



CFPB Student Loan Focus Groups (TO13) – Discussion Guide

Research Objective: Conduct focus groups with adult consumers (n=54-72), who currently have federal and/or private student loans in repayment, to develop an understanding of borrower knowledge of and experiences with student loan repayment and servicing. Additional discussion will focus on attitudes toward and experiences with accessing and pursuing alternate student loan repayment options—aimed at identifying differences that may exist between those who have completed degree/certificate programs and those who have not.

NOTES TO REVIEWER:

This discussion guide is not a script and therefore will not be read verbatim. The moderator will use these questions as a roadmap and probe as needed to maintain the natural flow of conversation. Question probes are *italicized*.

Moderator instructions are highlighted in yellow.

Materials are highlighted in blue.

Session Overview: Total time 60 minutes

SECTION A: Introduction & Icebreaker (5 min.)

The Interviewer will explain the purpose of the research, present the ground rules, and allow participants to ask any questions.

SECTION B: General perceptions of student loan repayment process (10 min.)

The purpose of this section is to get participants warmed-up and to ease them into discussion of their experiences with the student loan repayment process. Participants will be able to share some of their “student loan story” and provide context for what has been easy and/or difficult for them in repayment.

SECTION C: Knowledge and understanding of loan repayment (15 min.)

The purpose of this section is to gauge participants’ awareness of their current student loan debt, knowledge of the student loan repayment process and options available to them, as well as topic areas that may create confusion for borrowers in repayment.

SECTION D: Experiences with student loan servicers (20 min.)

The purpose of this section is to capture specific anecdotes and consumer perceptions related to their student loan repayment experiences (e.g. conversations/interactions with servicers, requests for loan information, correcting problems with accounts or when loans have been transferred.)

SECTION E: Attitudes/Experiences related to alternate repayment options (10 min.)

The purpose of this section is to capture participants’ experiences with (or intent to use) alternate repayment options including those available through the loan servicer (i.e. income driven repayment plans) and other options considered/used by borrowers (loan consolidation, loan forgiveness, discharge through bankruptcy etc.).

SECTION F: Conclusion

The moderator wraps up discussion and ensures that all questions are answered and all comments have been heard.

A. Introduction and Icebreaker (5 minutes)

Thank you all for coming to talk to us today. My name is _____, and I work for Fors Marsh Group. We are a private research firm and we are helping the Consumer Financial Protection Bureau. The Consumer Financial Protection Bureau, or CFPB, is a federal government agency that was created to help consumers. Today, we are here helping the CFPB gather information to understand consumers' experiences with repaying their student loans.

Before we get started, I want to go over a few things:

- There are no wrong answers. Our whole purpose for being here is to hear what you think, so please speak up, especially if what you have to say is different than what someone else is saying. You may represent what a lot of others think.
- You don't have to answer every question, but I do want to hear from everyone, so I might call on you at some point. Please speak one at a time and clearly so I may hear you.
- You might have already noticed the glass behind me/cameras. There are some people who are involved in the project observing from behind the glass. Your candid feedback will be very valuable, so even though people are observing, please speak openly about your opinions and experience.
- We are recording the session. At the end of our discussion, I have to write a report and will refer to the recordings to make sure that I accurately represent what was said. Additional project staff may hear the tapes at a later date. Neither I nor anyone else involved with the project will share personal information with any third-party without your permission unless it is required by law. Audio recordings and transcripts will be destroyed based on the CFPB's record retention rules; however, responses will not be linked to you personally. Your name and other personally identifiable information will be removed from the transcripts and you will not be associated with any particular comment or statement. Here is a copy of the Privacy Act Statement for you to read and keep.
- Your participation is voluntary and you have the right to withdraw from the discussion at any time. What we talk about here is private. That means your name will not be associated with anything you say in our reports
- The questions we will ask you have been approved by the Federal government's Office of Management and Budget (OMB) as required by the Paperwork Reduction Act of 1995. The OMB control number is 3170-0036 and without this approval we could ask these questions.
- Likewise, we want to respect everyone's privacy in this room and ask that you not share any of our discussion from today with others who were not here.
- Please turn your cell phone off or switch to silent mode.
- If you need to go to the restroom during the discussion, please feel free to do so.

Does anyone have any questions before we begin?

Okay, great. First, I'm going to have everyone go around and tell me your name, how long you've lived here, and, if you won the lottery tomorrow and could go on vacation anywhere you want, where you would go and why.

B. Warm-Up: General Perceptions of Student Loan Repayment Process (10 minutes)

As we start talking about student loans, please keep a couple of things in mind:

First, everyone's here today because they have student loan debt, so everyone is in the same position. We are not here to cast judgement or evaluate your financial situation in any way, we just want to hear about your experiences.

