

# NAVIENT LOAN REFINANCING

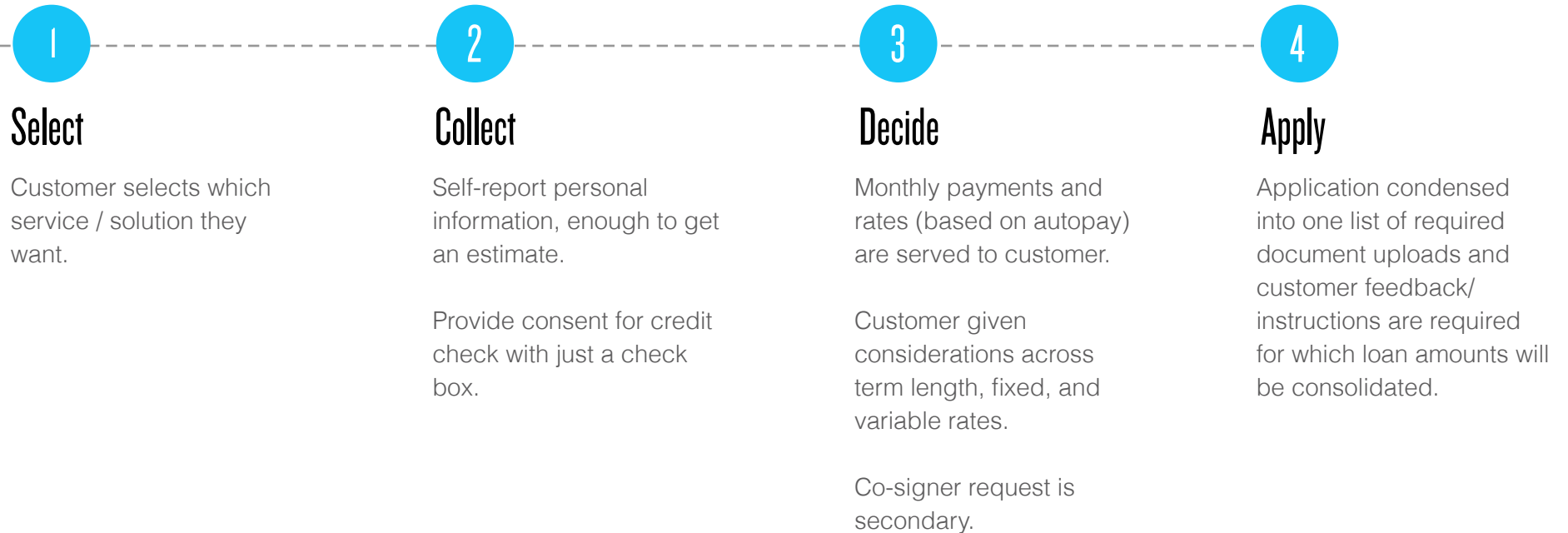
Competitive Analysis and Recommendation

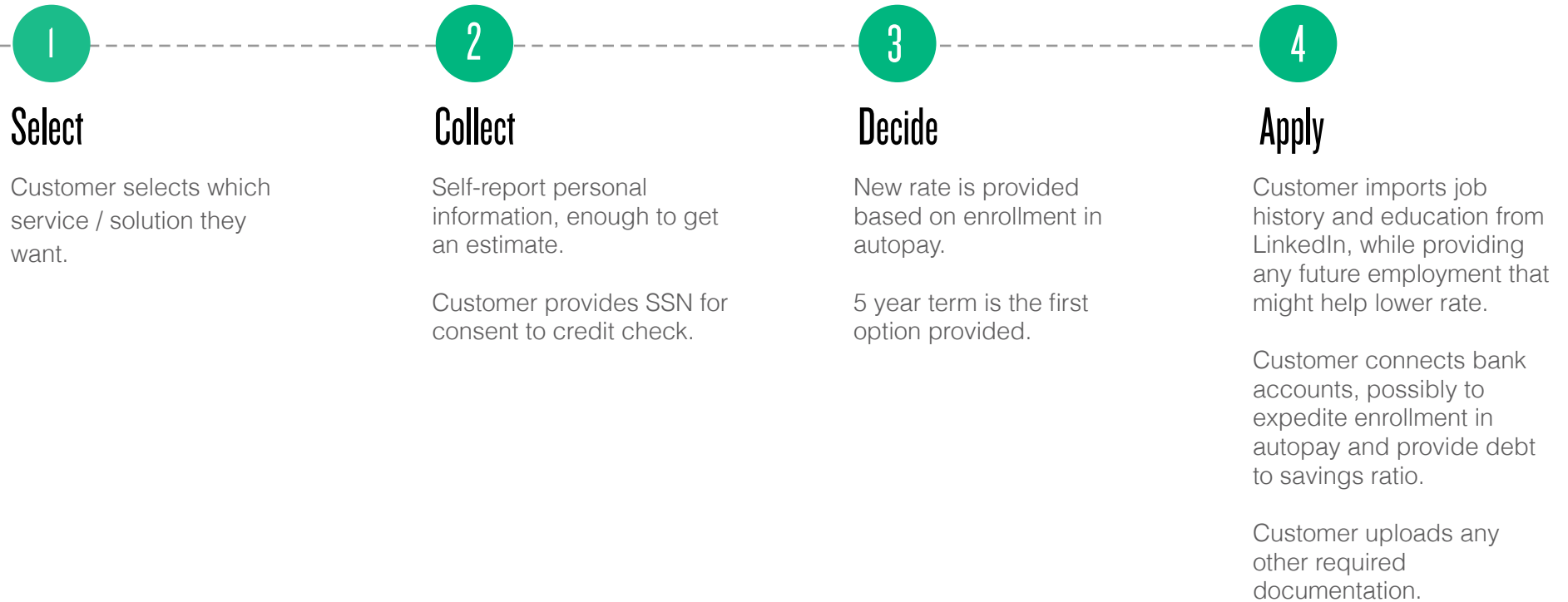
# SIGNING UP & APPLYING FOR REFINANCING

An analysis of how competitor sites have designed the customers' experience for signing up to refinance their loans.

Contains breakdown of the following:

- SOFI application flow and cosigner request
- Earnest application flow
- Current Navient Flow
- Recommended Navient Flow
- Questions





# NAVIENT

## Current Flow



# NAVIENT

## Current Flow (cont'd)

5

### Price Loan

Customer selects rates and loan terms and make decision between fixed vs variable.

LAD is executed.

6

### Sign Loan

Customer is prompted to eSign for loan.

7

### Autopay Enroll

Account and routing information collected.

8

### Income & Identity Validation

Income validation via income and/or identity direct ID carried out.

Customer uploads clearing documentation.

Final disclosure is executed.

