

Surveying DreamAhead Account Owners: Examining Their Experience with DreamAhead



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Executive Summary

Hearing from account owners allows WA529 to ensure continued quality customer service to its account owners and student beneficiaries. To give DreamAhead Plan participants an opportunity to share what is going well and what can be improved on, WA529 conducted a survey that was sent to all active DreamAhead account owners in May of 2021.

The web-based survey was distributed via a link sent out to account owner email addresses on file. A total of 20,641 active account owners received the survey link. Individual responses were collected anonymously and kept confidential. Account owners were divided into two groups: those whose accounts did not originate from a rollover from GET (non-GET funded), and those who did roll over their accounts from GET to DreamAhead (GET funded).

WA529 received a total of 817 responses (576 completed responses and 241 partial responses) for a response rate of four percent (4%). Due to the low response rate, the survey findings cannot be generalized for all account owners. However, the findings are an important source of information and should be utilized by WA529 to identify opportunities to improve services and program features.

Key Findings:

- The large majority of respondents (77%) say they are satisfied with DreamAhead.
- About sixty-two percent (62%) of respondents say they are satisfied with the current variety of investment options.
- About fifty-two percent (52%) of respondents from the GET funded group said the rollover incentive offered in 2018 was the only reason they decided to open a DreamAhead account.
- ‘Keeping up with increasing college costs’ was considered to be the most important benefit of DreamAhead.

WA529, a division of the Washington Student Achievement Council, operates two 529 college savings plans: the Guaranteed Education Tuition (GET) Program and the DreamAhead College Investment Plan (DreamAhead).

- GET is a 529 prepaid college tuition program.
- DreamAhead is an investment-based 529 savings plan.

- Most respondents (74%) did not make changes to their contributions between 2019 and 2020. This suggests that respondents appear to be staying the course with their savings efforts, even in the midst of a global pandemic.
- Of the respondents who have navigated the WA529 website, seventy percent (70%) say it is easy to find information such as answers to frequently asked questions and how to use their account.
- Only half of the respondents who used the WA529 website to suggest contributions to friends and family members say it is easy to do, indicating an opportunity for WA529 to improve this website feature.
- Over half of respondents who have opened an account online said it was easy to do so.
- Three quarters of the respondents who have accessed their online found it easy to do so.
- Most of respondents (79%) who set up one-time contributions online found the process easy.
- Over seventy percent (70%) of account owner respondents are satisfied with the service received when communicating with DreamAhead via phone call or email.
- Most respondents (71%) are very likely to extremely likely to recommend DreamAhead to others.

The findings of this survey show that, of the account owners that took the time to respond to the survey, most are satisfied with the plan overall and would recommend DreamAhead to others. The findings also show that while over half of the respondents are utilizing the WA529 website and online account services, some improvements could be made to encourage further use of other features, such as suggesting gift contributions, making online contributions, and making changes to accounts online. These and future survey findings will provide WA529 with a roadmap for implementing improvements to plan services, features, and marketing efforts.

Why is it important to hear from plan participants?

Hearing from account owners participating in DreamAhead allows WA529 to review the program services, features, and customer perceptions. It also allows WA529 to ensure continued quality customer service to its account owners and students. To give DreamAhead account owners an opportunity to share what is going well and what can be improved on, WA529 conducted a survey that was sent to all active account owners in May 2021.

How was the survey conducted?

WA529 conducted a web-based survey in collaboration with other divisions within the administering agency, the Washington Student Achievement Council. The survey was distributed via email as an individual link unique to each account owner email address on file. A total of 20,641 active account owners received an individual link to the survey. Individual responses to the survey were collected anonymously and kept confidential. To ensure a more accurate understanding of the survey results, account owners were divided into two groups: those whose accounts did not originate from a rollover from GET (non-GET funded), and those who did roll over their accounts from GET to DreamAhead (GET funded). This allowed WA529 to see how responses differed based on whether account owner experience was solely with DreamAhead or if there was prior experience with WA529 through the GET Program.

A total of 817 responses (576 completed responses and 241 partial responses) were received for a response rate of four percent (4%). Most of the responses (622) were from the GET funded group, which had the largest number of account owners contacted (15,648). Of the 4,993 account owners contacted from the non-GET funded group, 194 responded.

