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ARDEO EDUCATION SOLUTIONS

Reflections on the Impact of Ardeo's LRAPs: Credo
Admitted Student Parent Research – Summer 2019

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Introduction

Since the summer of 2007, Credo has conducted research with thousands of admitted students and parents of admitted students on behalf of client colleges and universities. The study includes both matriculants and non-matriculants and focuses on the reasons for their college choices, who and what influenced their thinking, the role played by admission and financial aid staff during the recruitment process, the impact of campus visits and a variety of other decision factors.

Since Ardeo's early years, Credo admitted student research clients have included customized questions about the impact of an LRAP on student decisions (and parent thinking and influence on those decisions). **The consistent theme emerging from these focused questions can be summarized as follows:**

- **LRAP made a "tipping point" difference for 20 – 30% of the incoming students; either strengthening their resolve to enroll or helping to make it possible.**
- **When students and parents were aware of the possibility of an LRAP it was received positively.**

In the summer of 2019, Ardeo engaged Credo to do a focused study of parents of admitted students from 10 Ardeo partner campuses. The final study sample included 1,289 responses (685 parents of matriculants, 596 parents of non-matriculants and 8 parents of students not attending college in the fall of 2019). This focused study did not include the entire scope of a complete ASR; only a selection of questions deemed most relevant to consideration of the value of the Ardeo investment and its impact on student decisions.

We have highlighted several key findings from the aggregate response data in the sections that follow.

LRAP IMPACT ON STUDENT ENROLLMENT

Matriculant parents were asked to respond to this statement: "My student would not be attending without having the Loan Repayment Assistance Program." 24% of borrower parents and 8% of non-borrower parents agreed with this statement. Based on the number of responses from matriculant parents, this equals 164 students who would not have enrolled were it not for the LRAP option made available to them.

Parents of non-matriculants were asked to respond to a similar statement: "Being offered the Loan Repayment Assistance Program would have made it possible for my student to enroll." 24% of the



non-matriculant parents (up from 18% the previous year) agreed with this statement. With 510 responses to this question, this suggests another 122 students would have enrolled if LRAP had been offered. When analyzing these responses by parental confidence level in the education received providing sufficient employment for their student to repay educational loans, the highest levels of affirmation came from those who had lower levels of confidence. In other words, parents who were most worried about post-college earnings versus accumulated student load debt were most likely to see LRAP as a welcome relief and important decision influencer.

NON-MATRICULANT PROFILE

- Finances were the most common reason cited for enrolling elsewhere (19% of respondents) followed by issues of fit and “better scholarships.” In other words, while financial concerns are important, they are not as dominant a factor as one might expect given college costs and affordability concerns.
- 58% are attending another independent college; 41% are attending a public college (combining public and community college). The large percentage attending public college options could suggest a concern about finances, presuming a lower sticker and net price, but if this were the case a higher percentage citing financial concerns would be evident in the first question.
- 43% waited until after receiving their aid package to finalize their college choice – in other words, these students held off deciding until they were convinced either of the affordability of their final choice or achievement of the right balance between net price and perceived value.
- 93% filed a FAFSA and 89% received an aid package from the Ardeo client before deciding to go elsewhere. In other words, they were interested enough in the Ardeo client campus to thoroughly investigate all factors impacting their decision.
- When asked if more grants, scholarships and loans would have changed their students’ minds and caused them to enroll at the Ardeo client institution, only 42% said “yes.” Of those who said yes, 83% indicated it would have taken \$6,000 or more in additional aid per year to change the decision. This reinforces several key factors about the decision. First, it was not just about money since only 42% said more money would have changed the decision. Second, the amount of money necessary to change minds was high enough to suggest the Ardeo campus was not close enough in perceived value to be an attractive choice.



CONCLUSIONS

We believe the data underscores the value of an LRAP offer. While not important to every admitted student and their parents, it is important to enough students and parents to support the value of the investment. We believe this data ought to give campuses confidence to invest in Ardeo and offer LRAPs generously, especially to those with concerns about affordability and the viability of educational loans.

We also believe LRAP needs to fit into a larger message of why the institution is worth choosing, including the comprehensive gathering and sharing of outcomes data and stories. It also must fit into a best practice environment where the right recruitment practices are employed regularly, the right mix of programs serves to attract and retain students, the right number of the right people are engaged in student recruitment and financial aid functions, and the right mix of financial aid and pricing strategy is employed. All these factors must be supported by a strong foundation of data, including a regular rotation of enrollment and market research to ensure messaging is on point and strategies are having their desired impact.