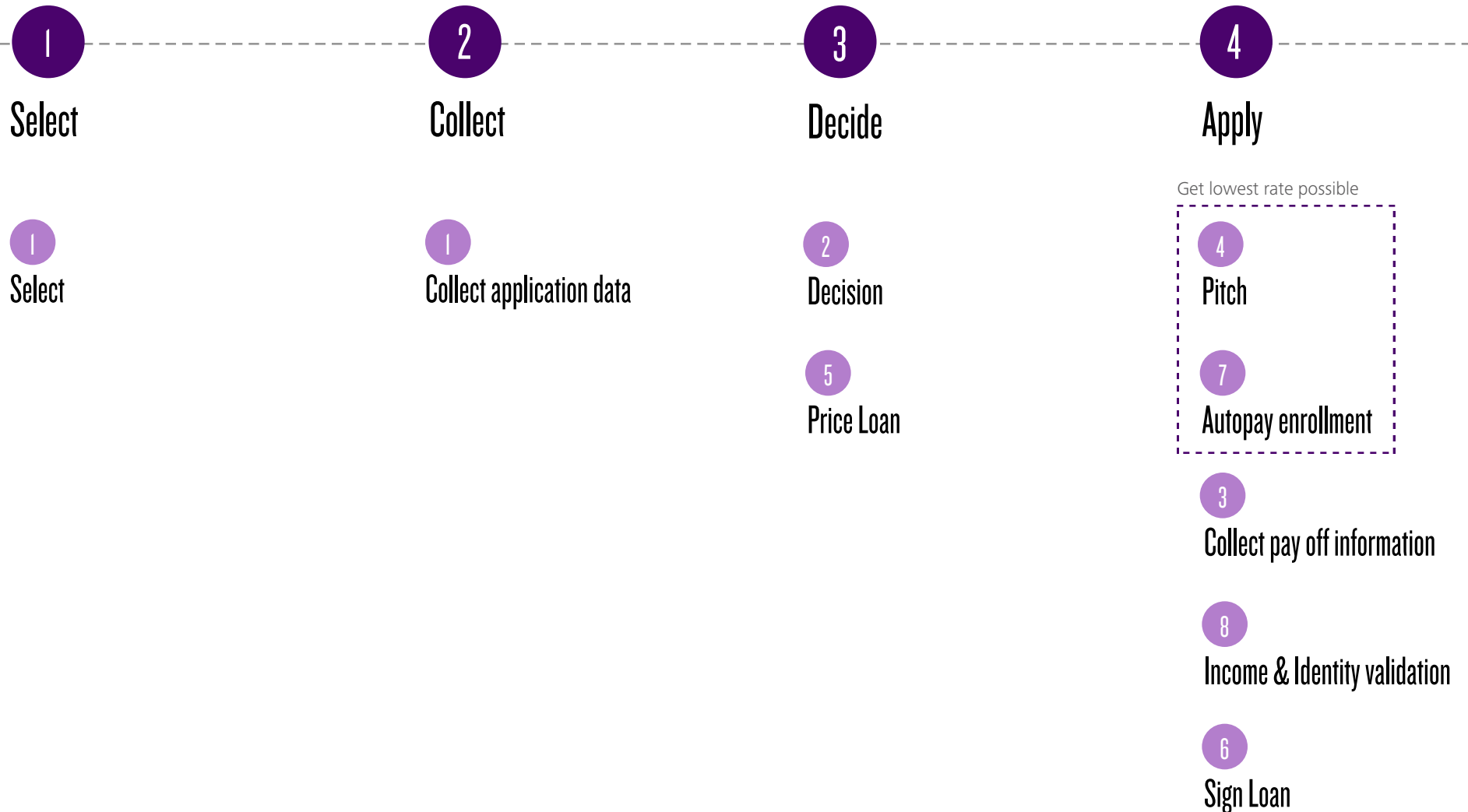
## Our Recommendation

Let's consolidate and map the current system steps to create a journey that mirrors competitors which will simplify the user experience for the customer.

We should leverage Navient's strategic advantages as much as possible - Navient already has loan information for each customer on file, which will enable a more seamless, streamlined experience for customers.

# NAVIENT

## Proposed Flow





# NAVIENT

## Proposed Flow Questions



Select



Select

- Is customer logged into their navient account at this step?
- Can customers without Navient loans refinance through Navient?

# NAVIENT

## Proposed Flow Questions

2

### Collect

1

### Collect application data

- Is cosigner required for all borrowers seeking to refinance?
- What is the least amount of information at this step needed to calculate a rate and monthly payment for the customer?
- What is a reference and how it will help a customer? This may need to be moved to the application step if it is part of the application process that lowers a customer's rate.

# NAVIENT

## Proposed Flow Questions

3

### Decide

2

### Decision

- What is the decision being made - that the customer qualifies or a rate/term is surfaced here?
- Is all of this based on the cosigner following through?

5

### Price Loan

- Is price based on having good GPA and autopay enrollment?
- What are scenarios when Navient would recommend fixed vs variable?

# NAVIENT

## Proposed Flow Questions

4

### Apply

Get lowest rate possible

4

#### Pitch

7

#### Autopay enrollment

3

#### Collect pay off information

8

#### Income & Identity validation

6

#### Sign Loan

- Are rate and terms surfaced to the customer here or just the fact that the customer qualifies?
- Is there a way to predict by how much a good GPA can lower rate?
- Are there any other factors that we can incorporate that might improve a customer's rates and terms? Debt to income ratio?
- Does autopay enrollment have to happen before document uploads?
- When customers are signed into their accounts, are all of the loans through Navient being pulled automatically?
- Do fields need to be editable because a customer may not want to include entire amount? Or because data being pulled may not be accurate?
- To what extent is a customer allowed to change loan information if this data is getting pulled automatically? and what happens to rates and terms if the customer changes these amounts,
- Clarify "Need to understand bank statement consent and what we might need to collect"
- What is direct ID?
- Is this step just documentation uploads?
- Why is this step occurring before application is complete?
- What exactly does this step entail?

# APPENDIX



## Select

During the Select phase, customers land on a welcome screen with different entry points to learn about the service for which they are looking.

After customers create an account and log in, they are presented with a dashboard screen that calls them to start applying for the service/ solution they want.

### Pros

This has a compelling flow to support customers on their journey: First, “Learn” about the service, and then “apply”.

### Cons

Customers are exposed to a lot of information and pathways that might not be relevant for them.

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# Welcome to a new kind of finance company.

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**SoFi** [CONTACT US](#) Kelly Jacobs

### Get started with SoFi today.

APPLY FOR A LOAN	
Personal Loan	Apply now for rates as low as: 4.78% <sup>2</sup> <a href="#">Apply Now</a>
Student Loan Refi	Apply now for rates as low as: 2.35% <sup>1</sup> <a href="#">Apply Now</a>
Parent Plus Refi	Apply now for rates as low as: 2.35% <sup>1</sup> <a href="#">Apply Now</a>
Parent (In School)	Apply now for rates as low as: 3.23% <sup>4</sup> <a href="#">Apply Now</a>
Mortgage	Apply now for rates as low as: 3.15% <sup>3</sup> <a href="#">Apply Now</a>

**START INVESTING**

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[Invest Now](#) You have no investments with SoFi.

Send feedback direct to the CEO  
Email [mikecagney@sofi.com](mailto:mikecagney@sofi.com) and tell him about your experience, what we're doing well, and what we can improve.

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**Loans & General Questions**  
[customerservice@sofi.com](mailto:customerservice@sofi.com)  
(855) 456-7634  
Mon–Thu 4am–9pm  
Fri–Sun 4am–5pm  
  
All times are PST

**Mortgages**  
[mortgage@sofi.com](mailto:mortgage@sofi.com)  
(844) 763-4466  
Mon–Thu 8am–5pm  
Fri 8am–4pm  
Sat 7am–2pm

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**Refinance loans**  
1. Fixed rates from 3.375% APR (with AutoPay) to 6.99% APR (without AutoPay). Variable rates currently from 2.355% APR (with AutoPay) to 6.53% (without AutoPay). Interest rates on variable rate loans are capped at either 8.95% or 9.95% depending on term of loan. See [APR examples and terms](#). Lowest variable rate of 2.355% APR assumes current 1 month LIBOR rate of 0.78% plus 1.575% margin. If approved for a loan, the fixed or variable interest rate offered

2

## Collect

During the collect phase, customers are asked to self report information in order to calculate a rate for which they might qualify.

Sofi asks for the following:

- Address
- Home own / rent
- Citizenship
- Loan information
- Job status / income
- Education

### Pro

The tone is very conversational and the process is trying to be as least intrusive as possible with data collection.

The single check box to complete the consent form makes this process simple and quick.

It uses an easy-to-understand navigation and progress tracker.

### Con

Self-reporting this information is made easy, but there is very little autopopulated information because the system doesn't know anything about customers or their loan portfolio.

**SoFi**

**CONTACT US** Kelly Jacobs

Tell us about yourself.  
Your rate is just a click away.

