

Social networks – new challenges for slovak universities

LADISLAV GALBAVÝ

City University of Seattle, Bratislava, Slovakia

Abstract. The current economic situation for universities is not as they wish to have. The decrease in students on high schools and fewer applications caused that universities can expect less students compared to previous years. The impact of this trend will hurt mainly private education. In spite of the fact that private schools still have students, the expectation for new students is not very positive. The study brings new possibility of using social networks as a new marketing tool for Slovak universities. Social networks can help these universities in order to be able to survive bad times.

Keywords: social network, university, Facebook, student, marketing, management, demography

1 Introduction

The demography of Slovakia is decreasing very fast and this trend will affect the state and private education in following years. The article proposes a solution for private education (colleges and universities) which will be hurt the most. The analysis expects that private education will experience huge problems within few years because they have to compete with subsidized state universities and colleges. The scenario expects that due to these reasons the private education may collapse if managements of these schools will not be prepared. They can not rely on the government but they should search for ways how to persuade students to join them.

Private education should be able to offer something above the standard; added value. In the bad times it is even more important. If the system will start losing students, private education would have to find sources of financing their existence. The only source is students. If a student sees the school has added value there is a chance that he/she will be willing to spend money on education. On the other hand, the school needs to have a good promotion. The financial crisis and current not good situation in Slovakia is forcing management of these schools to reconsider their investment activities into marketing. However, schools have an option where they can advertize – social networks.

2 Future projection for private universities and colleges

The projection for university education for Slovakia is not very optimistic. In spite of the fact that this year (2011) universities got very high number of applications, that was probably the last good year. Schools in Slovakia in general have problems with decreasing number of students. State universities are better off because they receive the government support while private colleges and universities do not get any. This is causing unfair treatment which in fact may hurt both – Slovak and private schools. The ministry of education does not try to take any severe actions in order to reform the system and universities will start losing students very soon. The private education (universities and colleges) are sharing approximately eight thousand students [1]. In spite of the fact the number looks high, compared to previous year in 2009

The Slovak republic demography is decreasing and in spite of some slight “increases,” the overall trend line is negative. This trend will have negative impact on Slovak private universities which will not be able to survive. Although it is very rough conclusion, the current statistics shows that decrease is very strong. Strong years in Slovakia were 80s and know on high schools is the year 1995 which represent lower number of students compared to 1984 [2].

2.1 Demography

The decrease in natality will affect all schools without any exception. Although statistical tables projects certain increase in newborn babies for certain years, the overall number is going to decrease. This demographical problem is affecting the education system in these days. For example, couple years ago, grammar schools belonged to the elite and entrance exams were very tough. Grammar schools decreased conditions for newcomers in order to survive.

Jozef Gajdos, who is the director of one grammar school in Presov said, that the school reconsider whether they refuse an applicant [3]. This situation on grammar schools will become the same on universities and colleges

within few years. The problem is that while state schools can expect support from the government, private schools could lose the market. Here is the table prepared by Bureau of statistics and it describes the prognosis till the year 2025.

Tabuľka 49 Hlavné výsledky prognózy vývoja obyvateľstva SR, 2008-2025

Rok	Živo narodení	Zomretí	Prirodzený prírastok	Migračné saldo	Celkový prírastok	Počet obyvateľov	Priemerný vek
2008	55 423	51 839	3 584	3 649	7 233	5 407 080	38,29
2009	56 117	52 150	3 967	3 925	7 892	5 414 972	38,57
2010	57 074	52 546	4 528	4 203	8 731	5 423 703	38,84
2011	57 376	52 969	4 407	4 485	8 892	5 432 595	39,10
2012	58 190	53 412	4 778	4 760	9 538	5 442 133	39,36
2013	58 714	53 857	4 857	5 029	9 886	5 452 019	39,61
2014	58 648	54 271	4 377	5 308	9 685	5 461 704	39,85
2015	59 032	54 672	4 360	5 589	9 949	5 471 653	40,09
2016	58 472	55 057	3 415	5 850	9 265	5 480 918	40,33
2017	57 935	55 422	2 513	6 142	8 655	5 489 573	40,57
2018	56 985	55 779	1 206	6 412	7 618	5 497 191	40,81
2019	56 397	56 142	255	6 680	6 935	5 504 126	41,05
2020	55 616	56 493	-877	6 976	6 099	5 510 225	41,30
2021	54 491	56 863	-2 372	7 241	4 869	5 515 094	41,55
2022	53 337	57 256	-3 919	7 520	3 601	5 518 695	41,81
2023	52 189	57 670	-5 481	7 792	2 311	5 521 006	42,07
2024	51 068	58 129	-7 061	8 068	1 007	5 522 013	42,33
2025	50 007	58 626	-8 619	8 351	-268	5 521 745	42,00

