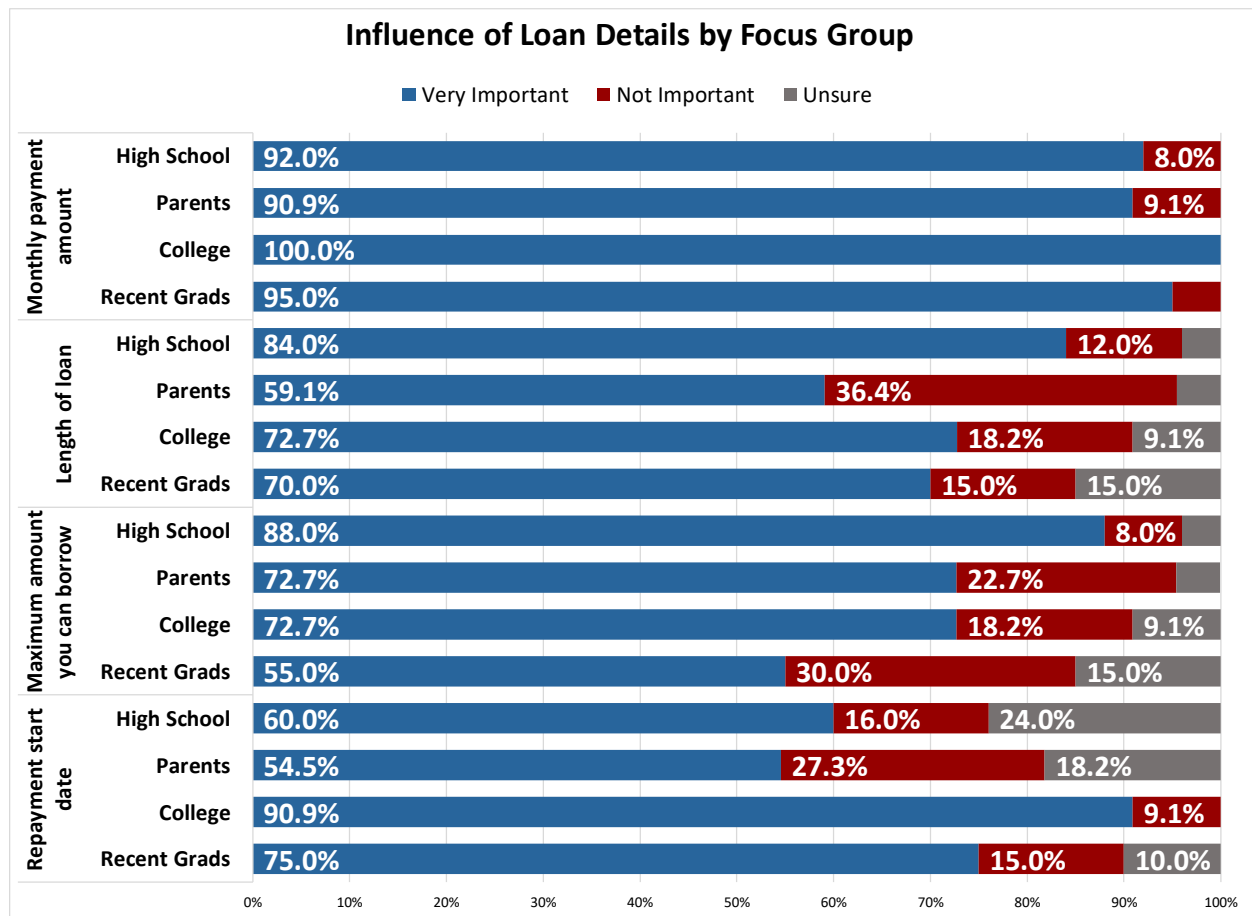
INFLUENCE OF LOAN DETAILS:

Many participants said that the details of their loan would influence their lending choices including monthly payment amount, length of the loan, the maximum amount they could borrow, and the repayment start date. Most participants said these details should be considered along with their own personal financial situation either at the time they accept the student loan or when considering refinancing options.

Participants were split on whether they want a lower monthly payment over a longer loan period or a larger monthly payment over a shorter loan period. Most agreed that this decision depends on the individual’s own personal finances. Many expressed that they want to pay off their student loans in a reasonable period with many referencing ten years as an acceptable timeframe. Additionally, most participants agreed that the repayment start date was important to them and believed a reasonable grace period should be allowed between graduation and the student loan repayment start date for graduates to secure employment, with six months to a year referenced as a reasonable period.

Some differences are seen among the focus group participants. Parents were more likely to say the length of the loan was not very important in influencing their lending choices compared to the other groups with over one in three (36.4%) parents rating this factor as not important. Nine in ten (90.9%) college students said the repayment start date was very important to them. Many high school students (88%) found that the maximum amount they could borrow was very important in their lending choice.

FIGURE 15: INFLUENCE OF LOAN DETAILS BY FOCUS GROUP



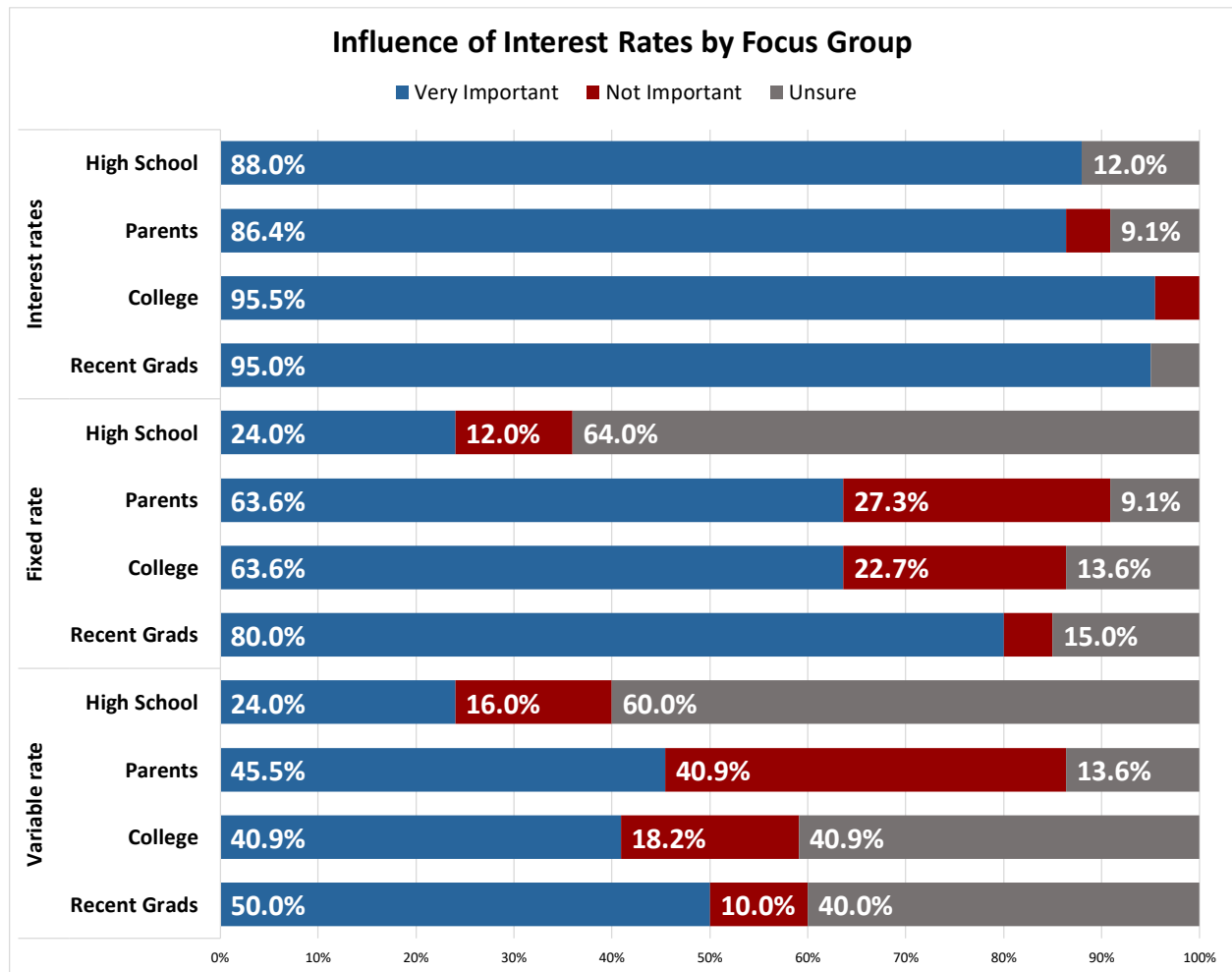
INFLUENCE OF INTEREST RATES

Most participants agreed that interest rates are very important to their lending choices; however, many participants were unsure of the meaning of fixed versus variable interest rates.

