

**ICONSPADU 2021**  
**International Conference on Sustainable Practices, Development and Urbanisation**

**A CONCEPTUAL REVIEW OF THE SOCIAL MEDIA'S ROLE IN  
EDUCATION LOAN REPAYMENT**

Nor Effuandy Pfordten (a)\*, Muhammad Aqmal Jamil (b), Norhaila Sabli (c)

\*Corresponding author

(a) Faculty of Business and Accountancy, Universiti Selangor, 40000 Shah Alam, Selangor, Malaysia  
pfordten@unisel.edu.my

(b) