ABSTRACT: The retention of customers is a global problem with serious implications for individuals, public as well as private organizations. Customer retention is a key factor for fiscal success and competitive advantage in today’s global economy. Moreover, applying communication and relationship-building techniques is a common practice to increase customer loyalty and retention.

Although retention is crucial to the economic success of an educational institution, higher education administrators often ignore quality customer relationship management as a solution for retention. In order to remain financially viable, higher education administrators needed to place greater interest on customer retention. As college and university enrollment officers attempt to retain students using classic programs and models, many students have shifted their methods of communication to more interactive, self-created content used to position individuals as members of groups. Researchers have also demonstrated the importance of active, two-way communication in the customer relationship management and student retention processes.

Findings from this study may contribute to the existing body of knowledge regarding the potential relationship between student retention and social media. Furthermore, the results of this study might provide guidance for academic leaders to improve student loyalty efforts and increase competitive advantage, thereby influencing long-term profits by reducing student attrition.

Keywords: Social media, Facebook, student attrition, student retention, empirical analysis

INTRODUCTION


Although retention is crucial to the economic success of an educational institution (McPherson & Schulenburger, 2010; Sharabi, 2013), higher education administrators often ignore quality customer relationship management as a solution for retention (Sharabi, 2010, 2013). Sharabi (2010) posited that to remain financially viable, higher education administrators needed to place a greater focus on customer retention. According to McPherson and Shulenburger (2010), tuition accounts for approximately 80% of private institutions’ revenue, and student retention through degree completion would produce 4 times the income of a freshman dropout. Furthermore, attrition costs colleges and universities approximately $16.5 billion in 2010, with the average private institution losing approximately $8.3 million (Raisman, 2013).

When university administrators fail to retain a student through degree completion, a seat that a tuition-paying person could fill remains empty (Tinto, 1993). According to Pompper and Kessinger (2006), a college or university financial officer will spend 3 to 5 times more money recruiting a new student than retaining a student.
already enrolled. When a student leaves a university, administrators must expend additional resources, at the expense of programming and student services, recruiting additional students to fill those vacancies (Pompper & Kessinger, 2006). Budgets at colleges and universities also decline due to short-term losses from reduced tuition and fee payments, as well as room and board revenues. Failed attempts to retain students could ultimately threaten the very existence of educational institutions (Hu, 2011; Sharabi, 2010, 2013; Tinto, 1993).

Tinto (1993) claimed that higher education administrators who integrate and involve students in a university community would have a greater likelihood of retaining those students through degree completion. Nonacademic factors related to academic customer service, such as integration and a sense of belonging, account for more than 65% of student departures (Morrow & Ackermann, 2012). By addressing the nonacademic concerns, universities administrators have an opportunity to increase the student population by more than 80% of the total number of student departures (Raisman, 2013). Despite research in the area of higher education retention regarding students’ reasons for persisting, less research exists examining the communication practices of colleges and universities to promote retention (Chen, 2012).

As college and university retention officers attempt to retain students using classic programs and models, many students have shifted their methods of communication to more interactive, self-created content used to position individuals as members of groups (Blossom, 2009; Tapscott, 2009). Researchers have demonstrated the importance of active, two-way communication in the customer relationship management and customer retention processes (Goodman, 1999; Heyes & Kapur, 2012; Larivet & Brouard, 2010). Social media provides a platform that fosters interactivity and interaction between organization personnel and various stakeholders. Since 2005, more than 90% of college students participated in Facebook, more customers were willing to engage in Facebook than any other social media platform, and more than 80% of business leaders reported using Facebook as a component of their strategic communication plan (DiStaso & McCorkindale, 2013).

According to the ACT Institutional Data File (2010), fewer than 37% of full-time students enrolled in private universities complete their undergraduate degrees within 4 years. University administrators retain fewer than 70% of freshmen students from the first year to the second year (ACT, 2010). University retention officers fail to retain students as a result of several variables, primarily the failure to fully and correctly integrate those students into the culture and community of the university (Hu, 2011; Morrow & Ackermann, 2012; Pascarella et al., 2011; Tinto, 1993). When university administrators fail to retain students through degree completion, the economic implications might be devastating (Marginson, 2011) because attrition costs in average universities approximately $9.9 million annually (Raisman, 2013).

