

The Real Price of College: Experts' Perspectives on How to Look Beyond Sticker Price

Higher education is a huge investment for most students, but the national dialogue about its exorbitant costs may be misleading. Headlines deter students from college by pointing to intimidating sticker prices and student debt figures that don't reflect the whole picture.

Contrary to popular narratives, many pathways exist to help students obtain an affordable education. Some reports even indicate that real college prices have decreased in recent years.

Drawing from our interviews with 21 leaders in the higher education field, Scholarships360 assembled a report addressing the current state of affordability and pricing in higher education. These varying insights have significant implications for college access professionals, students and parents navigating the admissions process, and higher education professionals who hope to achieve a diverse student body.

Key Findings

Sticker shock has real consequences

Over our 21 interviews with leaders in higher education, one issue arose again and again: sticker prices are misleadingly high.

Phil Levine, the founder of MyIntuition, said:

“All you ever hear about is the sticker price—\$100,000 a year. Most people make less than that and pay less than that. If the only number you hear is the most expensive price you can conceivably pay, it dampens demand. People think it’s more expensive than it really is.”

Liz Cheron, the CEO of Coalition for College and former Dean of Admissions at Northeastern University, said that after looking at sticker prices alone, “It’s easy for students to say, ‘College isn’t for me. I can’t pay that much money.’”

Mark Salisbury, the founder of TuitionFit, made a similar claim about the effects of ‘sticker shock’:

“A lot of people are just sort of gobsmacked by the sticker prices... they assume that most people are paying something like that or close... That notion that all colleges are super expensive is creating an awful lot of problems and a major barrier.”

Discount rates continue to rise

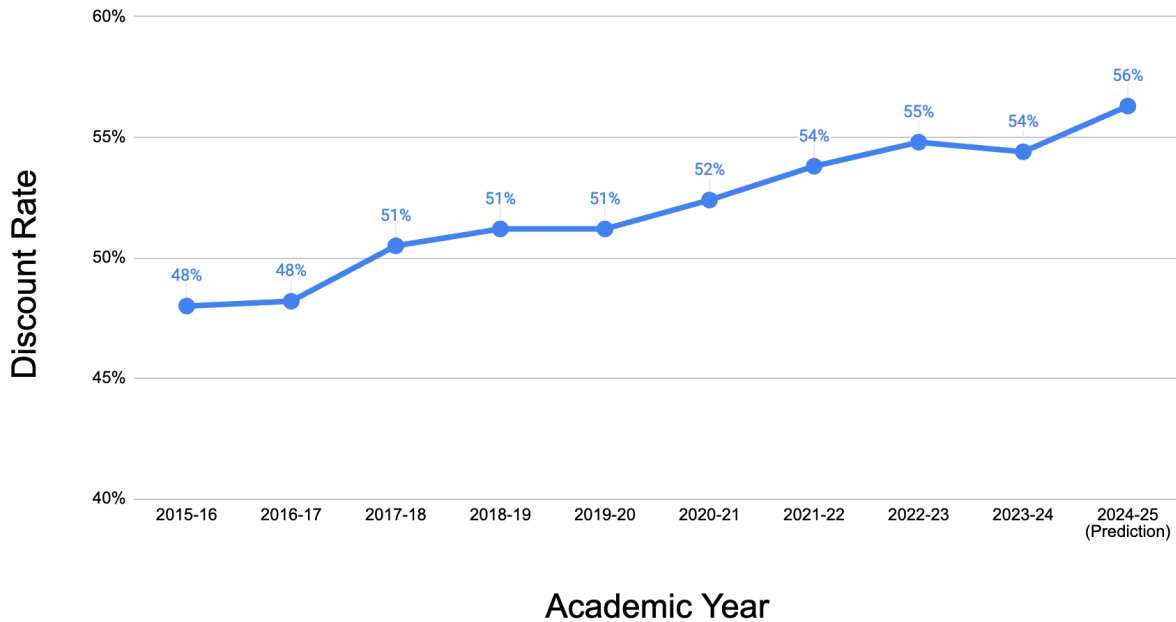
Although sticker prices have risen dramatically over the past several decades, the actual landscape of college affordability is more nuanced. Most of our interviewees pointed out that students receive increasingly large merit and need-based financial aid packages, and few students pay the full sticker price advertised on a college’s website.