**BASIC INFO**

First Name  
Kelly

Last Name  
Jacobs

Mailing Address

Apartment #

City

State  
District of Columbia

Zip Code

Primary Phone Number

Would you like text notification?  
☐ Checking this box means you I  
[Account Notification Policy](#)

Date of Birth  
Month Day

Citizenship  
US Citizen

Home Ownership  
☐ Rent  
☐ Own

**STUDENT LOAN REFINANCING**

1 Get Started  
2 Get Your Rate  
3 Upload Documents & Apply  
4 Sign Acceptance Packet

**EMPLOYMENT INFO**

**Employment Status**  
☒ Current  
☐ Future

**Employer Name**  
Deloitte LLP and its subsidiaries

☐ Self-Employed

**Total Annual Income**  
\$ 0.00

**Information regarding rates, costs and fees associated with your SoFi loan application are detailed below**

**Current Loan Info**

Enter the total amount of student loans you're looking to refinance. Estimates are okay and the amount must be at least \$5,000.

**Total Loan Amount**  
\$ 5,000

**CONSENTS**

☐ By clicking this check box and continuing with the application process, you understand and agree that you are providing 'written instructions' to SoFi Lending Corp under the Fair Credit Reporting Act authorizing SoFi Lending Corp, a California Licensed Lender, to obtain information from your personal credit profile or other information from one or more consumer reporting agencies, such as TransUnion, Experian, and Equifax. You authorize SoFi Lending Corp to obtain such information solely to conduct a pre-qualification for credit.

**Checking your rate will not affect your credit score. If you choose to apply for a loan, however, we will request a full credit report from one or more consumer reporting agencies.**

3

## Decide

During the decide phase, customers are presented with rates and terms for which they qualify, allowing them to decide to move forward in the process.

Sofi presents the following information:

- Monthly payment and associated rate
- Comparison between fixed and variable
- Bulleted list of information that defines pros and cons of fixed vs variable
- Secondary option to add a cosigner

### Pros

The design puts the monthly payment and length of payment at the forefront, and for a customer this is the most important information.

Design allows customers to toggle between fixed and variable rates in order to make considerations between the two.

### Cons

This design makes it hard to absorb all of the information at once.

It is unclear what a cosigner is and why it will get the customer a better rate, and the autopay discount is hidden in fine print.

The way the information is presented, customers may still not understand which rate they should choose - the differences between the two need to be put into context.

Congrats, you're pre-approved! Pick a rate:

FIXED		VARIABLE
Term	Monthly Pmt.	Interest rate
<input type="checkbox"/> 5-Year Fixed Lifetime savings: \$1,271.40 <sup>1</sup>	\$94.91	4.990%*
<input type="checkbox"/> 7-Year Fixed Lifetime savings: \$880.20 <sup>1</sup>	\$72.45	5.500%*
<input type="checkbox"/> 10-Year Fixed Lifetime savings: \$229.20 <sup>1</sup>	\$56.14	6.000%*
Top Pick by Grade of University of Virginia		
<input type="checkbox"/> 15-Year Fixed Lifetime savings: \$-936.00 <sup>1</sup>	\$43.90	6.375%*
<input type="checkbox"/> 20-Year Fixed Monthly savings: \$19.60 <sup>2</sup>	\$38.39	6.625%*

Clicking Continue will NOT affect your credit score.  
\*All rates shown with the Autopay Discount (0.25%). You are not required to sign up for Autopay.

Continue

NEED HELP?  
Fixed vs. Variable Rates: How are they different? ▾

STUDENT LOAN REFINANCING

- ✓ Get Started [edit](#)
- ② Get Your Rate
- ③ Upload Documents & Apply
- ④ Sign Acceptance Packet

CO-SIGNER  
Including a co-signer may help you qualify for a better rate.

Add Co-Signer

Fixed vs. Variable Rates: How are they different? ▾

Let's get to the specifics.

Fixed Rate

- The interest rate remains the same over the life of your loan.
- Your monthly payments remain the same over the life of your loan.
- You'll be able to better predict how much in total interest you'll pay.

Variable Rate

- Typically has a lower starting interest rate.
- Your monthly payments may increase or decrease over the life of the loan.
- Your interest rate may increase or decrease over the life of the loan, but will never exceed 8.95% for 5 or 10 year loans, and 9.95% for 15 or 20 year loans.

Hide

Dear Theresa,

Kelly Jacobs has indicated you are to be included as a cosigner for their student loan refinancing application with SoFi.