High school students were the most likely to be unsure whether a fixed or variable interest rate would be important to their lending choice. Indeed, almost three out of four high school students said they were unsure about these factors (64% and 60% respectively). Parents, college students and recent graduates were more likely to know the difference between a fixed and variable interest rate, with most participants saying they would opt for a fixed rate.

“I like fixed rates because you don’t know what the market is going to do or other factors that will affect a variable rate to go up or down.”
-College Student

FIGURE 16: INFLUENCE OF INTEREST RATES BY FOCUS GROUP



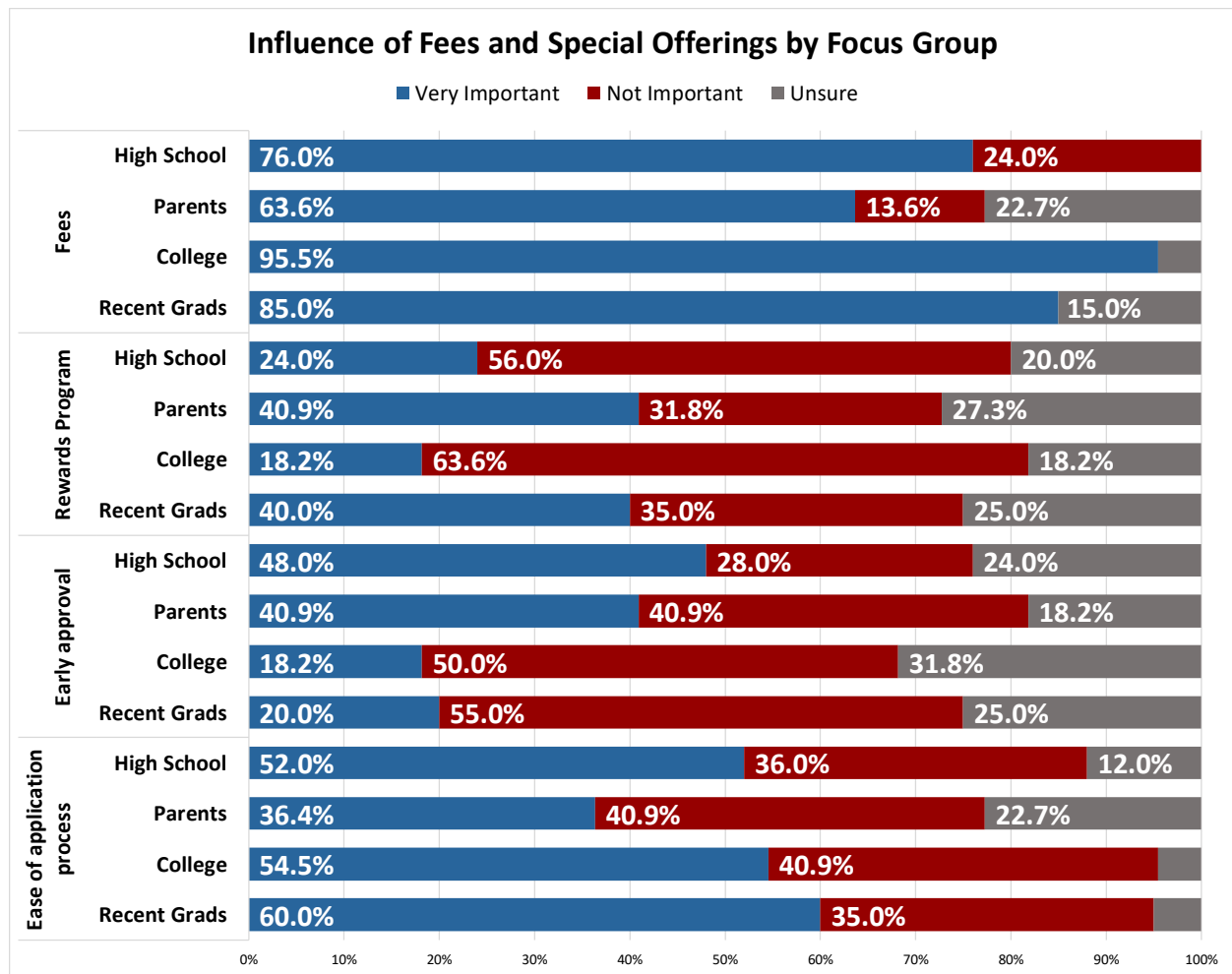
INFLUENCE OF FEES AND SPECIAL OFFERINGS

Most participants agreed that fees would influence their lending choices. Several parents expressed concern about hidden fees and the importance of reviewing the fine print of the loan terms.

Special offerings such as a Rewards Program, early approval and an easy application process received mixed results. High school and college students were more likely to say that a Rewards Program would not be important in their lending choice (56% and 63.6% respectively). A couple participants referenced a competitor’s incentive that provides cash back if a certain GPA is maintained by the student. Some participants agreed that a Rewards Program should be in the form of reducing the loan amount or providing a reduction in the monthly payment amount.

A few participants discussed wanting more information about student loan forgiveness and what options could be available to them. One participant discussed her child looking into employment options after graduation that could lead to loan forgiveness. A couple parents expressed reservations about loan forgiveness and cautioned against relying on this option to influence their child’s lending choices.