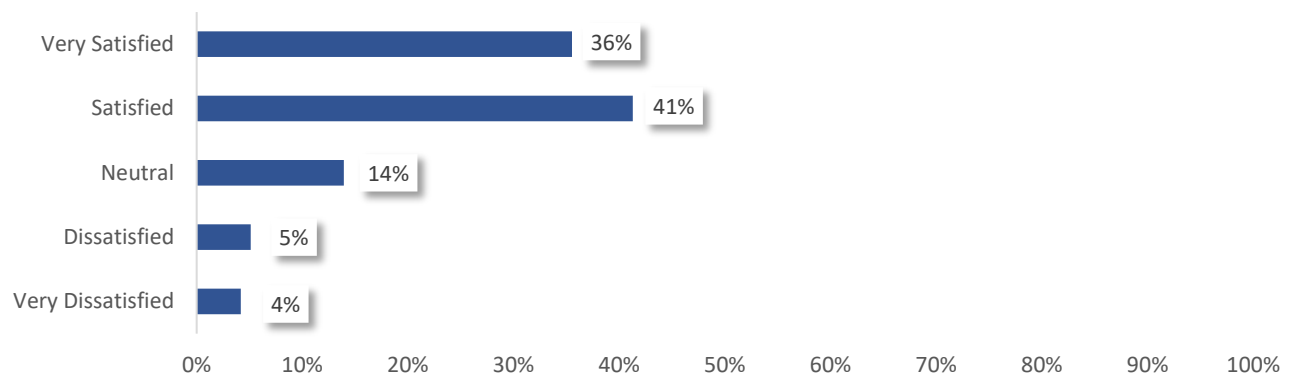
The individual links provided for the survey allowed WA529 to study the characteristics of those that completed the survey and determine that they are similar to the overall characteristics of DreamAhead account owners. For instance, about fifty-three percent (53%) of respondents are male and about forty percent (40%) are female, which is similar to the overall population of fifty-five percent (55%) male and forty-one percent (41%) female. The data also shows the age range of fifty-one to sixty years old has the highest percentage of responses (36%) and is also the age range with the highest percentage of account owners (38%). When examining locality, it can be seen that Washington state had the highest percentage of respondents (93%), which aligns with the proportion of DreamAhead account owners as a whole who are Washington residents (93%). A closer look at Washington state shows that forty-nine percent (49%) of respondents were from King County, where fifty-one percent (51%) of DreamAhead account owners reside.

It is important to note that while WA529 strived to make the questions easy to comprehend, some discrepancies in the responses to certain questions indicate there may have been some misunderstandings regarding the order of the answer options. This dynamic is explained in further detail in the relevant sections of the report.

Due to the low response rate, the survey findings cannot be generalized for all account owners. However, the similarities between the demographic profiles of respondents and DreamAhead account owners as a whole provide some evidence that the responses from survey participants could reflect the views of DreamAhead account owners. The findings are an important source of information and should be utilized by WA529.

Are account owners satisfied with DreamAhead?

Figure 1. Seventy-seven percent of respondents say they are satisfied to very satisfied with DreamAhead.