Rock Hall, the VP of Enrollment at Ithaca College, said, “Most colleges heavily discount their tuition. If you see \$70,000 for tuition, room, and board, chances are it’s going to be discounted 40 to 62 percent. That brings the \$70,000 price tag down a bit more.”

The data supports Hall’s claim. A 2025 study from the [National Association of College and University Business Officers](#) found the average institutional discount rate for first-time undergrads was 56.3% in the 2024-2025 school year. That’s up from 48% in 2015-2016.

Average Institutional Discount Rate for First-Time Undergraduates Over Time

Source: 2024 NACUBO Tuition Discounting Study



So, how did we get here, and why do discount rates continue to rise?

Phil Levine offers a possible answer: “The high sticker price signals value and quality, and the discount, the merit award, makes you feel good about yourself. If [colleges] don’t do it... [they’ll] lose students... that’s what competition does.”

Kasey Urquidez, the former Dean of Admissions at The University of Arizona, discussed the public perception that high costs lead to higher quality schools: “There’s also the myth that schools with higher costs offer more opportunities or benefits to students.”

According to Mark Salisbury, “The high price, high discount philosophy started to gain favor in the nineties... Today the application itself is essentially the de facto application for virtually all institutional scholarships... All of the tools intended to provide clarity ended up creating more complexity.”

Shift to discount model is rational for institutions, but not for ‘shoppers’

The discount model is financially efficient for institutions; they charge higher prices to students with the means to pay, and use that money to subsidize steeper discounts for students with financial need.

However, they also create confusion for students and prevent many college applicants from achieving a clear financial picture of their college plans.

Headlines like [Some Colleges Will Soon Charge \\$100,000 a Year. How Did This Happen?](#) can have real consequences for enrollment. Without initiatives to explain the nuance of college pricing to students, this messaging can reduce applications from worthy students. First-generation students whose families don't have experience navigating the college process may be especially dissuaded by the high prices and fail to apply at all.

Grad school debt inflates statistics

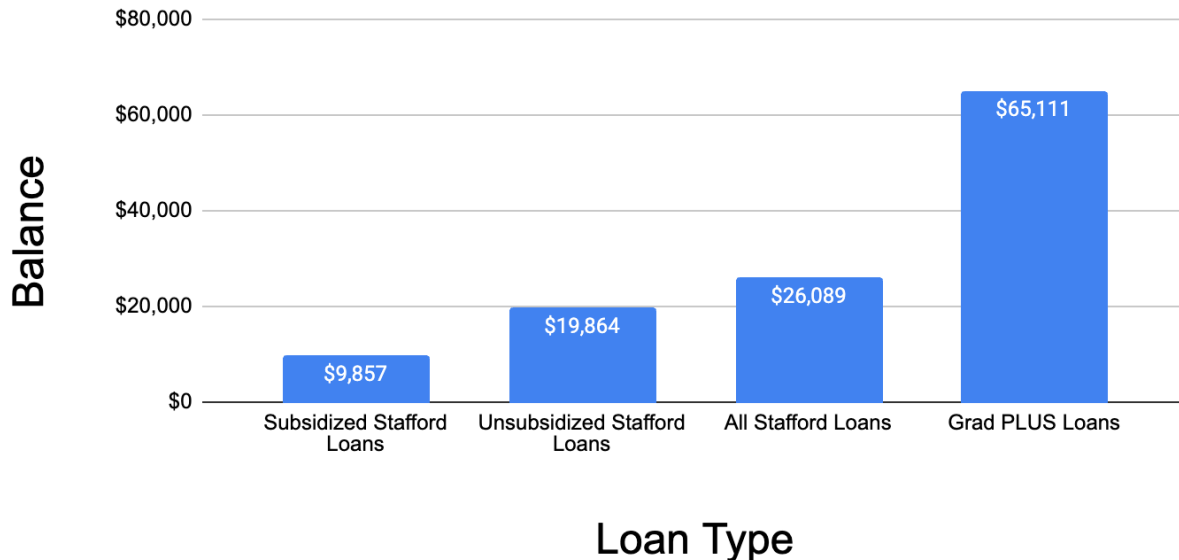
Intimidating figures surrounding average student loan debt have caused borrowers to become more loan averse. However, Allison Turcio, Siena University's Dean of Enrollment and Marketing, pointed out that these figures can be misleading:

“Some of these things we hear in the media around student debt are really scary... but it's often graduate programs and professional programs like medical school and law school that contribute to those big numbers... That's not the common story for undergraduate education... it makes you feel like it's really common that people are graduating with all kinds of debt... but that's not what's happening for most undergraduates.”

The data supports Turcio's claim; according to the [Office of Federal Student Aid](#), the average federal student loan debt for Grad PLUS Loans in 2025 was \$65,111, while the average undergraduate Stafford Loan was only \$26,089. Grouping these figures together leads to a misleadingly high number for students considering an undergraduate education.

Average Outstanding Balance of Federal Loans in 2025

Source: Office of Federal Student Aid



Peter Stokes, the Senior Director at Huron Consulting Group, warned against the dangers of conflating statistics in higher education: “When we have a conversation about access, quality or affordability, we really need to look at those issues by different market segments... it’s very dangerous to generalize.”

Large debt figures may make for compelling news stories, but they create more confusion in the admissions and financial aid processes and lead students to make less informed decisions about college or fail to apply at all.

Stigma around loans

Inflated grad school loan numbers and articles about borrowers unable to pay back their student loans have made prospective students more hesitant to borrow for their degree. However, many of the higher education experts we interviewed argued that loans, when used in moderation, are a healthy part of higher education investment.

Allison Turcio argued that “A loan is like a four-letter word when it’s really just a tool you can use to pay for school. Taking the stance of ‘I’m not going to take out any loans at

all'... you might pass up a really valuable degree. It's not the right answer for everybody."

Rock Hall argued that even students with high debt can feel their education was worth it: "The average person you talk to may have \$20,000 to \$100,000 or even \$200,000 of student loan debt. Most of them say it was worth it and they'd do it again."

Rob Farrington, founder of The College Investor, encouraged families to contextualize loans with the salaries they can expect to earn once graduated:

"You need to understand what loan repayment looks like and how that fits into the salary in the career field you're going into. And I also say, don't look at mid-career earnings... look at the starting salary... you're going to be paying back that student loan from 22 to 32."

As a whole, experts in the field encouraged a nuanced analysis of student loan decisions and discouraged students from avoiding them or taking them out unilaterally.

Affordability for some students is increasing

Many interviewees pointed out that, contrary to media narratives, college has actually become more affordable for students in specific demographic brackets. Jeremy Tate, founder of the Classic Learning Test, said:

"We've been seeing headlines about college costing \$100,000 a year... but people don't realize how financial aid and discounting make it more affordable... research shows the cost is actually going down for most families."