FIGURE 17: INFLUENCE OF FEES AND SPECIAL OFFERING BY FOCUS GROUP



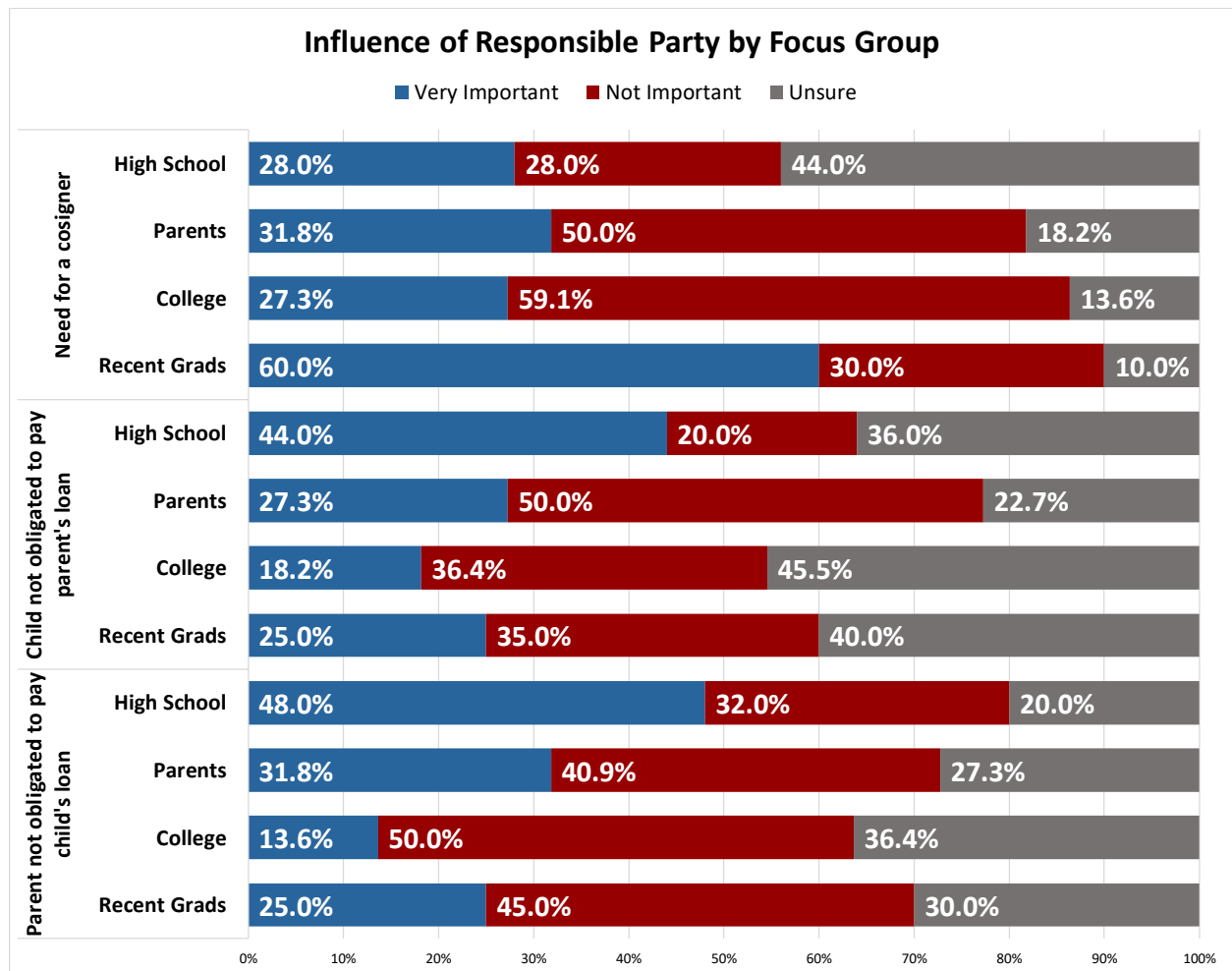
INFLUENCE OF RESPONSIBLE PARTY

Factors related to the party responsible for paying the student loan were less important to focus group participants overall. Pending and recent graduates were more likely to say that the need for a cosigner would influence their lending choice with three in five (60%) rating this factor as very important.

About two in five high school students (44%) said that it was very important that they would not be obligated to pay on their parent’s loan. Similarly, almost half of the high school students (48%) said that it was very important that their parent not be obligated to pay on their student loan.

“It’s my education. I felt uneasy at the thought that my mom would have to pay off debt for my education.”
-High School Student

FIGURE 18: INFLUENCE OF RESPONSIBLE PARTY BY FOCUS GROUP



REFINANCING STUDENT LOANS

When asked whether any participants had considered refinancing their student loans, most participants said no. A few participants expressed interest in learning more about what refinancing entails, how to qualify and what options would be available. Most agreed that a driving factor in choosing to refinance would include lower interest rates. Although a few recent graduates talked about loan consolidation, this was done through their original student loan provider.

Most participants were not aware of the option of refinancing their student loans. This may have been due to the recency of their graduation. Focus groups for the purpose of exploring refinancing perceptions may need to include participants more than five years after graduation in order to gather the opinions of those who have considered refinancing options.

COMMUNICATION PREFERENCES

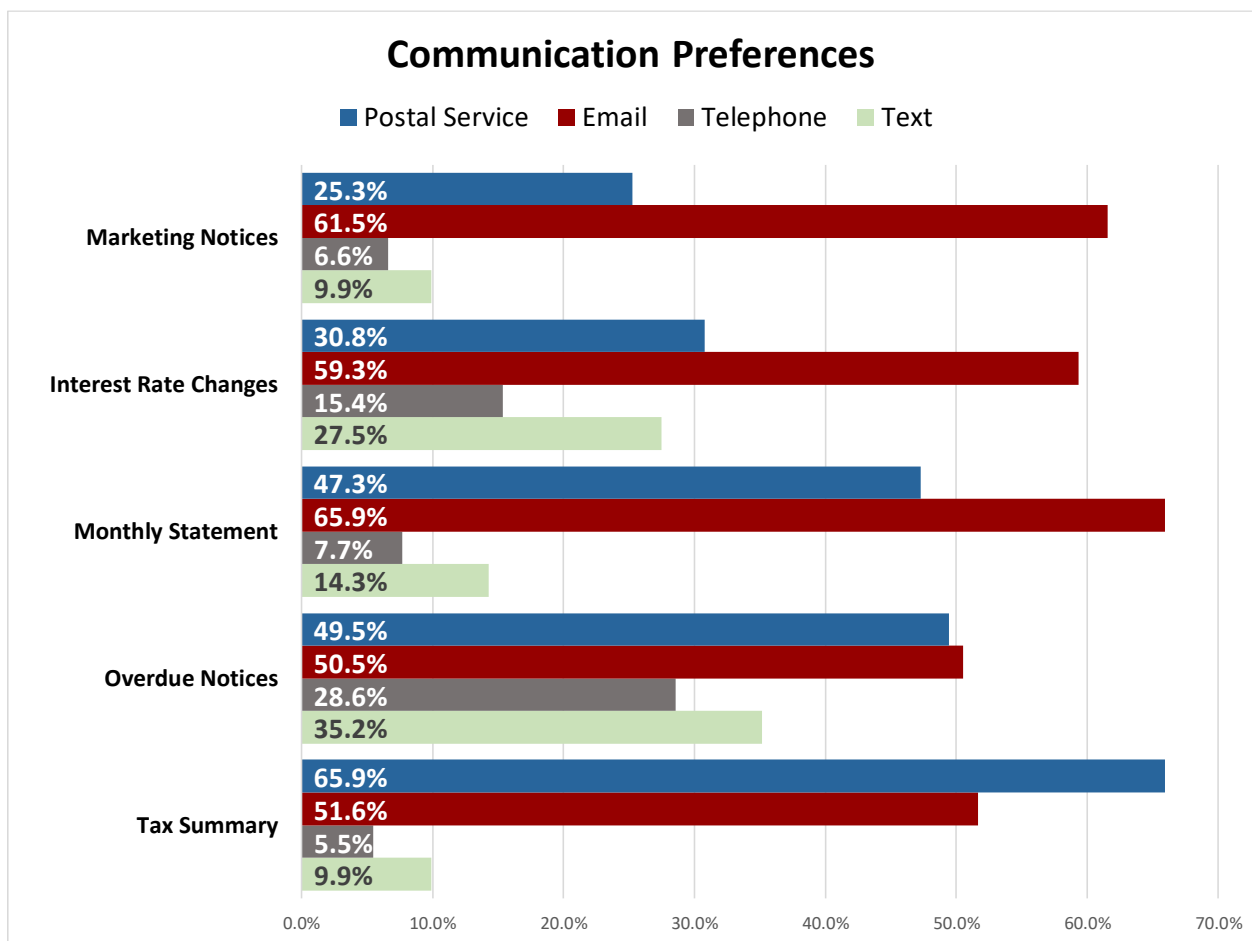
Email communication is the preferred method of communication for most information. Participants who prefer this method described the ease of finding the information quickly and having the information readily available to them despite their physical location.

Participants who prefer mail tended to say that they overlook email communications because so many emails are received each day, including spam and advertisements. Participants also associated information by mail as more important. Indeed, many participants said that they want important information such as the yearly tax summary to come through the mail.

“I like email because I don’t live in the same place all the time. I live on the other side of the country when I’m not at school.”
-College Student

Some participants preferred receiving communications via text message; however, several participants expressed concern about limiting access to one device and worried that important information could be lost if a phone was misplaced or broken. Telephone communication was the least preferred method. Participants that chose telephone said that they reserved this method for important items in need of their immediate attention such as overdue notices or changes in interest rates.