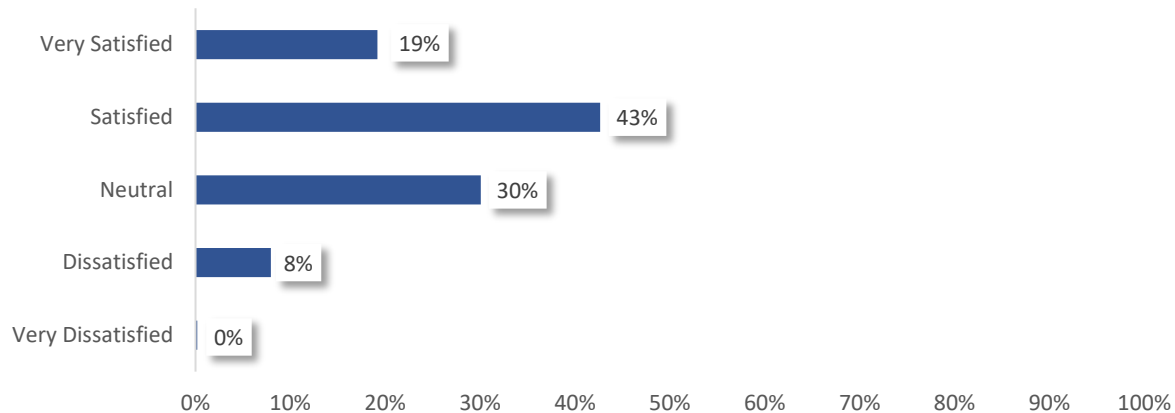


Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

Of the account owners who responded to the survey, seventy-seven percent (77%) said they are satisfied/very satisfied with DreamAhead (figure 1). Whether the account owner only had experience with DreamAhead (non-GET funded) or rolled over from GET (GET funded) appears to only slightly impact their overall satisfaction with the DreamAhead plan. Seventy-eight percent (78%) of account owner respondents in the non-GET funded group said that they are satisfied/very satisfied. The satisfaction rate for those in the GET funded group is slightly lower at seventy-six percent (76%).

Are account owners satisfied with the current variety of investment options offered by DreamAhead?

Figure 2. Sixty-two percent of respondents are satisfied with the current variety of investment options.

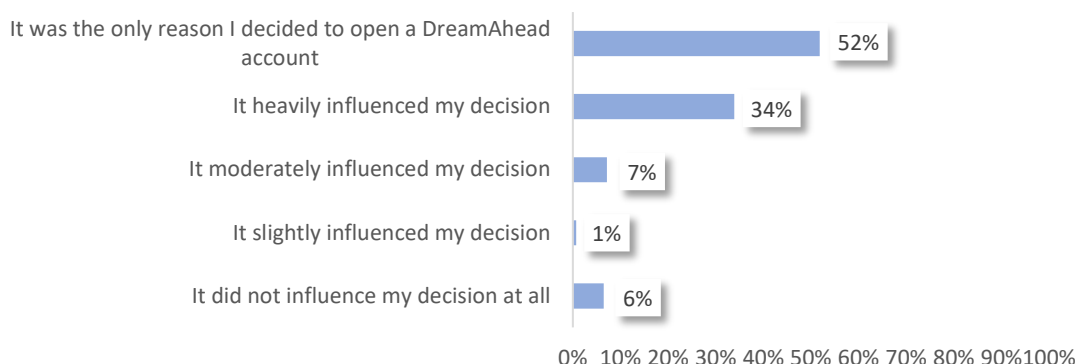


Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

Account owners were also asked if they are satisfied with the variety of investment options currently available. About sixty-two (62%) of respondents said they are satisfied while only eight percent (8%) said they are dissatisfied (figure 2). When we examine the respondents that said they are dissatisfied, we found that many of them said they would like to see an increase in the variety of investment options offered, including options for savers who are well-practiced in the investment world (such as more aggressive options and options for self-management of funds).

Did the rollover incentive offered to GET account owners in 2018 influence their decision to open a DreamAhead Account?

Figure 3. Fifty-two percent of account owner respondents from the GET funded group said that the rollover incentive was the only reason they decided to open a DreamAhead account.