The purpose of this quantitative correlational study was to examine the relationship between social media and student retention at a higher education institution in Turkey. The future implications of this research may include assisting college and university admission officers in planning efforts to increase retention of college and university students by addressing nonacademic causes of attrition which account for more than 65% of student departures (Morrow & Ackermann, 2012). Improving retention is critical for the economic stability of higher education institutions (Baum et al., 2010; Hu, 2011) specifically for private institutions that receive 80% of revenue from tuition and student fees (McPherson & Shulenburger, 2010). According to Raisman (2013), higher education administrators could increase their total student populations by as much as 84% of the total number of student departures by placing a greater focus on nonacademic customer service issues.

METHODS

The objective of this research is to determine if, and if so to what extent, a relationship exists between the use of Facebook and first-year students’ intentions to reenroll in the School of Business at the participant university, a small, private, 4-year institution of higher education in Turkey. In order to accomplish this purpose, a quantitative methodology and correlational research design is used.

The research data is gathered through a verified valid and reliable survey instrument, the Institutional Integration Scale (Pascarella & Terenzini, 1980), distributed to all first-year students enrolled in the School of Business at the participant university. The Institutional Integration Scale (Pascarella & Terenzini, 1980) is utilized as the primary element in the data collection instrument. The first section of the instrument contains the Institutional Integration Scale (Pascarella & Terenzini, 1980). The second section of the instrument contains items, original to this study, relating to social media usage.

The Institutional Integration Scale (IIS; Pascarella & Terenzini, 1980), based on Tinto’s (1975) theoretical framework, was developed to assess student self-reported levels of social and academic integration. The IIS measures five facets of institutional integration. The following provides information regarding the number of items in each subscale, the coefficient α values for the sample data, and an example item from each subscale: Peer Group Interactions (7 items, α = .83, “It has been difficult for me to make friends with other students”),
Interactions With Faculty (5 items, α = .82, “My non-classroom interactions with faculty have had a positive influence on my career goals and aspirations”), Faculty Concern for Student Development (5 items, α = .73, “Few of the faculty members I have had contact with are generally interested in students”), Academic and Intellectual Development (7 items, α = .75, “I am satisfied with my academic experience at [institution name]”), and Institutional and Goal Commitment (6 items, α = .68, “It is important for me to graduate from college”). The scale possesses desirable properties that are appealing for use with college students, such as being relatively short and simple to administer (less than 10 minutes to complete).

First-year students in the School of Business at the participant university, who had completed fewer than 30 semester hours by the beginning of the fall semester of 2015, comprised the population for the study. As of the release of the fall 2015 data reports, the participant university had 403 students enrolled in the School of Business including 176 first-year students. Research data is analyzed with SPSS 20.

Ensuring an adequate sample size is critical to the statistical power of a study. Too few participants can result in low statistical power, whereas using a sample that is too large is unnecessary and can overextend study results (Connaway & Powell, 2010; Paccagnella, 2011). There were several potential benefits of selecting the entire 2015-2016 participant university School of Business first-year class of students; (a) using a larger number of students might allow for a broader understanding of the more general student population, (b) first-year students offer the greatest potential financial benefit to the university through retention (Pompper & Kessinger, 2006), and (c) the results of drawing from the full freshmen class provided an adequate sample size providing the most representative, and therefore ethical, results for the study.

According to Pompper and Kessinger (2006), no significant difference in reasoning for attrition at the first-year, sophomore, junior, or senior year exists. However, for the institution, the most important time to capture students is their first year at college. Students leaving during the first year mean at least 3 years of lost tuition and fee revenues for a university (Tinto, 1993).

**RESULTS and FINDINGS**

To what extent does a relationship exist between the time first-year students spend on Facebook and students’ intentions to reenroll at the participant university?

The mean value for likelihood to reenroll was 4.45 and for time spent on Facebook was 3.65. The mode for likelihood to reenroll was 5 (Strongly Agree) and for time spent on Facebook was 4 (1 hr. – 2 hrs.).

The relationship between the time first-year students spend on Facebook and students’ intentions to reenroll at the participant university was examined using Pearson correlation (r) coefficient. There was a weak, positive correlation between the two variable [r = .152, n = 124, p > 0.05] with greater time spent on Facebook associated with higher likelihood of reenrolling at the participant university. According to the results there is no statistically significant relationship between online social networking time via Facebook among first-year students enrolled in the School of Business at the participant university and students’ intentions to reenroll after the fall semester in the program at the participant university.

To what extent does a relationship exist between the time the first-year students spend on Facebook and their social integration at the participant university?