FIGURE 19: COMMUNICATION PREFERENCES



MARKETING NOTICES COMMUNICATION PREFERENCES

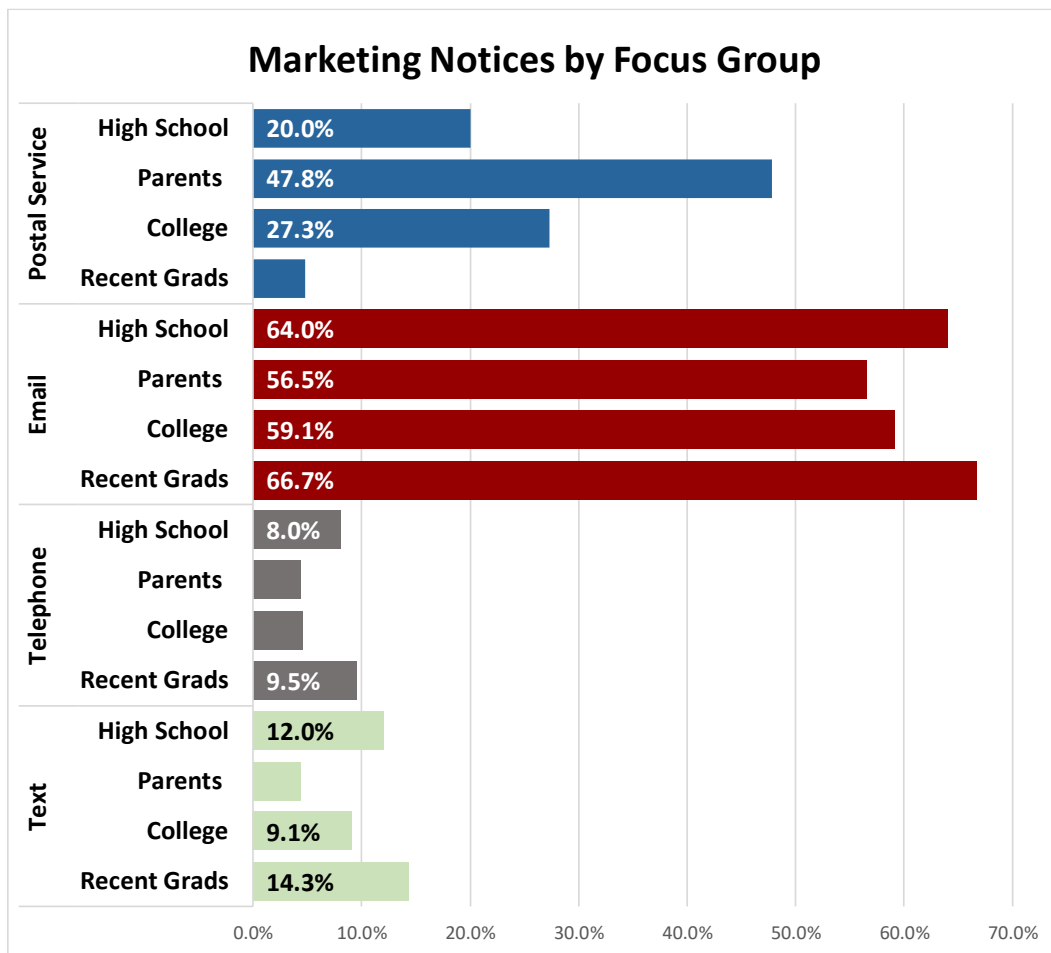
Most participants across all groups want to receive marketing notices of new products by email. Several participants indicated this allows for easy perusal of the new product or service being offered, but the participant could easily swipe away or delete the email if the product or service is not of interest.

Almost half of parents (47.8%) would prefer to receive marketing notices by mail and were least likely to want this information via text message. Hardly any participants want to be contacted by phone.

Several participants discussed how different products or services could be marketed. For example, information about refinancing your loans, especially if a lower interest rate is being offered, should be distinguished compared to other marketing notices. One participant said that a personal touch would be appreciated through a telephone call to discuss refinancing offers. A few participants worried that telephone calls are often perceived as spam and ignored. Radio was also suggested to broadcast products and services, as well as advertisements on the back or side of the City bus or roadside billboards. Other suggestions included Facebook or social media advertising.

A few high school students said that they wished more information was posted at their high school about FAFSA workshops or other advertisements on where to obtain help during the college planning process.

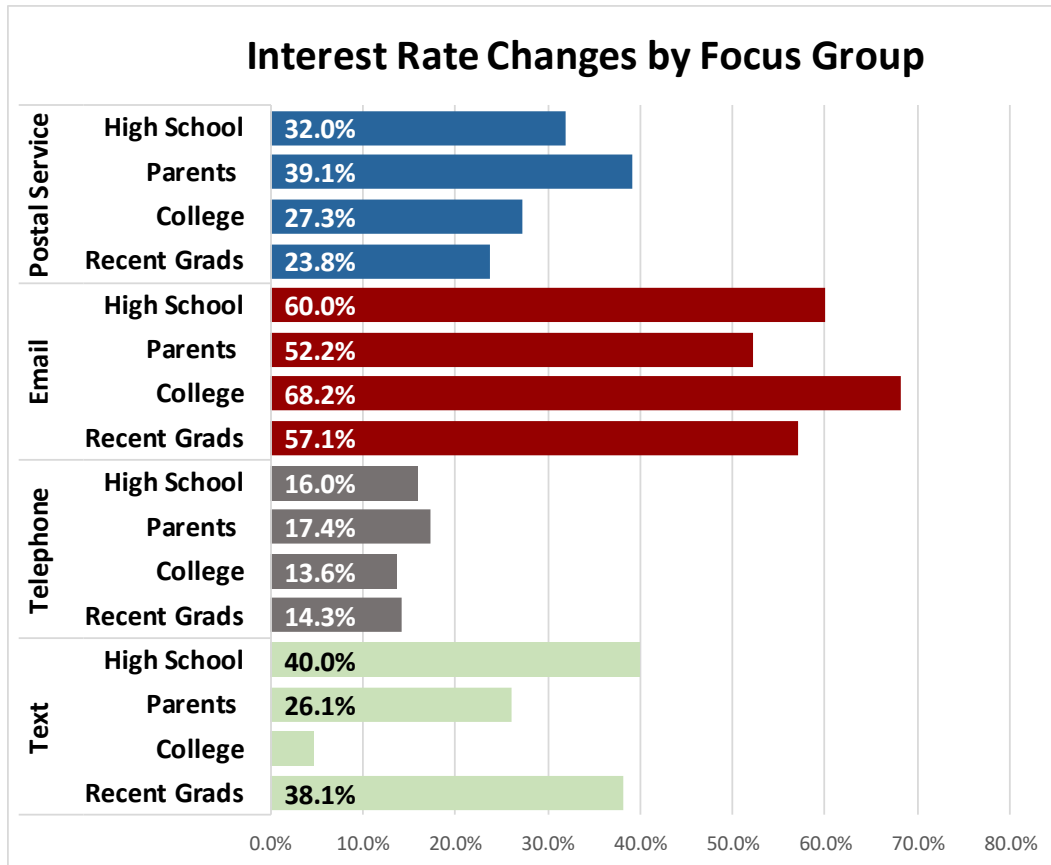
FIGURE 20: MARKETING NOTICES BY FOCUS GROUP



INTEREST RATE CHANGES COMMUNICATION PREFERENCES

Most participants want information about interest rate changes by email. About two in five high school students (40%) and recent graduates (38.1%) would like to receive this information by text message, with about one in four parents (26.1%) agreeing with this method.

FIGURE 21: INTEREST RATE CHANGES BY FOCUS GROUP

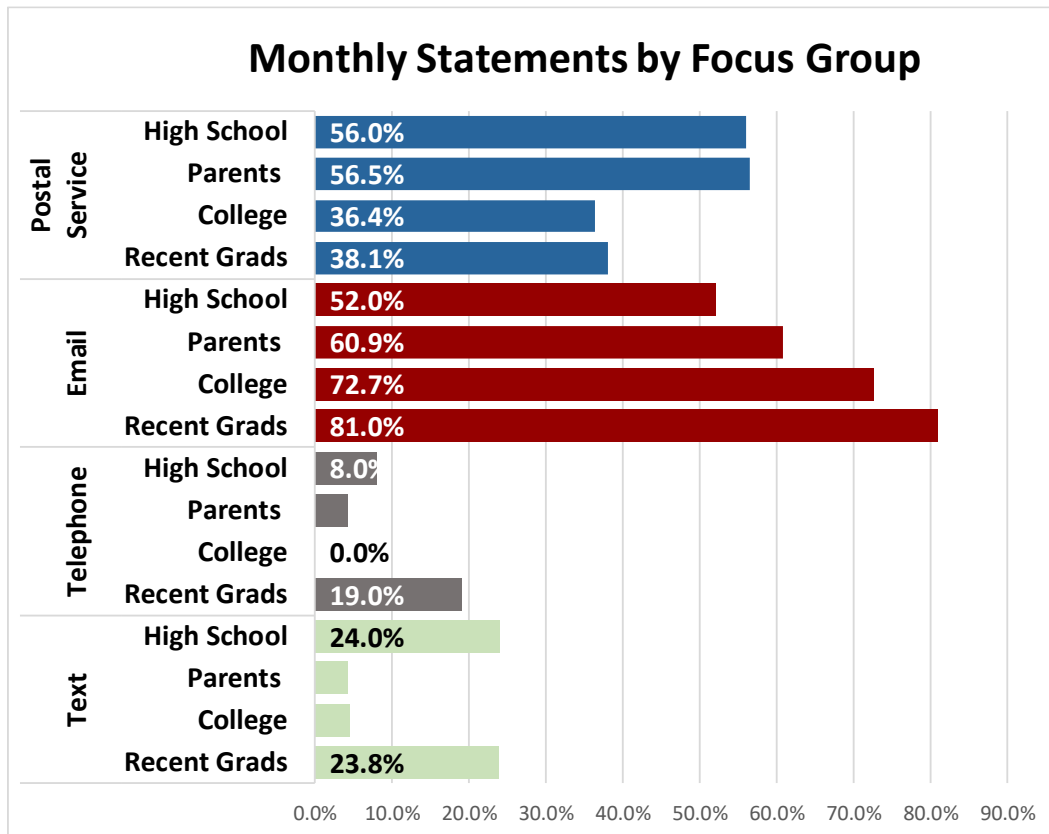


MONTHLY STATEMENT COMMUNICATION PREFERENCES

Like other communication preferences, most participants want to receive their monthly student loan statement by email. A little more than half of high school students (56%) and parents (56.5%) would like to receive their monthly statement by mail compared to about one in three of college students (36.4%) and recent graduates (38.1%). About one in four high school students (24%) and recent graduates (23.8%) want to receive their monthly statement by text message. About one in five (19%) recent graduates said telephone.

