

University payment systems: What do students want?

Meeting new demands from students and parents will actually save money

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I know the pain that finance VPs in higher education experience. It seems like every day that someone says to you, "Our students need new technology. Can we squeeze it into the budget?" I own the P&L, so I get it.

Did you know that school payment systems can take away some of your pain? Meeting new demands from students and parents will actually save you money. How? We sponsored a revealing survey with Aite Group that explains the potential savings.

Here are the top three things students and parents want when dealing with their college bills:

1. More online payments, less talking to people

Don't be offended, but today, parents and students don't want to talk to someone to make a payment. Our survey revealed that 90 percent of students and parents that pay by calling in or walking into your office would switch to paying online, if they could. They want a few upgrades to your university payment system to make paying online easier.

- Text message reminders to pay
- Online answers to billing questions
- Credit card and ACH payments
- Incentives

Implementing these changes and moving these payments online will save your staff time.

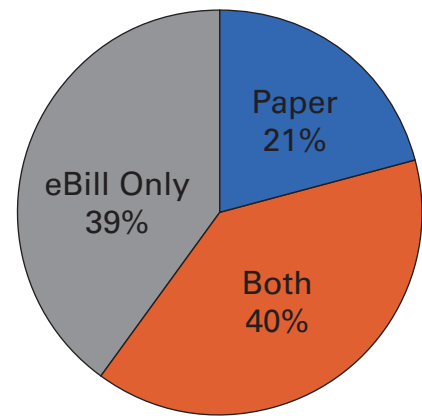
2. Engaging eBilling that answers their questions

When it comes to billing systems, you can spend less and get more, as 79 percent of students and parents receive tuition bills on their phone or computer. These eBills save you money. They also offer students bonus features like videos, billing FAQs and personalized messages.

How do you receive your tuition bill?

Unfortunately, 40 percent of families receive both paper and electronic bills. This means you may pay twice to send bills to these families.

To achieve the cost savings that eBilling offers, follow the lead of a university that achieved 100 percent eBilling. They reached this goal while preventing complaints by communicating the change using emails, postcards and website messages.



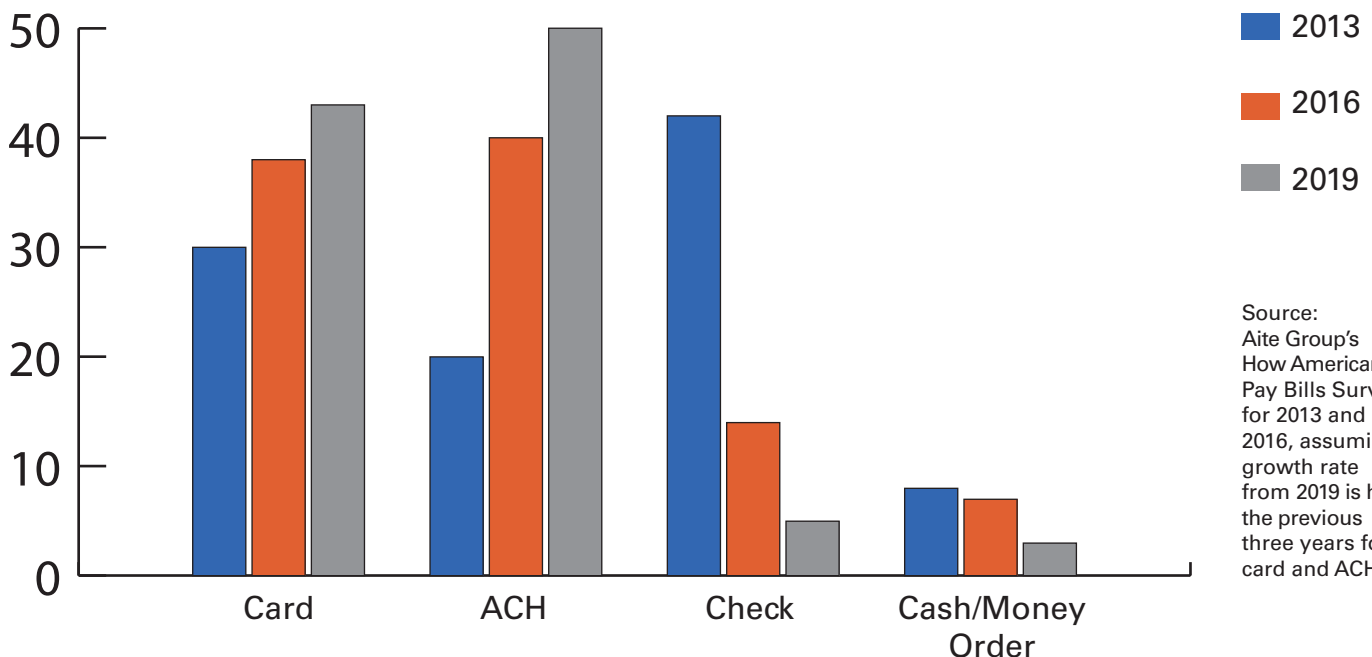
Source: Aite Group's How Americans Pay Bills Survey

3. Pay with a card, even if there's a service fee

The top three things students and parents want when they pay you are safety, ease and speed. To get these benefits, families increasingly pay tuition with a credit or debit card. Millennials especially prefer cards, paying 42 percent of tuition bills with a card and only five percent via check. They pay with a card even if there's a fee to get this service, as 57 percent of colleges and universities don't let payment processors take a slice of their pie. They avoid paying credit card fees by shifting the expense to those families that want to pay with a card. Worried about complaints over the fees? Indiana Wesleyan University saved \$500,000 by offering eCheck for free. Spalding University thought students would complain about services fees, and a few of them did, but eCheck satisfied them as well.

So take a look at how your payment volume compares to the higher education industry by reading the full survey results.

How families pay tuition



For more information, visit aciworldwide.com/industries/higher-education