To answer this research question, regression analyses is used to examine the relationship between time spent on Facebook and the sum of Scale 2: Interactions With Faculty.

The mean value for the Interactions With Faculty scale was 4.0677 and for the time spent on Facebook was 3.65. The mode for the Interaction With Faculty Scale was 5 (Strongly Agree) and for the time spent on Facebook 4 (1 hr. – 2 hrs.).

Linear regression examines how one variable is affected by changes in another variable. The relationship between time first-year students spend on Facebook and students’ social integration (as measured by the sum of Scale 2 on the survey) at the participant university is examined using simple linear regression. There was a moderate, positive relationship between time spent on Facebook and social integration (based on Interactions With Faculty) at the participant university [ß = .301, t(122) = 3.490, p = .001]. Students who spent more time on Facebook reported higher levels of interaction with faculty members.

To what extent does a relationship exist between the number of faculty members a first-year student befriends on Facebook and their academic integration at the participant university?
To answer this research question, regression analyses is used to examine the relationship between the number of faculty members a student befriends on Facebook and the sum of Scale 3: Faculty Concern for Students, then to examine the relationship between the number of faculty members a student befriends on Facebook and the sum of Scale 4: Academic and Intellectual Development, and finally, to examine the relationship between the number of faculty members a student befriends on Facebook and the sum of Scale 5: Institutional Goal Commitments.

Linear regression analysis indicated that there was a moderate, positive relationship between the number of faculty members a student befriends on Facebook and students’ academic integration (based on Faculty Concern for Students) at the participant university [β = .390, t(122) = 4.679, p < .001]. Students who befriended more faculty members at the participant university reported higher levels of faculty concern for the students.

Also, there was a moderate, positive relationship between the number of faculty members a student befriends on Facebook and students’ academic integration (based on Academic and Intellectual Development) at the participant university [β = .447, t(122) = 5.518, p < .001]. Students who befriended more faculty members at the participant university reported higher levels of academic and intellectual development.

There was a moderate, positive relationship between the number of faculty members a student befriends on Facebook and students’ academic integration (based on Institutional Goal Commitments) at the participant university [β = .313, t(122) = 3.623, p < .001]. Students who befriended more faculty members at the participant university reported higher levels of institutional goal commitment.

CONCLUSION

This study could improve business practice by providing guidance for organization leaders to increase customer loyalty efforts and increase competitive advantage, thereby influencing long-term profits by reducing customer (student) attrition. The economic success of an organization and the ability to retain customers are directly connected (Marginson, 2011; Sharabi, 2013), and, in a difficult market, leaders of organizations should place higher value on the role of social media as a means of customer retention (McCorkindale, 2010). Administrators of colleges and universities lose nearly $16.5 billion annually as a result of student attrition (Raisman, 2013). As a result, failure to retain students could ultimately threaten the existence of educational institutions (Hu, 2011; Sharabi, 2010, 2013; Tinto, 1993).

This study examined nonacademic factors related to academic customer service, specifically academic and social integration, associated with student retention. These nonacademic factors account for 65% of student departures (Morrow & Ackermann, 2012). Tinto (1993) noted that creating a strong sense of community and strengthening relationships with students are key factors to improving retention rates at colleges and universities. Likewise, Raisman (2013) posited that college and university administrators could increase overall student populations by more than 80% of the number of student drops by addressing these nonacademic factors.

In order to effectively communicate with students and foster academic and social integration, administrators should alter current communication tactics (Sharabi, 2010, 2013; Tapscott, 2009). Heyes and Kapur (2012) and Larivet and Brouard (2010) suggested the importance of active, two-way communication in the customer retention process. Dagger and David (2012) and Goodman et al. (1995) asserted that organizational leaders that actively engaged in meaningful discussion with customers achieved greater customer retention and customer satisfaction. This study focused on the role of Facebook as a platform to foster interactivity and interaction between higher education institutions and student customers. Since 2005, more than 90% of college students participated in Facebook, making it the most popular social media platform for this population (DiStaso & McCorkindale, 2013). Furthermore, social media platforms provide a significantly more cost effective means to reach current and potential student customers than more traditional marketing communication tactics (Sharabi, 2010, 2013).

The results of this study demonstrated that students who had more faculty or staff friends on Facebook and students who spent more time on Facebook also expressed a greater sense of academic and social integration at the participant university. As a result, placing an intentional focus on Facebook interactions between college and university administrators and students could significantly reduce student departures thereby decreasing revenue loss resulting from student attrition.

REFERENCES