Some participants discussed the type of information that they would like to see on their monthly statement in addition to the monthly amount owed. This information includes the remaining loan balance, account number and interest rate, any missed payments or history of payments made, and how much was paid on interest versus the principal.

FIGURE 22: MONTHLY STATEMENTS BY FOCUS GROUP



OVERDUE NOTICE COMMUNICATION PREFERENCE

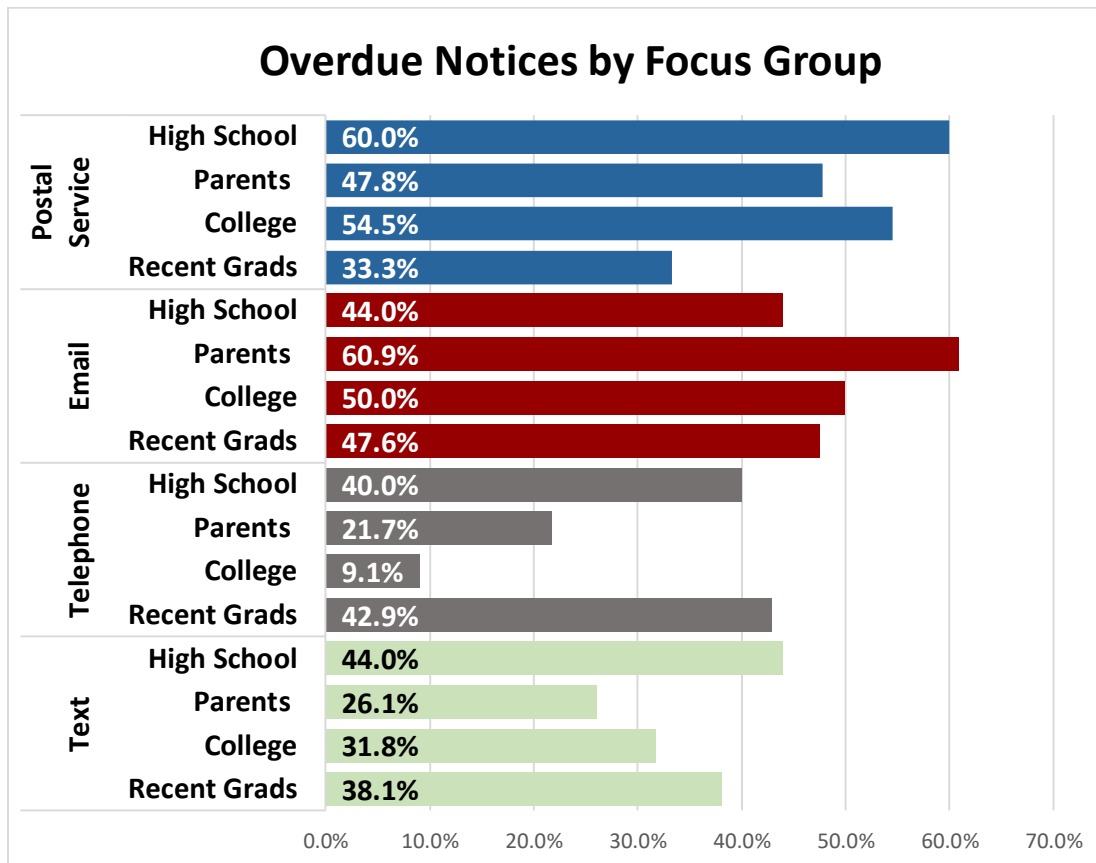
“I want mail, email, a phone call and a text. If it’s overdue than I want to know and catch it as soon as possible.”

-High School Student

Participants said that they want to be contacted in multiple ways about overdue notice communications with email and mail being the most popular methods of communication. Many participants said they would want to know about an overdue notice as quickly as possible so that they could rectify the error. A few said they want this information by mail to ensure the legitimacy of the communication. Recent graduates were less likely to want an overdue notice by mail with only one in three (33.3%) saying this is their preferred method compared to the other groups.

High school students and recent graduates were more likely to say they would want a telephone call to advise them of an overdue notice (40% and 42.9% respectively) compared to parents and college students (21.7% and 9.1%). Text messaging was also more popular with all groups when it comes to communications about overdue notices.

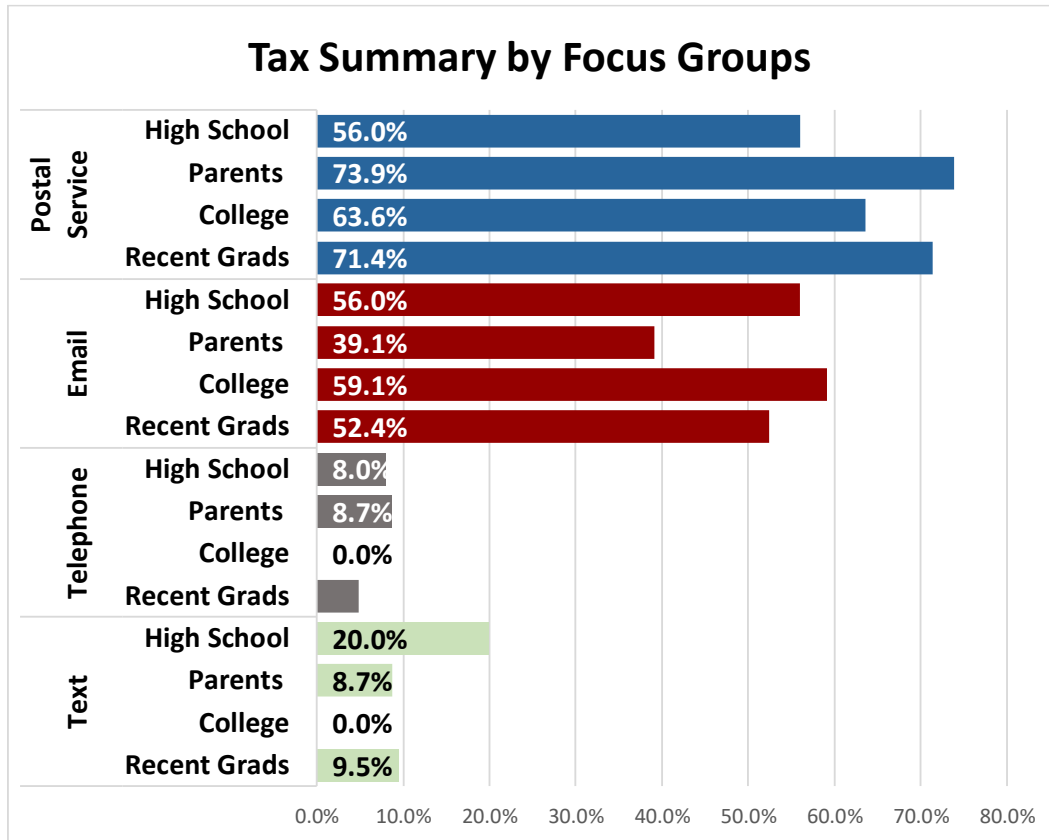
FIGURE 23: OVERDUE NOTICES BY FOCUS GROUP



TAX SUMMARY COMMUNICATION PREFERENCES

Most participants want their yearly tax summary provided by mail with more than half of all groups preferring this method. Email communication continues to be popular with most groups; however, only about two in five parents (39.1%) said they would want the yearly tax summary emailed to them. About one in five high school students (20%) said they would want this information sent by text message.

