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the American economy. Just last month, The Wall Street Journal reported that Amazon was in talks with the big banks, including JPMorgan Chase & Co., to develop a checking ...

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If Amazon were to announce tomorrow that it was expanding into the residential real estate market, would anyone really be surprised?

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As a student loan-centric company, LendEDU wanted to follow-up on this idea to uncover if there is room for Amazon to expand into the student loan industry.

In a survey of 1,000 current college students with student loan debt, we came away with the following:

- 66.8 percent of college students would be willing to use a student loan created by Amazon, while 22.3 percent were unsure
- 40.1 percent of college students said they would trust Amazon more than the Department of Education in handling their student loans, while 16.2 percent answered the opposite

## Full Survey Results

Note: The following two survey questions were administered to 1,000 current college students who all had student loan debt.

### **1. If offered, would you be open to the idea of using a student loan created by Amazon as a way to pay for college?**

- a. 66.8% of respondents answered "Yes"
- b. 10.9% of respondents answered "No"
- c. 22.3% of respondents answered "Unsure"

### **2. Would you have more trust in Amazon handling your student loans as compared to the Department of Education?**

- a. 40.1% of respondents answered "Yes"
- b. 16.2% of respondents answered "No"
- c. 26.8% of respondents answered "About the same level of trust"
- d. 16.9% of respondents answered "Unsure"

# Observations & Analysis

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to trust the company to deliver quality, and there is a widespread notion that Amazon is always on the cutting-edge.

That is why it came as no surprise that a healthy proportion of college students were ready to take out a hypothetical student loan with Amazon.

Of the current four-year college students with student loan debt who responded, 66.8 percent would be open to using an Amazon student loan to afford higher education. With 22.3 percent of the respondent pool being undecided, only 10.9 percent of poll participants said they would not try such a financial product.

Why would student borrowers be so ready to give a student loan created by Amazon a try? It could just be that because of the sky-rocketing [cost of college](#), students are willing to take any form of funding to afford a degree, even if it means dipping into the [private market](#).

Or, borrowers might just hold a favorable opinion of Amazon and believe that if the company got into the student loan industry, it would do so in a sterling fashion. Perhaps Amazon would approach the student loan business in an efficient manner, using its high-powered tech and friendly interface to ease the extreme burden of student loan repayment.

Again, this is all just speculation, but the results of the first question reiterate the vast

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vulnerable to foul play, prefers to know that they are not getting short-changed.

If Amazon entered the student loan industry, would borrowers trust the company?

According to the results of this survey question, Amazon would have no trouble at all in gaining trust among many student loan borrowers. Of the poll participants, 40.1 percent would actually trust Amazon more in handling their student loans than the Department of Education, while only 16.2 percent would have less trust in Amazon.

Further, 26.8 percent of college student loan borrowers said they would trust Amazon and the Department of Education equally, while 16.9 percent were unsure.

Being that the Department of Education is a large department within the U.S. government, maybe it's bound to have some trust issues among the general public. However, it was surprising to see that the plurality of college students would trust Amazon more than the government in handling their student loan debt. This an industry that the Education Department focuses all of its attention on and that Amazon has never been involved with. Yet many student debtors would rather entrust Amazon with their student loans.

# Methodology

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all questions truthfully and to the best of their ability.

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