Figure 1 Demography projection by the end of 2025 (Bureau of Statistics 2008)

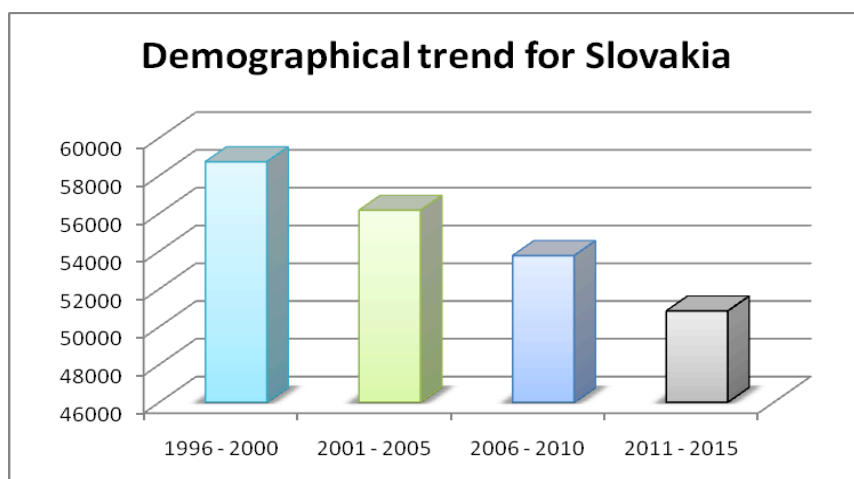


Figure 2 Demography projection by the end of 2015 (Bureau of Statistics 1996)

The table above shows how many newborns we can expect in the following years. The number of new born babies is decreasing. Although it will take some time till universities will be recruiting years 2008 or 2009, but there will be fewer students than there are now.

As we can see from the statistics, the demography and problems in high schools and grammar schools are more than significant. These problems will affect private and state universities and colleges soon. The problem is that demography is connected to other problems such as increasing prices of goods and services and inflation. If we mix all of these factors, the situation will be very tough for both sides.

2.2 Other problems for private universities and colleges in Slovakia

There are four main problems which private colleges and universities have to go over with. In spite of the fact the core role of private education is to push the quality in education [4], conditions on the market are different. The problem from the government and unfair treatment is causing not healthy atmosphere where the private education operate. The mission for private education in Slovakia is limited by:

1. High level of bureaucracy
2. Limited access to the government support
3. Financing state education and creating big gap between private and state education

4. Public opinion

The main problem for private education is the last point – financing. The current structure of financing is not very systematic and it is creating gap between the private and the state education. This inequality will cause problems in the future. If the state sector will start losing students, they can expect the support from the government. The school can use this budget for financing its own activities like salaries, marketing etc.

On the other hand, the private schools cannot expect any help from the state. If these schools start losing students, they can not apply for any support from the government. This situation however does not represent win/win situation. We could say the government should concentrate on two things: try to create equal rules for both private and state system. It means, the state should allow private universities to apply for grants and other support. The second option for the state is to change rules in financing of the state education in order to bring same chances for both parties.