FIGURE 24: TAX SUMMARY BY FOCUS GROUPS



OTHER COMMUNICATION SUPPORT

Several participants talked about the need to have a customer service number readily available and easy to find on the student loan provider’s website. Some participants said they would prefer to speak with a customer service representative by phone while some others preferred an online chat option.

One participant suggested that the student loan lender assign everyone a specific financial advisor or representative to be contacted as needed with any questions or concerns.

One participant said that an app for their phone would be beneficial. At the conclusion of the focus group, this participant said she found that her student loan provider did offer a phone app and she expressed happiness that the discussion made her to think to find and download it.

“To know that your questions will be answered by the same person that will follow you through until you are finished with your loans would be very helpful.”

-College Student

ADDITIONAL COMMUNICATIONS OR INFORMATION REQUESTED

One participant recommended information on employment options and salaries associated with college majors. Several agreed with this suggestion saying it would provide additional information when comparing initial tuition costs, financial aid packages, degrees and majors, and the salary they could expect to make after graduation.

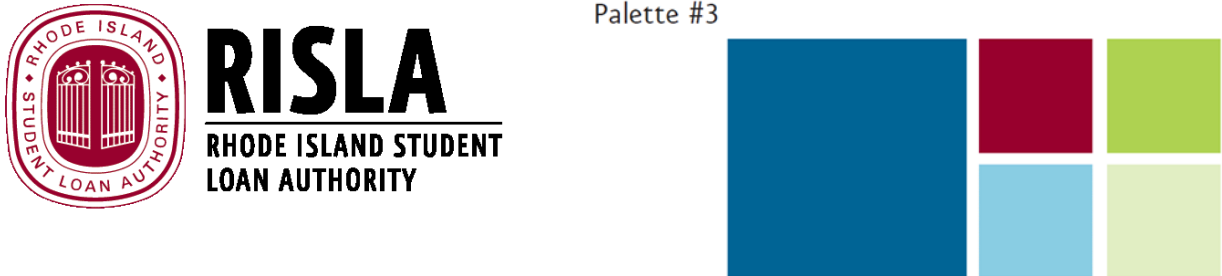
One participant recommended that the student loan lender provide a copy of the lending contract as well as an annual report. Several recommended more information be provided about paying off the loan earlier such as suggestions to accomplish this or a chart showing how much sooner the loan would be paid off if a certain amount in additional principal was paid each month.

A few participants recommended more information be provided about student loan forgiveness, financial wellness and demographics about the average individual’s student loan debt.

CONCLUSIONS AND RECOMMENDATIONS

RISLA BRANDING

Most participants ranked RISLA’s current logo as their favorite choice. Color palette 3 was their favorite color palette. Most participants prefer seeing Rhode Island Student Loan Authority spelled out so they know who the logo represents and what products and services are offered.



THE FINANCIAL AID AND COLLEGE PLANNING PROCESS

Most participants found the financial aid and college planning process confusing, stressful and long. Many participants described frustration in having to obtain a lot of personal information in order to complete the FAFSA application. A few participants said that their greatest challenge was figuring out how to start the process. Several discussed the difficulty of finding a centralized location to find information on the FAFSA, student loan types like subsidized or unsubsidized, tuition rates and scholarships. One participant recommended a checklist to help guide students through the process more easily. Several recommended more information about scholarships and how to apply for them.

CHOOSING A STUDENT LOAN PROVIDER

Almost none of the focus group participants recalled making a conscious decision regarding a student loan provider. Most described completing the FAFSA application process, accepting their financial aid award proffered by the college or university, and then automatically being assigned a student loan provider through that institution. When asked what participants would look for if they sought a student loan provider, most said they would want information about the interest rate, when they would be required to start paying on the loan and the minimum monthly payment amount.

When asked whether any participants had considered refinancing their student loans, most participants said no. A few participants expressed interest in learning more about what refinancing entails, how to qualify and what options would be available. Most agreed that a driving factor in choosing to refinance would include lower interest rates.

COMMUNICATION PREFERENCES

Email communication is the preferred method of communication for most information. Participants who prefer this method described the ease of finding the information quickly and having the information readily available to them despite their physical location. Participants who prefer mail tended to say that they overlook email communications because so many emails are received each day, including spam and advertisements. Participants also associated information by mail as more important. Telephone was the least preferred communication, except for important items in need of immediate attention.

APPENDIX A: MODERATOR’S GUIDES

Moderator’s Guide HIGH SCHOOL / COLLEGE GROUPS



RISLA Market Research Focus Groups
January 3, 2019

Topic	Minutes
Introduction – First name and warm-up question	10
Financial Aid and College Financing Process Exercise 1: RISLA Logos and Branding Word Associations	20
Applying for Financial Aid and Completing the FAFSA	10
Choosing a Lender Exercise 2: Card Sort for Factors Influencing Lending Choice	20
Student Loan Refinancing (Recent College Graduates and Parents only) Exercise 3: Card Sort for Factors Influencing Refinancing Choice	20
RISLA Communications Exercise 4 – Communication Bingo	20
Recommendations to Improve Marketing and Communication	5
Wrap up	5
Total Group Time:	90

INTRODUCTION (10 MINUTES)

Hello, my name is Amy Flowers (and I am Leslie Ogilvie) and we really appreciate your taking the time to come out for this group tonight. We are going to be talking about your views about applying for college, financial aid and student loans, as well as refinancing student loans.

Let me tell you a little about the discussion group and how it works...

First off, I want to tell you I'm not here to sell you anything, this is a research project that is being conducted on behalf of RISLA (Rhode Island Student Loan Authority) to learn about your perceptions about applying for college, financial aid and student loans, refinancing student loans, and the products RISLA offers.

The group is being video-taped. After the group, we'll transcribe what was said, the staff at RISLA will review the group, and eventually the tape will be destroyed.

Your name will not be used in any report, and you won't be personally identified in any way. Only what was said will go into the report, not who said it. You won't see yourself on TV, or read about the group discussion in the newspaper.

Focus groups are most interesting when a conversation starts and people interact with each other. You don't have to just talk to me, you can also talk to each other. To make it work as a research exercise though, and not just a conversation, there are a few things we all need to keep in mind.

- Please talk one at a time, and in a voice at least as loud as mine is now.
- Please be respectful of everyone in the group.
- This group is completely voluntary and you are free to leave at any time if you are uncomfortable in the group or the content of the discussion.
- Please do not discuss statements made during the group outside the focus group.
- Avoid side conversations with your neighbors. Sometimes those whispered comments are the juiciest and best information of all. Please make sure you make your comments to the whole group.
- If a couple of people talk at once it can be hard to hear later on the tape, so I might ask someone to repeat or go back if that happens.
- I need to hear from everyone in the room at some point, so if possible, let's try to get in about equal air time to everyone.
- At any time during the group, feel free to excuse yourself to use the restroom or get more food or beverages. The restrooms are located

In order to get to know each other a bit before we jump right in to the subject at hand, I'd like to get you all to introduce yourselves. **Because we're here to talk about college planning, financial aid and student loans, let's introduce ourselves with our first name and**

High school students:	Where you'd like to go to college
College students:	Where you go to college

FINANCIAL AID AND COLLEGE FINANCING PROCESS (20 MIN.)

Moderator will probe each response for solutions, e.g. "What would have made that easier?"

1. Has anyone here applied for financial aid?
 What has been your greatest challenge so far during the college planning process?




2. When you first applied for financial aid, what was the biggest challenge? What do you think will be?
3. How do you plan to pick a student loan provider? What will you look for?
4. Did you know how you were going to pay for college when you were planning on applying? At what point will you figure it out?
5. Do you know what RISLA stands for?

Exercise 1: RISLA Logos and Branding Word Associations

On the table in front of you there is a pile of cards. Take the first set of three. Moderator holds up example set of cards. Please look at the picture on each card and write the first word that comes to mind in the blanks next to the picture. We'll take a few minutes while everyone does their cards, then we'll discuss.




Now that everyone is finished, sort the three cards in order of your favorite with your favorite on top. The moderator collects the cards. The group then discusses each image and participants reveal their thoughts.

