



## **Financial Aid Nudges: A National Experiment to Increase Retention of Financial Aid and College Persistence**

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In this project, researchers investigated whether an intervention that provided financial aid information, reminders, and advising to college students increased completion of the Free Application for Federal Student Aid (FAFSA), receipt of federal financial aid, and student persistence and graduation. As part of the intervention, the research team conveyed information, reminders, and offers of additional assistance to students via text message. The intervention was expected to work by making students aware of crucial financial aid and Satisfactory Academic Progress (SAP) requirements, along with the financial benefits of complying with these requirements. First-generation students with less access to college-going information, and students who were working or had dependents, were expected to benefit the most from the intervention, because of substantial increases in their knowledge of requirements and/or re-shaping of their immediate priorities.

This project took place at community colleges and four-year institutions spread out across the United States. The sample included 9,881 first-, second-, and third-year students at two-year and four-year postsecondary institutions. The research team drew the sample from students who participated in the National Postsecondary Student Aid Study of 2016 (NPSAS:16) and agreed to future communication via text message when they took the NPSAS:16 survey. The sample represented U.S. college students in their first three years of college.

During the first stage of the project, researchers randomized eligible students to four treatment conditions and a control condition. Between February and May 2017, researchers administered the intervention to the treatment groups. All treatment group students received text messages with information and reminders about financial aid, SAP requirements, staying on track academically, and eligibility for the Supplemental Nutrition Assistance Program (SNAP) and the Earned Income Tax Credit (EITC). Depending on treatment assignment, the text messages included basic language, social pressure language, or commitment device language. A fourth treatment group received messages with basic language, plus the offer to interact with an online college advisor. After implementing the intervention, researchers analyzed its impacts on FAFSA filing, college enrollment, and degree completion, and compared impacts across key student groups.

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**Key findings:** Overall, researchers found the intervention had null effects. In addition, the informational and remote advising intervention tested in this experiment did not boost federal financial aid receipt or academic outcomes.

- While the text messaging interventions somewhat accelerated the timing of FAFSA filing for some students, they did not boost overall rates of FAFSA filing (Page et al., 2019).
- Students in the text messaging treatment groups did not receive additional federal financial aid and did not persist or graduate at higher rates than students in the control group (Page et al., 2019).
- Informational text messaging with the offer of meeting virtually with an advisor was no more effective than text messaging alone (Page et al., 2019).

IES grant: [R305A160400](#)

Related IES projects: [Affording Degree Completion: A Study of Completion Grants at Accessible Public Universities](#).

Publicly available data: The data are the property of NCES.

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## Citations

Page, L., Sacerdote, B., Goldrick-Rab, S., & Castleman, B. (2019). *Financial aid nudges: A national experiment with informational interventions* (working paper no. 3). The Hope Center for College, Community, and Justice.



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