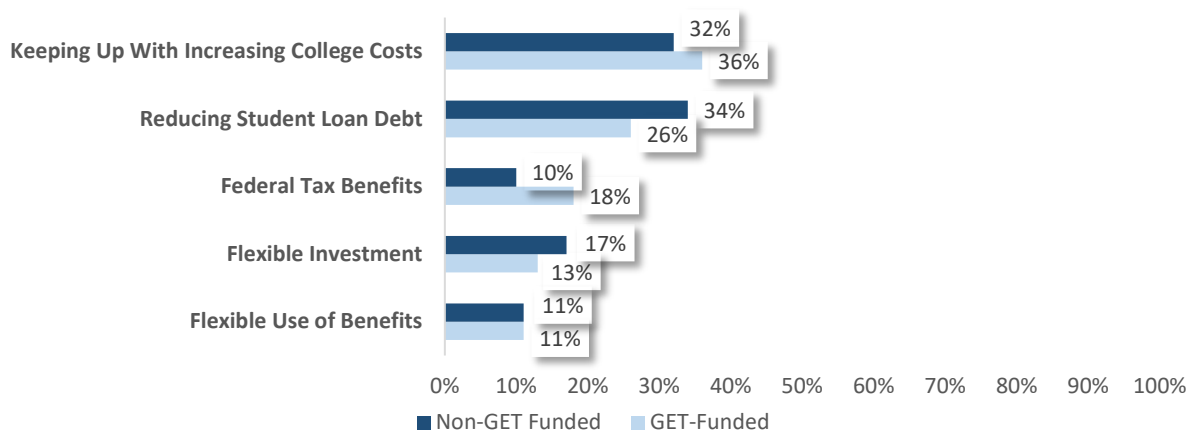


Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

When we examined the GET funded group and how the rollover incentive offered in 2018 influenced them in their decision to open a DreamAhead account, about fifty-two percent (52%) of respondents said the incentive was the only reason they decided to open a DreamAhead account (figure 3). And thirty-four percent (34%) said it heavily influenced their decision. When asked if they would move their account back to GET, nearly three quarters (72%) of respondents said they would not. About twenty-seven percent (27%) said they are unsure what they will do. Only one percent (1%) said that they would move back to GET.

What do account owners consider to be the most important benefit of DreamAhead?

Figure 4. Keeping up with increasing college costs is considered the most important benefit of DreamAhead based on the percentage of respondents who ranked it number one.

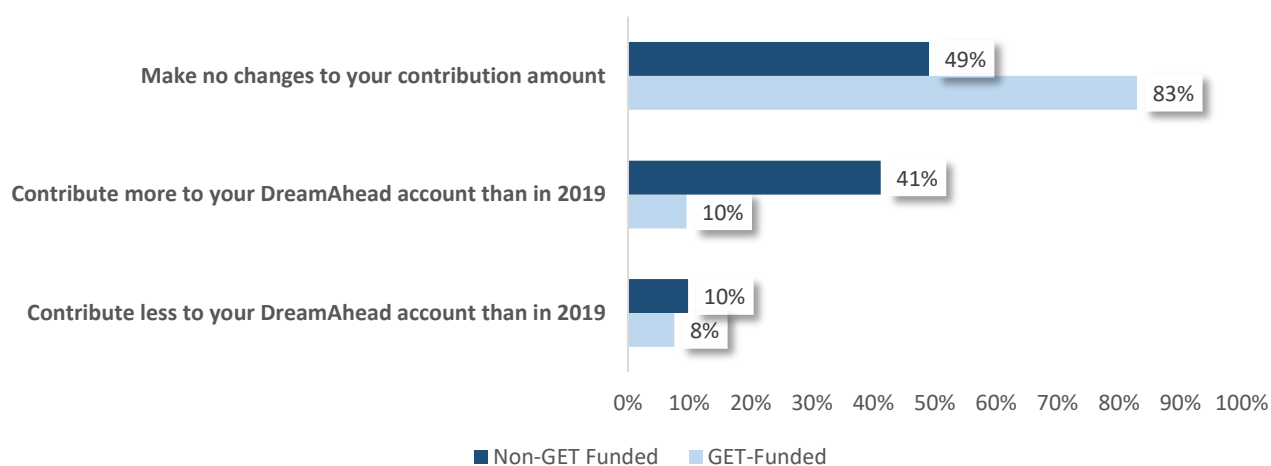


Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021. Percentages represent the rank of number one for each benefit.

Account owners were asked to rank five known benefits of DreamAhead: flexible investment options; keeping up with increasing college costs; federal tax benefits; reducing future student loan debt; and flexible use of benefits. The benefit of ‘keeping up with increasing college costs’ received the highest composite ranking of the available choices and was ranked number one in importance by thirty-five percent (35%) of respondents overall (figure 4). This option was followed by ‘reducing student loan debt’, which was ranked number one by twenty-eight percent (28%) of respondents. ‘Flexible use of benefits’ was ranked lowest, with eleven percent (11%) of respondents ranking it number one.

How have account owners changed their contributions habits over time?

Figure 5. Most account owners did not make changes to their contribution amount between 2019 and 2020. But forty-one percent of non-GET funded account owner respondents increased their contributions.



Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

When asked if they made changes to their contribution amount between 2019 and 2020, most respondents said they did not. Overall, seventy-four percent (74%) of respondents did not make changes to their contributions. However, there were notable differences between the two surveyed groups. This is most likely because the majority of account owners who rolled over from GET to DreamAhead in 2018 had beneficiaries that were high-school age or older and are near or at the distribution phase of their savings journey. About eighty-three percent (83%) of respondents of the GET funded group and forty-nine percent (49%) of the non-GET funded group did not make changes (figure 5). When asked why they did not make changes to their contribution amount, the most common respondent answer was that they just did not need to make changes at that time (55%). It is important to note that of those that selected ‘Other’ as their reason for not making changes to their contributions, about thirty-four percent (34%)