Images to include:



Image	Notes/Discussion Items
	<ol style="list-style-type: none"> 1. What do you associate with the imagery? 2. Do you recognize the logo? 3. What were the words you wrote?
	<ol style="list-style-type: none"> 1. Do you like having the reference to what RISLA stands for? 2. What do you associate with the imagery? 3. Do you recognize the logo? 4. What were the words you wrote?
	<ol style="list-style-type: none"> 1. Do you like having the reference to what RISLA stands for? 2. What do you associate with the imagery? 3. Did you recognize any of these logos? 4. What were the words you wrote?

Now let's do the same with the next set of cards. What words come to mind when you look at each of these color palettes?

Now sort them into order of your favorites, with your favorite on top.

Image	Notes/Discussion Items
<p>Palette #1</p> 	<ol style="list-style-type: none"> 1. What do these colors make you think of? What emotions do they evoke? 2. How many of you picked this combination as your favorite? 3. What were your reasons?
<p>Palette #2</p> 	<ol style="list-style-type: none"> 4. What do these colors make you think of? What emotions do they evoke? 5. How many of you picked this combination as your favorite? 6. What were your reasons?
<p>Palette #3</p> 	<ol style="list-style-type: none"> 1. What do these colors make you think of? What emotions do they evoke? 2. How many of you picked this combination as your favorite? 3. What were your reasons?

Now let's do the last set of images. (APPLICATION) There are just two cards, and you don't need to order them. Just write what words first come to mind....

Image	Notes/Discussion Items
	<ol style="list-style-type: none"> 1. What do you think of when you see the FAFSA application? 2. What were the words you wrote?
	<ol style="list-style-type: none"> 1. What do you think of when you think of student loan applications in general? 2. Who are RISLA's competitors? Who else would you consider for a loan or refinance? 3. What were the words you wrote?

APPLYING FOR FINANCIAL AID AND COMPLETING THE FAFSA (10 MIN.)

<p>High school students:</p>	<ol style="list-style-type: none"> 1. Who is the key decision maker in your family during the college planning process? 2. How did you first learn about the FAFSA? 3. Who helped you navigate the process (e.g. learn where to go, what to fill out)? 4. What is the hardest part of applying for financial aid? 5. When you first completed the FAFSA: <ol style="list-style-type: none"> a. Did you complete the FAFSA on your own? b. Who helped you complete the FAFSA? c. Did you have trouble completing the FAFSA? d. What was the hardest part or section to complete? (PROBE FOR REASONS.)
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College students and Recent college graduates:	<ol style="list-style-type: none"> 1. Who was the key decision maker in your family during the college planning process? 2. How did you first learn about the FAFSA? 3. Who helped you navigate the process (e.g. learn where to go, what to fill out)? 4. What was the hardest part of applying for financial aid? 5. When you first completed the FAFSA: <ol style="list-style-type: none"> a. Did you complete the FAFSA on your own? b. Who helped you complete the FAFSA? c. Did you have trouble completing the FAFSA? d. What was the hardest part or section to complete? (PROBE FOR REASONS.) 6. Did you find that completing the FAFSA got easier over the years? 7. What sections continued to be difficult?
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CHOOSING A LENDER (20 MIN.)

1. Have you chosen a lender for your student loans?
2. Who was the key decision maker for choosing a lender?
3. What were the main things you looked for?
4. When did you choose to borrow loans? Was it after you received your tuition bill? When you received your award letter from the school?

Exercise 2: Card Sort for Factors Influencing Lending Choice

There is a pile of cards in front of you (Moderator shows pile of cards.) For our next exercise, please sort this stack of cards into three piles: The first pile is for things that were very important to your choice of lenders **at the time you made your decision**. The middle pile is for things that weren't important to you at the time you made your decision, but that you **now wish you'd considered**. The third pile is for things that aren't important to you.

So, the first pile is very important at the time, second is things you WISH you'd considered, and the third is unimportant.

HIGH SCHOOL: Very Important, Not important, No IDEA.

Card Content:

<p>Monthly Payment Amount Interest Rate Fees Repayment Start date Length of the loan Maximum Amount you can borrow Child not obligated to pay parent's Loan</p>	<p>Parent not obligated to pay child's loan Rewards program Early Approval Fixed rate Variable rate Ease of application process Need for a Co-Signer</p>
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RISLA COMMUNICATIONS (20 MIN.)

Next, we'd like talk about how you like to communicate with your student loan lender.

Exercise 4 – Communication Bingo

We have one last exercise. The last pile you have in front of you is a bingo card and a set of printed sticky notes. The bingo card has four columns – Postal Service, Email, Telephone and Text. Please put each of the sticky notes in the column for how you would like to receive that bit of information. For example, the first is “Tax Summary”. If you would like to get your tax summary by mail through the postal service (what we often call “snail-mail”), put it in that column. If you prefer email, put it there.

Card Content	Notes/Discussion Items
Monthly Statement	Probe for – How do you like the format of the notices you receive? Is it easy to find the information you want? What are the reasons this would work better as (email/mail/etc.)
Overdue Notices	Is there a different way you like to receive urgent communications?
Marketing notices about new products	What kinds of new products have you heard about? What kinds would you like to know about?
Variable interest rate changes	Does anyone here have a variable interest rate? Do changes to the rate concern you? Do you keep track of when to anticipate a rate change? How far in advance do you want to be notified?
Tax Summary	Is there something different about an annual communication?

Now let's discuss each of the cards. (Moderator shows each card in sequence for discussion. Participants reveal their choices and rationale.)

RECOMMENDATIONS TO IMPROVE MARKETING AND COMMUNICATION (5 MIN.)

1. What other kinds of things would you like your student loan lender to tell you?
2. What would have made the application process easier?

WRAP UP (5 MIN.)

Thank you so much for participating today. Leslie will be coming around with a sign out sheet and your \$75 gift card.

Moderator’s Guide COLLEGE STUDENTS / PARENTS



RISLA Market Research Focus Groups
January 3, 2019

Topic	Minutes
Introduction – First name and warm-up question	10
Financial Aid and College Financing Process Exercise 1: RISLA Logos and Branding Word Associations	20
Applying for Financial Aid and Completing the FAFSA	10
Choosing a Lender Exercise 2: Card Sort for Factors Influencing Lending Choice	20
Student Loan Refinancing (Recent College Graduates and Parents only) Exercise 3: Card Sort for Factors Influencing Refinancing Choice	20
RISLA Communications Exercise 4 – Communication Bingo	20
Recommendations to Improve Marketing and Communication	5
Wrap up	5
Total Group Time:	90

INTRODUCTION (10 MINUTES)

Hello, my name is Amy Flowers (and I am Leslie Ogilvie) and we really appreciate your taking the time to come out for this group tonight. We are going to be talking about your views about applying for college, financial aid and student loans, as well as refinancing student loans.

Let me tell you a little about the discussion group and how it works...

First off, I want to tell you I'm not here to sell you anything, this is a research project that is being conducted on behalf of RISLA (Rhode Island Student Loan Authority) to learn about your perceptions about applying for college, financial aid and student loans, refinancing student loans, and the products RISLA offers.

The group is being video-taped. After the group, we'll transcribe what was said, the staff at RISLA will review the group, and eventually the tape will be destroyed.

Your name will not be used in any report, and you won't be personally identified in any way. Only what was said will go into the report, not who said it. You won't see yourself on TV, or read about the group discussion in the newspaper.

Focus groups are most interesting when a conversation starts and people interact with each other. You don't have to just talk to me, you can also talk to each other. To make it work as a research exercise though, and not just a conversation, there are a few things we all need to keep in mind.

- Please talk one at a time, and in a voice at least as loud as mine is now.
- Please be respectful of everyone in the group.
- This group is completely voluntary and you are free to leave at any time if you are uncomfortable in the group or the content of the discussion.
- Please do not discuss statements made during the group outside the focus group.
- Avoid side conversations with your neighbors. Sometimes those whispered comments are the juiciest and best information of all. Please make sure you make your comments to the whole group.
- If a couple of people talk at once it can be hard to hear later on the tape, so I might ask someone to repeat or go back if that happens.
- I need to hear from everyone in the room at some point, so if possible, let's try to get in about equal air time to everyone.
- At any time during the group, feel free to excuse yourself to use the restroom or get more food or beverages. The restrooms are located

In order to get to know each other a bit before we jump right in to the subject at hand, I'd like to get you all to introduce yourselves. **Because we're here to talk about college planning, financial aid and student loans, let's introduce ourselves with our first name and**

High school students:	Where you'd like to go to college
College students:	Where you go to college
Recent college graduates:	Where you went to college
Parents and guardians:	The colleges your child/children is thinking about/or attends

FINANCIAL AID AND COLLEGE FINANCING PROCESS (20 MIN.)