3 Managing private education in Slovakia

Being a manager of a private school in Slovakia can be very challenging. Branislav Zlocha, who is the marketing director for Vysoká škola manažmentu v Trenčíne and City University of Seattle said about his mission in private education; it is continuous persuading others about the meaning of your existence [5]. This statement reflects how the private education works in Slovakia. Because this sector does not have fair conditions, therefore it has to put more effort in persuading. The private schools in Slovakia do not persuade only the ministry of education. This institution in fact plays minor role. The persuading is oriented on students, who make the decision, whether the school will survive or fails. If the private school wants to succeed on the market it has to offer the service, which is above the average. This service can be included in the:

- Good and high quality programs
- Student services

3.1 Good and well prepared programs

Programs represent the most important part of the education. In Slovakia, most of private schools are oriented more on the management and marketing. In fact, they offer the similar compared to state schools. This works fine till the school is able to guarantee the quality. For example, if a student is choosing whether to study the management on private or state school, he/she is looking for something which is above the average.

Universities are complaining about the accreditation process which is very problematic and requires a lot of bureaucracy. This however should not be something that can have an impact on their further existence. A student is not interested in the problematic process – the student is interested in the quality.

3.2 Minimum instead of maximum

Some schools believe in a myth, more programs we offer, the more students we can get. This myth is similar to some restaurants which are offering hundred meals, but they are not meeting the key of the business – the quality. The school should not be oriented on quantity but quality. In the extreme situation we may say, that even one good and well prepared program can help more than four average programs.

Although there is variety in programs, it does not have to bring an expected outcome. If the school offers too many programs, there is a chance, that sooner or later the school will start losing students. The problem is, that managements of these schools are not able to coordinate these programs from the long term point of view. It does not mean that they are not good managers, but the more people are in the program, the harder is to coordinate those programs.

Another important aspect which private schools have to follow is added value. If the school offers for example marketing program, it has to put some added value to persuade an applicant to pay for studies. If the school does not have this added value, then it can put as much effort into the marketing as it can but the effort will not bring any outcome for the school. The added value can be;

- The successful graduate
- Teachers
- Curriculum

Each school, the private or the state, have one valuable asset – the graduate. The graduate is the final product of the school. However, the measurement whether the graduate is good or bad is the ability to succeed on the market. If the graduate is not able to find the job of his/her field, then the school has a problem. It is missing

added value which is in the case of private school a big problem. The applicant is losing a reason for studying at the school.

The second important aspect for a good school is the qualified teacher. According to the Slovak law, a college or an university needs to have certain number of professors and associate professors. This however does not mean the school cannot higher experts although they can be expensive. As we mentioned above, the student wants some added value. For example, if the school teaches marketing, it worth of hiring a marketing expert who can give couple of lectures and allow students to see behind the world they learn about.

The third important aspect for the school is the curriculum. This is the most challenging issue for each school because it is very hard to prepare the curriculum, which would fit in student's needs. Most of schools in Slovakia are oriented on quantity – “learn as much as you can”. This is most common for state schools and the outcome does not have to bring what is expected. Most of those students are not able to handle such amounts and they either fail exams or they are searching for ways how to adjust their studies. On the other hand, the private education works on the opposite principle. For example Vysoká škola manažmentu v Trenčíne is curriculum is not based on quantity. The teaching process is more practical oriented. Students are solving case studies and other practical assignments.

3.3 Show them you are the best

Private education in Slovakia needs to have a good marketing in order to persuade future students, that paying for education is worth of money. However this is very challenging mission in Slovakia, because population has a negative opinion about private education. Professor Navratil defines the situation that people think; if we pay for education, we do not expect quality; we expect to pass the school [6]. In spite of the fact it is a said conclusion; most of people see the private education like.

On the other side it does not mean for private education the battle with public is over. The private education should show the public that students do not pay for education. Students at private universities are paying the price for something, which the state school cannot give them – the added value. These universities and colleges need to build their image on the most valuable asset they have – students. However, the most important is – the graduate has to work in the field, he/she studied. If the student studied for example marketing, and he/she is working in the other segment which is not linked, then the school has a problem.

The school has to therefore put a lot of effort into the marketing. However, the marketing campaign has certain problems. The main problem is the price. Newspapers or billboards are not cheap and if the school wants to have something attractive, it is needed to hire an agency which is not cheap. However, these universities or colleges have one simple option – social network advertising.