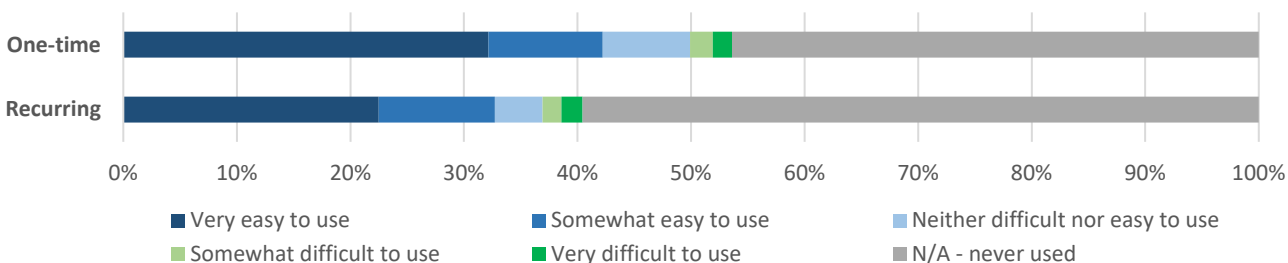
commented that they are no longer in the saving mode because their student has started using the funds for college expenses.

In total, there were relatively few respondents (18%) that did increase their contribution amount. However, a closer look at the non-GET funded group reveals that forty-one percent (41%) of respondents increased their contributions. When we examine the total respondents who increased contribution amounts, we find that forty-one percent (41%) said the increase was due to needing to catch up on savings goals, eight percent (8%) said the increase was due to a tax refund or stimulus payment, and twenty-four (24%) marked 'Other.' The most common comments from respondents that chose 'Other' include: the account was recently opened and contributions started in 2020; or they had other available money to add to their savings. Less than ten percent (10%) of respondents said they decreased their contributions.

These findings suggest that the majority of respondents may feel that they are on track with their savings efforts and that there are key differences in their contribution behavior depending on the age of the account owners' student. A review of the responses and open-ended comments suggest that DreamAhead is working as expected in helping respondents achieve their savings goals, even during the dislocation from the COVID-19 global pandemic. The following question examines how respondents make contributions to their accounts.

Are account owners using online services to make contributions?

Figure 6. Fifty-four percent of respondents set up one-time contributions online, most find the process easy.



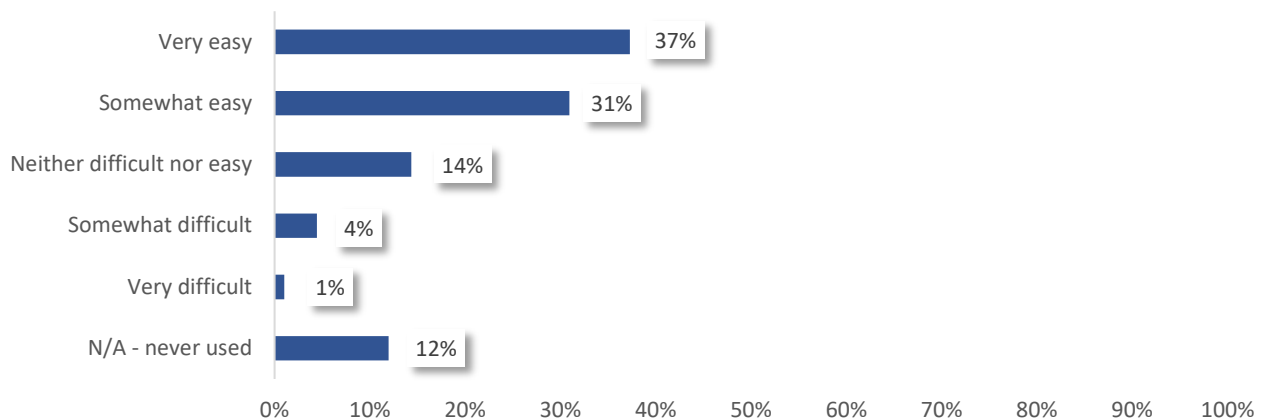
Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

Over half of the account owner respondents (54%) have set up one-time contributions online, while forty-six percent (46%) said they have never used this feature (figure 6). A combined forty-two percent (42%) of respondents (more than three quarters of those that used this feature), said the process was easy. Fewer respondents set up recurring contributions (40%) but rated the ease of use similarly to how they rated the one-time contribution process (figure 6).