Moderator will probe each response for solutions, e.g. “What would have made that easier?”




6. What was your greatest challenge for you during the college planning process?
7. When you first applied for financial aid, what was the biggest challenge?
8. How did you pick a student loan provider/ or how do you plan to?
9. Did you know how you were going to pay for college when you were planning on applying?
10. Did anyone use the College Planning Center resources? How was that experience? How did you find out about it? Do you think most students and parents are aware of this resource? How could the College Planning Center be better promoted?

Exercise 1: RISLA Logos and Branding Word Associations

On the table in front of you there is a pile of cards. Take the first set of three. Moderator holds up example set of cards. Please look at the picture on each card and write the first word that comes to mind in the blanks next to the picture. We’ll take a few minutes while everyone does their cards, then we’ll discuss.




Now that everyone is finished, sort the three cards in order of your favorite with your favorite on top. The moderator collects the cards. The group then discusses each image and participants reveal their thoughts.

Images to include:


Image	Notes/Discussion Items
	<ol style="list-style-type: none"> 4. Do you know what RISLA stands for? 5. What do you associate with the imagery? 6. Do you recognize the logo? 7. What were the words you wrote?
	<ol style="list-style-type: none"> 5. Do you like having the reference to what RISLA stands for? 6. What do you associate with the imagery? 7. Do you recognize the logo? 8. What were the words you wrote?
	<ol style="list-style-type: none"> 5. Do you like having the reference to what RISLA stands for? 6. What do you associate with the imagery? 7. Do you recognize the logo? 8. What were the words you wrote?


Now let's do the same with the next set of cards. What words come to mind when you look at each of these color palettes?

Now sort them into order of your favorites, with your favorite on top.

Image	Notes/Discussion Items
<p>Palette #1</p> 	<ol style="list-style-type: none"> 7. What do these colors make you think of? What emotions do they evoke? 8. How many of you picked this combination as your favorite? 9. What were your reasons?
<p>Palette #2</p> 	<ol style="list-style-type: none"> 10. What do these colors make you think of? What emotions do they evoke? 11. How many of you picked this combination as your favorite? 12. What were your reasons?
<p>Palette #3</p> 	<ol style="list-style-type: none"> 4. What do these colors make you think of? What emotions do they evoke? 5. How many of you picked this combination as your favorite? 6. What were your reasons?

Now let's do the last set of images. There are just two cards, and you don't need to order them. Just write what words first come to mind....

Image	Notes/Discussion Items
	<ol style="list-style-type: none"> 3. What do you think of when you see the FAFSA application? 4. What were the words you wrote?

	<ol style="list-style-type: none"> 4. What do you think of when you think of student loan applications in general? 5. Who are RISLA's competitors? Who else would you consider for a loan or refinance? 6. What were the words you wrote?
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APPLYING FOR FINANCIAL AID AND COMPLETING THE FAFSA (10 MIN.)

<p>College students and Recent college graduates:</p>	<ol style="list-style-type: none"> 8. Who was the key decision maker in your family during the college planning process? 9. How did you first learn about the FAFSA? 10. Who helped you navigate the process (e.g. learn where to go, what to fill out)? 11. What was the hardest part of applying for financial aid? 12. When you first completed the FAFSA: <ol style="list-style-type: none"> a. Did you complete the FAFSA on your own? b. Who helped you complete the FAFSA? c. Did you have trouble completing the FAFSA? d. What was the hardest part or section to complete? (PROBE FOR REASONS.) 13. Did you find that completing the FAFSA got easier over the years? 14. What sections continued to be difficult?
<p>Parents and guardians:</p>	<ol style="list-style-type: none"> 1. Who completed or will complete the FAFSA in your household? 2. How did you divide up who needed to complete which parts? 3. What was the hardest part of applying for financial aid? (PROBE FOR REASONS.) 4. Did you find that completing the FAFSA got easier over the years? <ol style="list-style-type: none"> a. What made it easier? (Probe for knew where to find the website, pre-filled application, better division of labor, different help available?) b. Did you continue to have trouble completing the FAFSA each year? c. What was the hardest part or section to complete? (PROBE FOR REASONS.)

CHOOSING A LENDER (20 MIN.)

5. Have you chosen a lender for your student loans? What were the main things you looked for?
6. Who was the key decision maker for choosing a lender?
7. When did you choose to borrow loans? Was it after you received your tuition bill? When you received your award letter from the school?
8. If you needed support from your loan provider, how would you best like support offered? In-person, telephone, online chat services, webinars, other web-based support?

Exercise 2: Card Sort for Factors Influencing Lending Choice

There is a pile of cards in front of you (Moderator shows pile of cards.) For our next exercise, please sort this stack of cards into three piles: The first pile is for things that were very important to your choice of lenders **at the time you made your decision**. The middle pile is for things that weren't important to you at the time you made your decision, but that you **now wish you'd considered**. The third pile is for things that aren't important to you.

So, the first pile is very important at the time, second is things you WISH you'd considered, and the third is unimportant.

Card Content:

<p>Monthly Payment Amount</p> <p>Interest Rate</p> <p>Fees</p> <p>Repayment Start date</p> <p>Length of the loan</p> <p>Maximum Amount you can borrow</p> <p>Child not obligated to pay parent's Loan</p>	<p>Parent not obligated to pay child's loan</p> <p>Rewards program</p> <p>Early Approval</p> <p>Fixed rate</p> <p>Variable rate</p> <p>Ease of application process</p> <p>Need for a Co-Signer</p>
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STUDENT LOAN REFINANCING (20 MIN.)

Recent College Graduates and Parents only

1. Have you refinanced any student loans?
2. What was your main goal in refinancing?
3. Who was the key decision maker for choosing a lender?
4. What were the main things you looked for?

Exercise 3: Card Sort for Factors Influencing Refinancing Choice

There is a pile of cards in front of you (Moderator shows pile of cards.) For our next exercise, please sort this stack of cards into three piles: The first pile is for things that are very important to you as you think about refinancing, the second pile is somewhat important, and the third pile is for things that are not important to you.

Once again, the piles are very important, somewhat important and not important to you personally, in your decision to refinance student loans.

Card Content:

Monthly Payment Amount Interest Rate Fees Repayment Start date Length of the loan Maximum Amount you can borrow Child not obligated to pay parent's Loan	Parent not obligated to pay child's loan Rewards program Early Approval Fixed rate Variable rate Ease of application process Need for a Co-Signer
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RISLA COMMUNICATIONS (20 MIN.)

Next, we'd like talk about how you like to communicate with your student loan lender.

Exercise 4 – Communication Bingo

We have one last exercise. The last pile you have in front of you is a bingo card and a set of printed sticky notes. The bingo card has four columns – Postal Service, Email, Telephone and Text. Please put each of the sticky notes in the column for how you would like to receive that bit of information. For example, the first is "Tax Summary". If you would like to get your tax summary by mail through the postal service (what we often call "snail-mail"), put it in that column. If you prefer email, put it there.

Card Content	Notes/Discussion Items
Monthly Statement	Probe for – How do you like the format of the notices you receive? Is it easy to find the information you want? What are the reasons this would work better as (email/mail/etc.)
Overdue Notices	Is there a different way you like to receive urgent communications?
Marketing notices about new products	What kinds of new products have you heard about? What kinds would you like to know about? How should RISLA communicate their products to you? Television, radio, print, outdoor (billboards?), internet (email? Social media advertising?), telephone?
Variable interest rate changes	Does anyone here have a variable interest rate? Do changes to the rate concern you? Do you keep track of when to anticipate a rate change? How far in advance do you want to be notified?
Tax Summary	Is there something different about an annual communication?

Now let's discuss each of the cards. (Moderator shows each card in sequence for discussion. Participants reveal their choices and rationale.)

What about your personal account on your loan provider's website? Is this a preferred option to receive and keep your information? What are the benefits? Drawbacks?

RECOMMENDATIONS TO IMPROVE MARKETING AND COMMUNICATION (5 MIN.)

3. What other kinds of things would you like your student loan lender to tell you?
4. What would have made the application process easier?

WRAP UP (5 MIN.)

Thank you so much for participating today. Leslie will be coming around with a sign out sheet and your \$75 gift card.