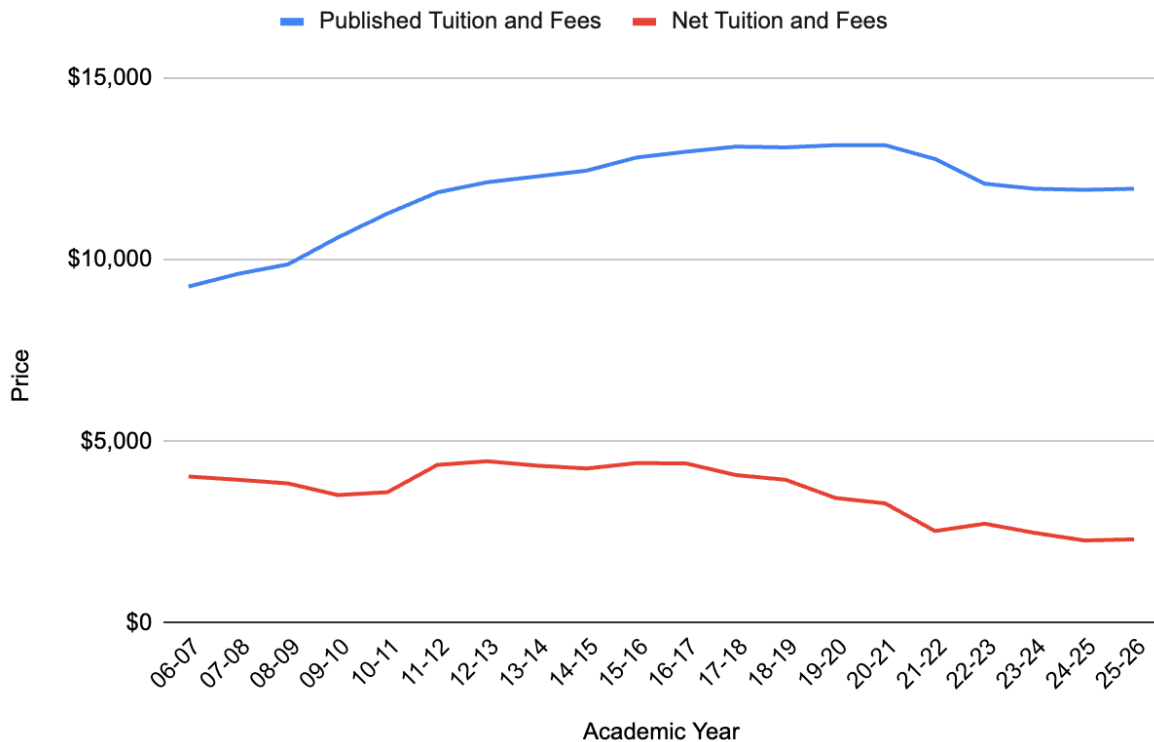
Phil Levine agreed: "The sticker price... has roughly stabilized... but prices after factoring in financial aid... have been falling for the last decade. That is not what you read in the newspaper."

Bill DeBaun offered a similar take, with an important catch: "College costs have dipped slightly in the past few years... but that does not mean a four-year degree is absolutely affordable. We have not reached absolute affordability."

The data supports their theories: According to [The College Board's 2025 Trends in College Pricing and Student Aid report](#), the average net price of private nonprofit four-year institutions was lower in the 2025-2026 school year than it was in 2006-2007. This report also found that net prices at public four-year institutions peaked in 2012-13 and have declined significantly since:

Average Published vs Net Price at Public Four-Year Institutions, 2006-07 to 2025-26

Source: Figure CP-9, College Board's 2025 Trends in College Pricing and Student Aid Report



Real value of the Pell Grant is decreasing

In the past, need-based government subsidies have covered a substantial portion of tuition for students. But while the grant awards have increased in the past decade, they have not kept pace with tuition.

Bill DeBaun, the Senior Director at The National College Attainment Network, said “At its inception, the Pell Grant covered around 70–80% of tuition and room and board at a four-year public institution. Today its purchasing power has declined, which puts more pressure on students and families.”

This leaves students with more pressure to fund their education via scholarships and institutional aid, which are less predictable than the Pell Grant. It creates more uncertainty in the financial aid process and makes students less confident that they can afford an education. Students with average grades and test scores may feel like scholarships are inaccessible to them. Without high-value need-based grants, they may be dissuaded from applying to college at all.

Affordable pathways exist

Many of our interviewees mentioned that students can pursue alternative pathways and take advantage of tips and tricks to obtain an affordable education.

Rob Farrington said:

“There are a thousand ways to get higher education today... you can go to community college... work for an employer that will provide it for you... or knock out credits early through AP and dual enrollment to graduate in three years.”

While affordable options exist, many first-generation students may not be aware they exist. Helping eliminate the stigma around college prices may cause students to look into college with an open mind and discover affordable pathways.

Communication is key

Many of the experts we interviewed mentioned the importance of communication between a student and their family. The admissions and financial aid process is complicated and overwhelming; by having important conversations early and checking in repeatedly, families are able to approach the process on the same page, leaving parents and students more informed.