And second, I know student loan debt can be an emotional subject, and you might have a lot of different feelings and thoughts about your education. Today we're here to focus on repayment and your experience with the repayment process, so that's what we're going to talk about for the most part.

I would like to start first by getting a sense from the group of how long you have been working to pay back your student loans. So by a show of hands, how many of you have been in the process of paying back student loans, for:

- Less than 5 years;
- 5-10 years; and
- More than 10 years.

Next I would like to hear from you all, in general, about your experiences with the student loan repayment process.

1. What has been easy (or smooth) about the student loan repayment process?
 - a. *Were there specific resources or people that have been particularly helpful?*
2. What has been difficult about the student loan repayment process?
 - a. *What aspects of the process have been confusing?*
3. What has been surprising about the student loan repayment process?
 - a. *What have you learned along the way?*

C. Knowledge and Understanding of Student Loan Repayment (15 Minutes)

Now I want to get into some more specific questions. Again, I would like to take a quick pulse of the group, so by a show of hands, how many of you:

- Are confident that you know your current student loan balance;
- Feel like you know a ballpark or range of what you owe in student loans; and
- Aren't sure at all.

[Probe on how people feel about their responses, reasons for their knowledge level]

Okay, great. Again by a show of hands, how many of you:

- Are confident that you can name the company that manages your student loans. This company is sometimes referred to as a “servicer”;
- Feel like you might recognize the company name if you saw a loan statement/paperwork;
- Are aware that your student loans are managed by a third-party-servicer—that is, a servicer that is hired by your lender to collect your monthly payments, send you notifications, etc.; and
- Are not aware of what company manages your loans.

[Note to Moderator: Please capture approximately how many people raised their hands in response to each of the option listed above]

[Probe these responses, reasons for their knowledge level]

Last one – by a show of hands, how many of you look at student loan statements or check your balance/status:

- On a monthly basis (or more often);
- Every 6 months; and
- Less often than every 6 months.

[Note to Moderator: Please capture approximately how many people raised their hands in response to each of the option listed above]

1. How do you receive statements/notifications about your student loans? (i.e. via mail or electronically)

[Probe on reasons for and reactions to reviewing balances/statements electronically versus in paper form]

I'd like to talk now about some different aspects of student loans and I invite you to share things that you know about them (and feel confident about) as well as the things you do not understand (or do not know about.) Remember, there are no wrong answers here and we're not testing you, we just want to understand more how people think about student loans.

1. Do you have private or federal student loans?
 - a. *How do the types of loans differ?*
2. Can anyone tell me how you learned to make payments on your student loans?
 - a. *When did your first payment become due?*
 - b. *How did you make your first payment? (i.e. online, mail, etc.)*
3. Can anyone tell me how they think monthly loan payments are calculated?
 - a. *Do you have an understanding of how your monthly payment breaks down (e.g. principal, interest, fees, etc.)*
4. What kinds of options are available for repayment?
 - a. *Are there options for discontinuing or modifying your payments?*
 - i. *Has anyone heard of income-based or income-driven repayment options, aka “pay as you earn” plans? If so, what do you know about them?*
 - ii. *Does anyone know how income-based repayment plans work? (e.g., what happens to interest/principal; possible loan forgiveness; need to recertify)*
5. What kinds of fees or other costs might be associated with your federal/private student loans?
6. How do student loans affect your credit?
 - a. *What are the implications of not making a payment on time?*

D. Experiences with Student Loan Servicers (20 minutes)

Several of you have already shared some of your experiences in repaying and managing your student loans, but I would like to follow-up on some specifics. In this section we want to talk about your experiences with your student loan servicer, the company that sends you a bill every month. A student loan servicer serves as a link between borrowers and lenders or loan holders. Servicers manage borrowers’ accounts, process monthly payments, and communicate directly with borrowers. A servicer is often different than the lender, and a borrower typically has little to no control over which company services their student loans.