4 Social networks as a solution

Social networks represent new trend for digital marketing. Social networks are part of the social media. Social media are divided into [7];

- | | | |
|-------------------------|---------------------------------|--|
| 1. Blogs | 11. Professional networks | 21. Product based communities |
| 2. Social network sites | 12. Niche communities | 22. Review and recommendation sites |
| 3. Social news | 13. Social email | 23. Social media sites defy definition |
| 4. Social measuring | 14. Comment Communities | |
| 5. Microblogging | 15. Regional social media sites | |
| 6. Social bookmarking | 16. Podcasting communities | |
| 7. Social Q&A | 17. Blogs networks | |
| 8. Video Sharing | 18. Blogging communities | |
| 9. Photo Sharing | 19. Presentation sharing sites | |
| 10. Social search | 20. Content-driven communities | |

As we can see, universities may choose from twenty three options. Of course we are not going to do the analysis of all those possibilities but we select social network sites. The reason for social network site for our purpose is;

1. Wide range of administrative tools
2. Easy access
3. Popular in our region
4. Free of charge

The most popular social network in the world, Facebook offers universities a unique option to participate and attract its students. The page on social network, in our case Facebook, can help universities to get new students. We have to take into consideration that Facebook page is a unique experience where users can become more deeply connected with your business or brand [8]. The communication channel on Facebook can be stronger than managers may assume.

4.1 Selecting social network

Before the university will start its promotion, it is needed to select which social network would be the best for marketing purposes. There are three big international networks; Facebook, MySpace and Twitter. Here are some statistics from Google to see how many users in Slovakia to join each network.

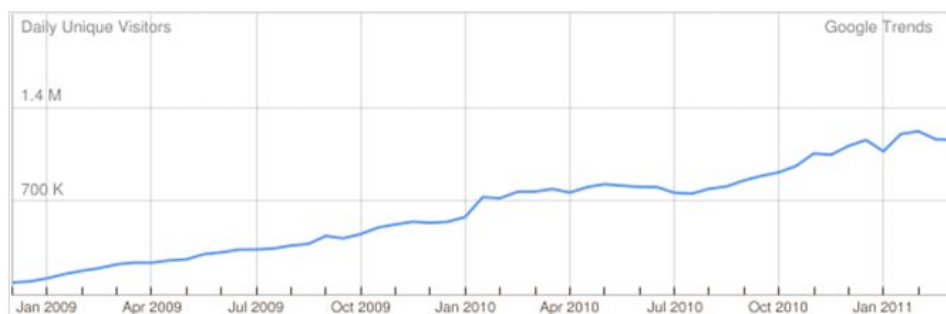


Figure 3 Facebook visits in Slovakia [9]

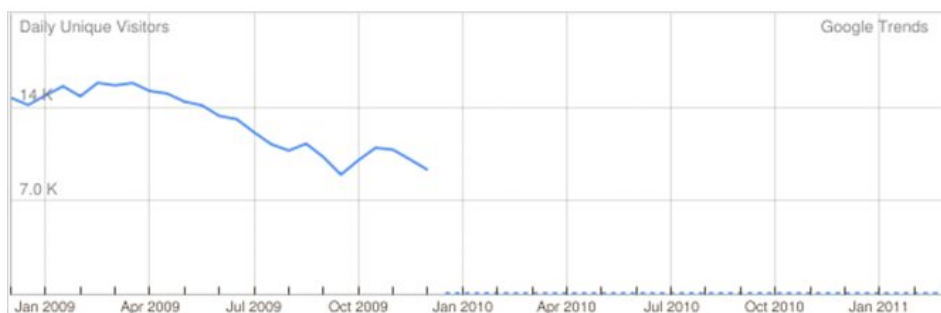


Figure 4 MySpace visits in Slovakia [9]