Brennan Barnard, the Director of College Counseling for Khan Lab School, advised families to communicate. “Communicate with your family. And don’t over-communicate... Set aside a time each week, maybe Sunday night, where you’ll talk college, and then just limit it to that.”

Rob Farrington offered similar advice: “You have to know what you can afford, have transparent conversations between a parent and a student and be able to navigate what the financial fit of a potential college education looks like.”

Liz Cheron reminisced on the hard situations she faced as Dean of Admissions at Northeastern University:

“Those were some of the hardest conversations that I had as a Dean of Admissions—conversations with parents in March and April of senior year whose child had been offered admission and they maybe hadn’t done as much research around affordability at that institution to understand what their aid might look like... Having that conversation in March or April of senior year when the deposit deadline is weeks away is so, so difficult.

“Talking to your kids about money is not easy... but having that conversation early on, by fall of senior year, if not earlier, really allows you to have an open dialogue so that everyone has shared expectations.”

Whitney Soule, the Dean of Admissions at the University of Pennsylvania, offered some advice about the role of a parent in the admissions process:

“[Parents have] an unbelievable opportunity to be a protective space for the applicant... They already understand and know how the student responds to stress, how they manage their time, how they would approach a challenge and deadlines... And working with what you know about that student to help them do this for themselves is going to help them feel confident.”

On a family level, our experts agreed that communication is one of the most effective strategies going into the admissions process. Given the complex state of college pricing, transparency within the family can be a great tool to land an applicant at a school where they can thrive.

Recommendations

Based on the issues raised by our guests, Scholarships360 has collected the following recommendations to improve access, clarity, and affordability in college pricing.

Prioritize transparency in admissions

Additional scholarship dollars must be paired with transparency initiatives to ensure they reach the students who need them most. Financial aid officers should designate more resources towards simple tools which provide rough, personalized estimates of need-based financial aid. They should ensure that their website publicizes these tools more prominently than their sticker price.

Jim Bock, the VP and Dean of Admissions at Swarthmore College, expressed a desire to accomplish this at Swarthmore: “We can’t educate families enough about sticker price versus actual price... If you see the sticker price and think you can’t afford it, it’s important to know that’s not always the price you will pay.”

Center affordable options for college

Community colleges are significantly less expensive than 4-year colleges. In many states, they are completely free for low-income students. However, the stigma surrounding the cost of college has affected the public perception of community college costs. [A 2025 study from Strada found that 60% of survey responders overestimated the cost of community college.](#)

High school counselors should put the cost of community college front-and-center, especially to students from low-income families. Promoting community college alongside 4-year degrees can help increase the total number of students who pursue higher education.

Publicize Average Net Price

A school’s average net price is often significantly lower than the sticker price. Rather than centering sticker price on their website, brochures, and other admissions materials, schools should feature their average net price and steer students towards tools like Net Price Calculators, MyIntuition, and other nuanced portraits of school cost. Tools like the College Scorecard’s breakdown of average tuition by income bracket provide good inspiration.

Decouple grad school loans from undergrad student debt figures

Alarming headlines surrounding student debt often use statistics that conflate undergrad and grad school loans. Grad school typically has less financial aid than undergrad, and students who complete these programs tend to unlock higher earning potential. Therefore, these statistics make undergraduate education seem like a lower value proposition.

Federal statistics and news outlets should report on student loans in segmented detail. This allows readers to obtain a more accurate picture of what their loans might look like as an undergraduate.

Provide nuanced guidance around loans

As families work out their financial goals and barriers in the admissions process, they should take a nuanced, ROI-centered approach to make an informed decision.

High loans might make sense for a degree that will lead to high-income employment. On the flipside, a family's tolerance for loans should be lower for degrees that are less reliable pathways towards a high-income job.

Conclusions

After discussions with 21 leaders in higher education, we concluded that the state of college pricing is not as intimidating as the popular narrative portrays it to be. However, that narrative has consequences. Public perception and a lack of education about affordable options makes higher education less accessible for needy students.

In order to reverse these effects, action is needed on the parts of college counselors, financial aid offices, admissions professionals, and families. By making students aware of their options and raising awareness that most students with financial need do not pay the sticker price, we can make college more accessible for all students.