When asked if they had used the WA529 website to suggest gift contributions to friends and family members, only thirty-eight percent (38%) of respondents said they have done so. About half of those that have suggested gift contributions answered that the process was easy. Common comments on the dissatisfaction with this feature include: the site is hard to understand/navigate, hard for the older generation to use, and unable to figure out how to help family/friends make contributions. These findings suggest that WA529 may want to make improvements to the “suggest a gift” feature of the WA529 website to ensure it is utilized by customers and that it is user-friendly.

Do account owners use the new WA529 website and online features?

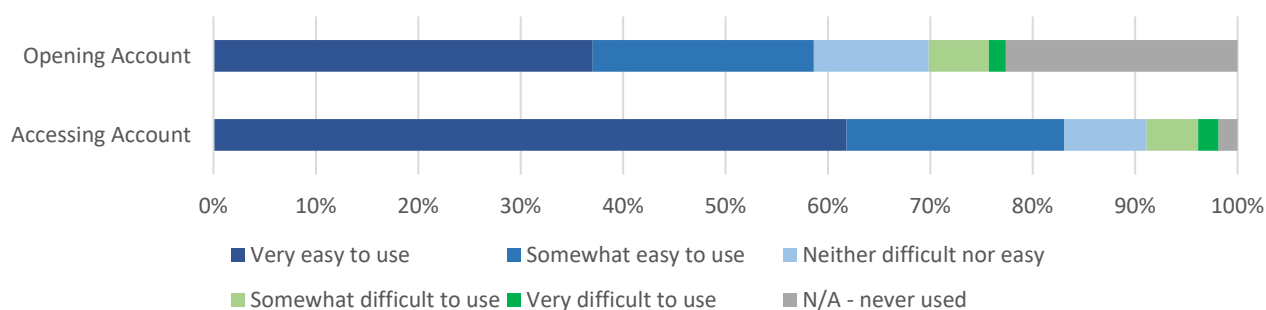
Figure 7. Over half of account owner respondents have navigated the WA529 website and found it easy to use.



Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

The WA529 website is the access point for current and prospective customers to learn about DreamAhead and enroll in the plan. Accordingly, it is important to learn more about how respondents use the website and if it is meeting their needs. About eighty-eight percent (88%) of respondents have navigated the WA529 website, which was redesigned in October 2020. Most find the website easy to navigate and are able to find the information they are searching for (figure 7). About seventy percent (70%) of respondents who have navigated the website say they can easily find answers to frequently asked questions, as well as learn how to use their account.

Figure 8. Most account owner respondents are opening and/or accessing their account online.

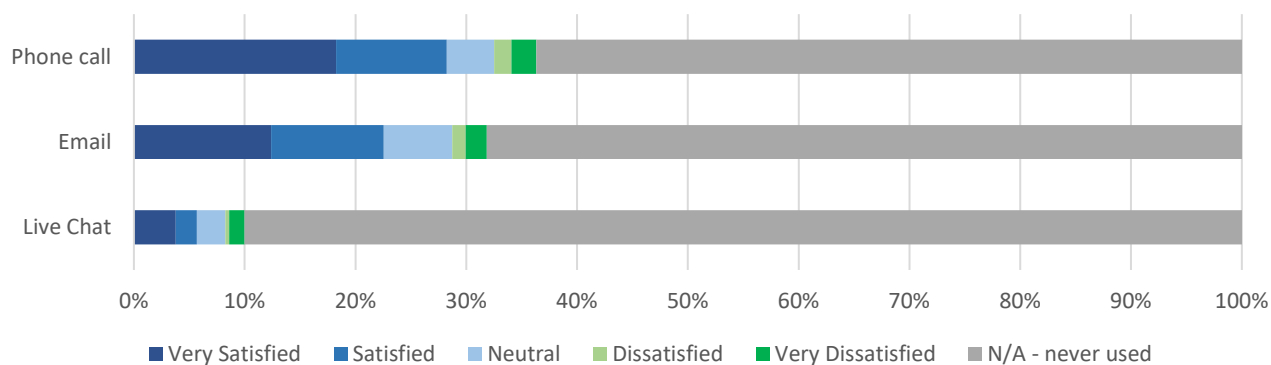


Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

The WA529 website is also a gateway to the DreamAhead account portal where customers can create and access DreamAhead accounts. Approximately, seventy-seven percent (77%) of respondents have opened an account online, and over half say it is easy to do (figure 8). Even more respondents, ninety-eight percent (98%), have accessed their account online. And over three quarters of respondents find it easy to access their account (figure 8).