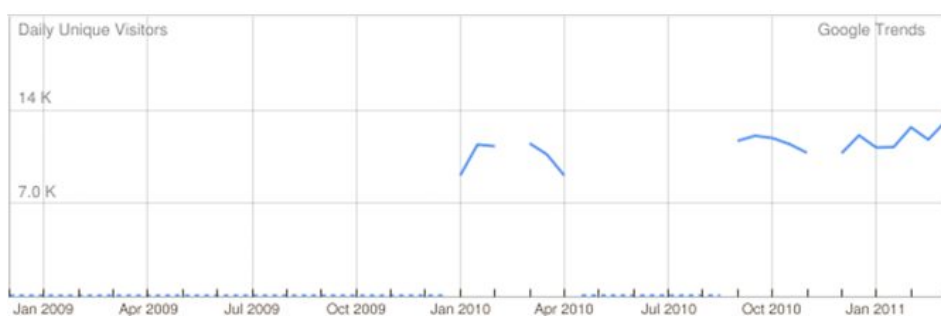


Figure 5 Twitter visits in Slovakia [9]

The Google Trends statistics offered us three statistics of different social networks accessed from Slovakia. There is no doubt that Facebook is the winner and universities should be oriented on this social network because it has approximately 800 thousand visits in general.

4.2 Social network analysis

The following SWOT analysis demonstrates reasons for a university should join the social network.

Strengths	Weaknesses
<ul style="list-style-type: none"> Attractiveness for current students and 	<ul style="list-style-type: none"> Dissatisfied students or employees

<ul style="list-style-type: none"> • applicants • Discussion boards • Easy administration (does not require any extra computer knowledge) • Save money and time on marketing • Free of charge • Applicants can see the school from different perspective • Optimized for all browsers and mobile devices • Applicants and current students can share experience about the school • Access to statistics • Applicants can get more information compared to the traditional web page • Save web space 	<ul style="list-style-type: none"> • Employees can post unwanted content • Hackers and other means of attacks
Opportunities <ul style="list-style-type: none"> • Increase number of new students • Mobile devices 	Threats <ul style="list-style-type: none"> • Fake profiles promoting service • Having employees responsible for the content • Regular updates

The SWOT analyses revealed several important issues which can attract universities like web and mobile device optimization, sharing information. New students or applicants do not have always an access to information for example about teachers, books, classes etc. Although there are certain weaknesses or threats, they do not represent big problem because it is similar to web page administration for example. Facebook provides one very important statistical data – demography.

Demography includes information like for example;

- Age
- Gender
- Country
- Education
- etc

All of this information is important for the school. If the college finds out that the average age is 18 – 20 and 65 percent are students with high school education, that information help marketing managers to coordinate the marketing campaign. On the other hand, the service has certain threats such as possibility of fake profiles. This is the biggest problem which may happen for the organization. However there are ways how to tackle with problems like that.

Marketing managers have to understand that there will be people who are dissatisfied with your service. Statistics show, that most of these people have never tried the brand and they need to complain because take it as a way how to become popular on the web. The easiest is to communicate with these people or just simply delete their postings.

4.3 Managing the social network

The marketing on Facebook is the same as any other marketing activity. It is important to prepare the structure of the page. Most of universities do the mistake; their Facebook page is the micro web site of their original web. This is not good because it does not bring anything interesting for an applicant. The social network page needs to bring something above than the official page does.

The marketing manager has to be able to answer questions which may raise a visitor:

1. Why should I come back?
2. Why should I follow your page?
3. How is your service special compared to competitors?

Of course it is very hard to prepare a page that would be able to answer all of these questions; however it is selling the service.

4.4 Content plays the role

As we mentioned above, the page should not include information which are on the web. In some cases, universities do not know how to start with the promotion. The main problem they do, is

The following picture shows how the wall of the university should look like.



Figure 6 Screenshot (Stanford University) taken from Facebook.com

The picture demonstrates how the proper wall should look like. The university is promoting videos of its employee. The wall on social network should not use a discussion forum. This part of the page should be for posting important information like for example:

1. Programs
2. Registrations
3. Guest lectures
4. Awards
5. Other

If students or applicants want to discuss, they may use the discussion section – here is the example how discussion should look like.