Please click the following link to register and complete the process:

<https://www.sofi.com/b/registration?token=950553bf13772b2dd41b6ed3363d7744111f421781b192397377df5ff558de5b8b37624b6a170cd1270fb86d6a57ef4f>

Once you've registered, we'll need you to upload the following documentation:

1. Cosigner's proof of US Citizenship or Permanent Resident Status (Passport, Birth Certificate or Permanent Resident Card)
2. Cosigner's most recent paystub (dated within the last 30 days)

Once your uploads are complete, SoFi will process the request using the application and supporting documents. An e-signed Cosigner application is required for funding. SoFi will notify you once the document is available for your e-signature. If you have any questions regarding the application, please don't hesitate to give us a call at [855.456.Sofi \(7634\)](tel:855.456.Sofi).

Kind Regards,

The SoFi Team

Customer Support:







## Select

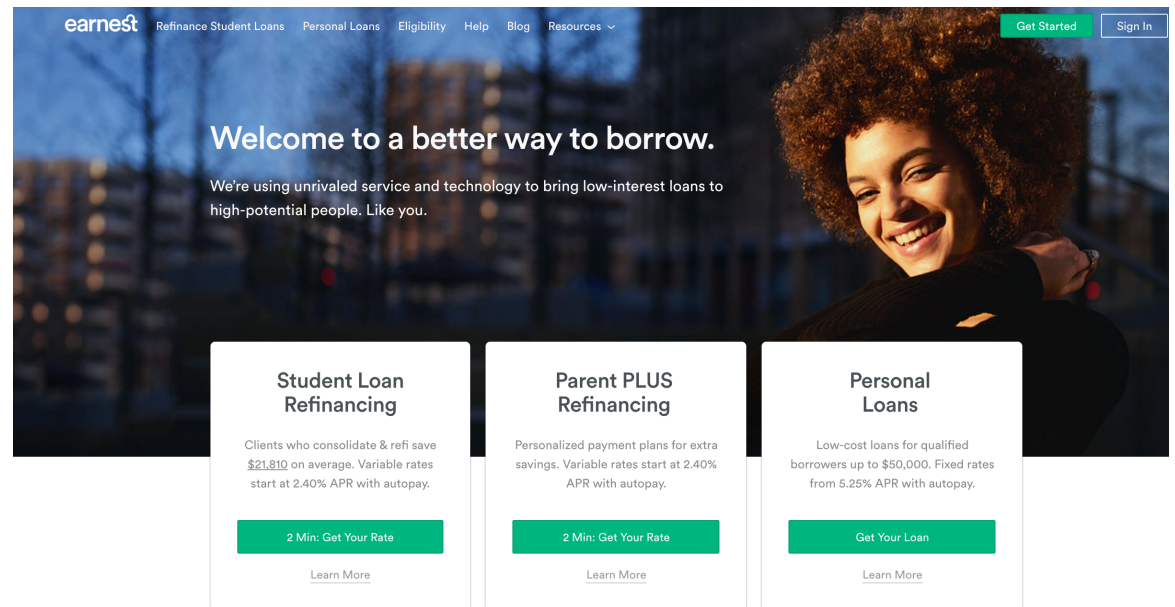
During the Select phase, customers land on a welcome screen with different entry points to learn about the service/solution for which they are looking.

Customers select the service they need and information collection starts before even having to create an account.

### Pros

This has a compelling flow to support the customer on their journey: First, “Learn” about the service, and then “apply”.

Use of imagery from a behavioral perspective creates a calming experience, which is helpful when dealing with personal finance.



2

## Collect

During the collect phase, customers provide information to create an account in conjunction with self-reporting information in order to calculate a rate for which they might qualify.

Earnest asks for the following:

- School information - school, degree, date of graduation
- Home own / rent
- Citizenship
- Loan information
- Job status / income
- Income to debt ratio estimate

### Pros

The tone is very conversational and the process is trying to be as least intrusive as possible with data collection.

This tactic allows earnest to collect important information little by little.

### Cons

Self-reporting this information is made easy, but there is very little autopopulated information because the system doesn't know anything about me or my loan portfolio.

Customers are required to provide a SSN before even creating an account which might cause hesitation or mistrust.