1. What kinds of regular communications do you receive from your student loan servicer?
 - a. *Do you feel like your student loan servicer is keeping you up-to-date?*
 - b. *Have you received anything from your student loan servicer that is confusing? [Probe on which documents are confusing and what elements of the document caused the confusion]*
 - c. *Do you get paper statements or online statements?*
 - i. *How well do you understand your statements?*
 - ii. *Do you find any information on them confusing?*
 - d. *Have you ever been to the servicer’s website?*
 - i. *Have you been able to find information on their website?*

- ii. *How easy is their website to use?*
- 2. Other than regular communications, like statements, what other kinds of contact have you had with the company servicing your student loans?
 - a. *What have those interactions been like?*
 - b. *When did the conversation occur? [Probe for who initiated contact and why]*
 - c. *What kinds of questions did you have?*
 - d. *How easy was it to contact them?*
 - i. *What way did you interact with them (via phone, email, chat, website/portal?)*
 - e. *What was their customer service like?*
 - f. *What kind of information did they provide you?*
 - i. *Did you trust the information they provided? Why or why not?*
 - ii. *Was the customer service representative able to answer your question or did you have to talk to others or make a follow-up call?*
 - g. *What kind of suggestions or recommendations did they make? [Probe for whether or not they were offered alternate repayment options or work-around solutions if having difficulty]*
 - i. *Did you trust the suggestions or recommendations they gave? Why or why not.*
- 3. What has it been like for you to make changes to your student loan program or accounts?
 - a. *What kinds of changes have you tried to make?*
 - i. *What was that experience like?*
- 4. Have you ever found errors on your statements?
 - a. *How have those issues been resolved?*
- 5. *Have you ever found student loan related errors on your credit report?*
 - a. *How have those issues been resolved?*
- 6. Has anyone experienced their student loan being transferred to another servicing company? If so, what was that like?
 - a. *Did you face any challenges during or following the transfer? [If yes], what kind of challenges?*

E. Attitudes/Experiences with alternate repayment options (10 minutes)

Finally, I would like to talk a little about whether you have considered or explored alternate options for repayment.

1. How important is it to you to make your monthly payments on-time? [Probe on priority level of student loan monthly payment and barriers/facilitators to making on-time payments]

2. If you were having difficulty making your monthly payments, who would you go to for help or advice? **[Probe on why for any sources listed as well as rationale for not seeking assistance from servicer]**
3. Has your student loan company ever talked with you about alternate repayment options?
 - a. What did that conversation look like?
 - b. Who initiated that conversation?
4. Have you considered alternate repayment options for your federal student loans?
 - a. Why was one option favorable over another?
 - b. Who or what have you relied on for information about alternate repayment options?
[Probe on if anyone used an online enrollment service for an IDR plan or used an online calculator to evaluate IDR payment option]
5. What kinds of repayment options are available to you?
 - a. Are there options for discontinuing or modifying your payments?
 - b. For those of you with federal student loans, has anyone heard of income-based or income-driven repayment options? If so, what do you know about them? [Probe on probes re their understanding of how the plans work (e.g., what happens to interest/principal; possible loan forgiveness; need to recertify)]**
 - c. For those of you who have private student loans, do you have any alternate repayment options?
6. [If currently or previously enrolled in IDR] What has been your experience with the income-driven repayment plan?
 - a. Was/is the new payment plan helpful to you?
 - b. Have you experienced the recertification process?
 - i. If so, what has that been like?
 - ii. If you did not recertify, why not?
7. Have you considered alternate repayment options for your private student loans?
 - a. What kinds of options were available to you?
8. Have you considered refinancing your private student loans?
 - a. What was this process like?
 - b. Was it easy for you to obtain a pay-off statement from your loan management company?
9. Has anyone looked into a loan consolidation or forgiveness program? These may have been advertised as student loan debt relief or Obama student loan forgiveness.
 - a. If so, what did you learn about these programs?
 - b. What was your experience? How far into the process did you get?

F. Conclusion

Thank you very much for participating in this focus group. I appreciate you sharing your time and valuable feedback. Is there anything that you would like to share that you didn't have the chance to share yet?

Privacy Act Statement

5 U.S.C. 552(a)(e)(3)

The information you provide through your responses to Fors Marsh will assist the study sponsor, the Consumer Financial Protection Bureau (“CFPB”), in the development and improvement of CFPB tools and resources to assist student loan borrowers.

Information collected on behalf of the Bureau by Fors Marsh will be treated in accordance with the System of Records Notice (“SORN”), [CFPB.021 – CFPB Consumer Education and Engagement Records, 77 F.R. 60382](#). This information will only be disclosed as outlined in the Routine Uses for the SORN. Direct identifying information will only be used to facilitate the study and will be kept private except as required by law.

This collection of information is authorized by Pub. L. No. 111-203, Title X, Sections 1013 and 1022, codified at 12 U.S.C. §§ 5493 and 5512.

Participation in this study is voluntary, you are not required to participate or share any identifying information with Fors Marsh, including name, email address, video recording, and you may withdraw participation at any time. However, if you do not include the requested information, you may not participate in the interview.