How satisfied are account owners with Contact Center services?

Figure 9. Over seventy percent of account owner respondents are satisfied with the service received when communicating via phone call or email.

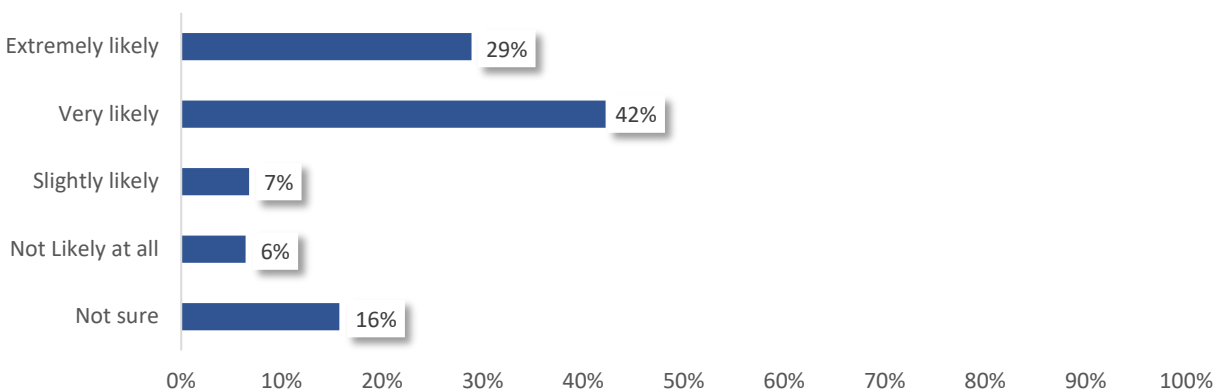


Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

Though less than half of account owner respondents said they have utilized contact center services, over seventy percent (70%) of those that have communicated with DreamAhead via phone call or email say they are satisfied with the service they received (figure 9). Satisfaction with contact center services, as well as overall satisfaction with the plan should indicate that most account owners would be likely to recommend the plan to others.

So, do account owners recommend the DreamAhead Plan to others?

Figure 10. Seventy-one percent of respondents say they are very likely or extremely likely to recommend DreamAhead.



Source: Washington Student Achievement Council, WA529 Analysis of Survey of DreamAhead Participants, May 2021.

Of the account owners who responded to the survey, seventy-one percent (71%) said they are very likely to extremely likely to recommend DreamAhead (figure 10). Just six percent (6%) said they are not likely at all to recommend DreamAhead to others. When we examine the two groups of respondents, the data shows the GET funded group is slightly more likely to recommend DreamAhead than the non-GET funded group. About seventy-two percent (72%) of respondents in the GET funded group said they are very likely to extremely likely to recommend DreamAhead, while sixty-eight percent (68%) of respondents in the non-GET funded group said they are very likely to extremely likely to recommend the plan.

The higher the overall satisfaction, the more likely the respondent is to recommend the plan to others. Of those that said they are very satisfied with the plan, ninety-one percent (91%) are very likely to extremely likely to recommend DreamAhead. It should be noted that of those that said they are very dissatisfied with DreamAhead, twenty-three percent (23%) said they are very likely to extremely likely to recommend it to others. It is possible that this discrepancy may be due to confusion in the order of the options offered for answering the question.

Conclusion

Hearing from account owners participating in the DreamAhead College Investment Plan provides WA529 with a valuable outlook of how the plan's services and features are being used. While the findings cannot be generalized due to the low response rate, they do provide valuable insights into how well DreamAhead is serving plan participants. Of the account owners that took the time to respond to the survey, most are satisfied with

the plan overall and would recommend DreamAhead to others. The findings also show that while over half of the respondents are utilizing the WA529 website and online account services and finding the features easy to use, some improvements could be made to encourage further use of other features. These features include suggesting gift contributions to friends and family, making online contributions, and making changes to accounts online. These and future survey findings will provide WA529 with a roadmap for implementing improvements to plan services, features, and marketing efforts.