1 Student Loan Refi: Rate Check

**About You** REQUIRED

We value your privacy. All information is kept completely confidential. [View our privacy policy.](#)

FIRST NAME

LAST NAME

YOUR HIGHEST DEGREE

SCHOOL

GRADUATION DATE

ANNUAL INCOME

CASH + RETIREMENT + INVESTMENT

FULL STUDENT LOAN BALANCE

RENT / MORTGAGE PAYMENT

STREET ADDRESS

MOBILE NUMBER

CITIZENSHIP STATUS ☐ I am a U.S. citizen or Permanent Resident.

[→ Review disclosures about rates and costs](#)

**GET YOUR ESTIMATED RATE**

☒ Rate Check  
Rate Check Results

STUDENT LOAN REFI RATES

2.40% – 6.03% Variable  
APR WITH AUTOPAY

OR

3.60% – 6.74% Fixed  
APR WITH AUTOPAY

[Help Center](#) [Contact Us](#)

**Create Account** REQUIRED

EMAIL

CREATE PASSWORD

☐ You have read and agree to Earnest's [Credit Report Policy](#), [Service](#), and [Privacy Policy](#).

[→ Already have an account? Sign In](#)

**Consent To Soft Inquiry**

SOCIAL SECURITY NUMBER

By entering your SSN, you consent to an eligibility inquiry, or who obtain credit information. This inquiry will not affect your credit if pending full underwriting of your application.

**Create Account** REQUIRED

EMAIL

CREATE PASSWORD

☒ You have read and agree to Earnest's [Credit Report Policy](#), [Service](#), and [Privacy Policy](#).

[→ Already have an account? Sign In](#)

**Consent To Soft Inquiry**

SOCIAL SECURITY NUMBER

By entering your SSN, you consent to an eligibility inquiry, or who obtain credit information. This inquiry will not affect your credit if pending full underwriting of your application.

**Application & Solicitation Disclosures**

☒ Variable Rate ☐ Fixed Rate

LAST UPDATED: 1/15/15

**Earnest Operations LLC Refinance Education Loan Variable Rate Application & Solicitation Disclosure**

**Loan Rates & Estimated Total Costs**

Your starting interest rate (excluding the optional 0.25% autopay discount) will be between:

**2.65% – 6.28%**

After your starting rate is set, your rate will then vary with the market.

**YOUR STARTING INTEREST RATE (UPON APPROVAL)**

The starting interest rate you pay will be determined after you apply. It will be based on your credit history and other factors. If approved, we will notify you of the rate you qualify for within the stated range.

**YOUR INTEREST RATE DURING THE LIFE OF THE LOAN**

Your rate is variable. This means that your rate could move lower or higher than rates on this form. The variable rate is based upon the 1 month London Interbank Offered Rate (LIBOR) Rate (as published in the Wall Street Journal). For more information on this rate, see the Reference Notes.

Although the interest rate will vary after you are approved, the interest rate will never exceed 8.95% for loan terms 10 years or less. For loan terms of more than 10 years to 15 years, the interest rate will never exceed 9.95%. For loan terms over 15 years, the interest rate will never exceed 11.95% (the maximum rates for these loans).

**Loan Fees**

- **Late Charge:** If a payment is late, you will not have to pay a penalty.
- **Prepayment:** If you pay off early, you will not have to pay a penalty.
- **Returned payment charge:** If your payment is returned, you will be charged up to \$8.
- **Florida Stamp Tax:** Florida residents are required by state law to pay a documentary stamp tax, calculates as 0.35% of the principal loan amount.

[Done](#)

3

## Decide

During the decide phase, customers are presented only with rates they qualify for that are based on autopay enrollment.

Earnest presents the following information:

- Comparison between fixed and variable
- Rates based on 5-year term

### Pros

The design is simple and easy to understand.

The fine print is called out in blue boxes consistently throughout the process, and customers never have to recall what loan amount these rates are based on because this number sits at the top of the screen.

### Cons

Customers are not the actual monthly payment, which is most important to the customer.

Customers are only given rates for the 5 year term, and are not able to preselect with which rate they want to move forward.