Figure 7 Screenshot (City University of Seattle) taken from Facebook.com

The social network of course does not offer only these two options. The administrator has a lot of tools for making the content interesting such as;

- Posting pictures and videos
- Live streaming
- Events
- Landing pages
- Alumni testimonials
- etc

As we can see, the administrator/s is not limited. The good thing is that even this service is free of charge and the university does not have to pay any extra money.

4.5 Real costs of social marketing

Marketing managers should know that marketing is investment [10]. The investment although the space is for free, requires certain investments. ROMI (return on marketing investment) [10] represents the special equation which is used by managers to be able to consider, whether the investment can bring certain revenue or not. The equation is $(\text{Profit} - \text{Investment}) / \text{Investment}$. The marketing investment may end up in three ways;

- Below the break even
- Clear break even
- Above the break even

The BE (breakeven) in the marketing investment has the same outcome as in any other investment. If the manager will find out the campaign will be below the BE point, it does not give a sense to start it. If the BE point is clear, the revenue is zero, in this case the manager has to consider, whether the investment is worth or not. This decision is based on the situation of the company. The last scenario, above the BE point does not need further explanation.

The ROMI (return on marketing investment) brings the marketing manager three scenarios which may occur:

Best Case	Neutral Case	Worst Case
You measure and track the ROI of all of your marketing investments. Your campaigns deliver the highest possible return and you're able to improve them over time. Your organization understands and agrees with the choices you make because there's solid data to support your investments.	You calculate ROI on some investments, but because it can get complex, you don't attempt to measure it at all times. You have a general idea of how your investments perform relative to each other, but you can't pinpoint the exact return you're generating. And in tough times, your budget is cut.	You don't measure the performance of any of your investments. In fact, marketing is viewed as a cost, not an investment at all. Your company isn't sure what works and what doesn't, and it's a struggle to meet goals.

Figure 8 ROMI Scenarios [10].

The table above represents three scenarios instead of breakeven point. It is important for marketing managers to consider these scenarios in order to prevent unwanted losses of money.

5 Conclusion

The research brought future projection for private education. The education in Slovakia is suffering from decreasing newborns and this trend is visible on high schools. These schools are decreasing standards because they do not have sufficient numbers of students. Although universities have earned a lot of students this year, the future projection is not very optimistic. The future of education is not very bright and private universities should be prepared for worse time.

However, managers of these schools should not lose the hope. There are solutions for the problem. One of the solutions, which are fairly cheap, is social networks. These networks group millions of users who can become new customers. For example Slovakia is having more than 800 thousand registered users on one of the largest social networks – Facebook. Social network Facebook gives marketing manager very powerful tool that can help some of these private institutions to survive bad times with less damages.

Literature

1. <http://www.uips.sk/prehlady-skol/statisticka-rocenka---vysoke-skol>
2. http://portal.statistics.sk/files/Sekcie/sek_600/Demografia/Obyvatelstvo/grafy_mapy/grafy_2009.pd
3. <http://hnonline.sk/slovensko/c1-23352695-kvalita-gymnazii-klesa-chybaju-im-deti>
4. <http://hnonline.sk/slovensko/c1-40753640-vysoke-skoly-v-kriz>
5. <http://zlocha.blog.hnonline.sk/c1-23880860-zeitgeist-duch-doby-fikcia-alebo-skutocnos>
6. <http://www.tyzden.sk/casopis/2010/3/nevinme-len-sukromne-skoly.htm>
7. <http://onbloggingwell.com/23-types-of-social-media-sites/>
8. <http://collegewebeditor.com/blog/index.php/archives/2007/11/07/should-you-get-a-facebook-page-for-your-universitycollege/>
9. <http://trends.google.com>
10. <http://www.marketingmo.com/4-support-tools/how-to-calculate-roi-return-on-investment/>

Contact data:

Ladislav Galbavý, M.B.A.
Vysoká škola manažmentu v Trenčíne / City University of Seattle,
Panónska cesta 17,
821 01 Bratislava,
Slovakia
lgalbavy@vsm.sk