1 Student Loan Refi: Rate Check Results

YOUR LOAN \$5,000

Great, we've got rate estimates for you!

So far you seem like a good candidate for an Earnest loan. The rate estimates below are based on a 5-year term. However, Earnest offers a range of terms—5 to 20 years. Please note, final rates and approval depend on our review of your full application.

Your Rate Estimates

<div>VARIABLE RATES STARTING AT</div> <div>3.78%</div> <div>APR WITH AUTOPAY ⓘ</div>	<div>FIXED RATES STARTING AT</div> <div>4.55%</div> <div>APR WITH AUTOPAY ⓘ</div>
--	---

Loan Details & Purpose

REQUIRED

AMOUNT TO REFINANCE	\$ 5,000
WERE YOU THE PRIMARY BORROWER?	Yes, the loans were in my name. ▾
WHOSE EDUCATION?	Mine ▾

Start Your Application >

STUDENT LOAN REFI

✓ Rate Check Results

Education

Employment


Financial


Personal

Review

Help Center

Contact Us

 Norton

 256-BIT ENCRYPTED

4

# Apply

The application kicks off a new flow that breaks the information collection into sections.

No cosigner is required.

## Pros

Integration with LinkedIn helps customer speed up the process.

Connecting bank account is presented in a way that will lower customer's rate, but this is also eliminating this step downstream when the customer needs to opt in to autopay.

## Cons

LinkedIn integration only works well for customers with updated LinkedIn accounts.

Customer is completing entire application with no understanding of what monthly payment might be.

3 Student Loan Refi: Employment

YOUR LOAN \$5,000

EDIT

What jobs should you list?

Please enter the last 4 years of your employment history or your last 3 employers. If you have a new job on the horizon be sure to let us know about it.

Your Employment History

+ Add Employer

EMPLOYER	From LinkedIn	REMOVE
COMPANY NAME *	Deloitte Digital	
EMPLOYMENT STATUS *	Current Employer	
JOB TITLE *	User Experience (UX) Designer	
TIME PERIOD *	6 / 2016 to Present	
JOB ENDING SOON? *	<input type="radio"/> No, I'll remain at this job. <input type="radio"/> Yes, I plan on leaving.	
EMPLOYMENT TYPE *	Select a Type	
CITY & STATE *	Enter your City	Select State

EMPLOYER

General Assembly  
User Experience Design Student  
FEBRUARY 2016 TO APRIL 2016

EMPLOYER

Sila Solutions Group  
Marketing Communications Associate  
SEPTEMBER 2013 TO FEBRUARY 2016

EMPLOYER

STUDENT LOAN REFI

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What accounts should you connect?

Please connect the checking account where your paycheck is deposited, any credit cards with balances, and all active loans. Connecting your savings and investment accounts allows us to give you credit for being financially responsible.

What accounts should you connect?

Please connect the checking account where your paycheck is deposited, any credit cards with balances, and all active loans. Connecting your savings and investment accounts allows us to give you credit for being financially responsible.

Connect Financial Accounts

Why does Earnest need these?

POPULAR INSTITUTIONS: BANK CREDIT LOANS INVESTMENTS

CHASE

Bank of America

citi

Wells Fargo

us bank

Capital One

PNC

ID Bank

Enter the name or URL of your financial institution

Linking your accounts is a key part of our holistic approach to underwriting, which can earn you a lower rate once your full financial profile is factored in. This process also helps prevent fraud. We use the highest level encryption to ensure your data is safe. [See how we safeguard your data.](#)

Your Annual Income

REQUIRED

DELLOITTE DIGITAL INCOME

ANNUAL SALARY OR WAGES \$ Value

BONUSES (IF ANY) \$ Value

+ Add Income

Your Total Annual Income \$ 0

Additional Assets

+ Add Assets

OPTIONAL

STUDENT LOAN REFI

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256-BIT ENCRYPTED

Linking your accounts is a key part of our holistic approach to underwriting, which can earn you a lower rate once your full financial profile is factored in. This process also helps prevent fraud. We use the highest level encryption to ensure your data is safe. [See how we safeguard your data.](#)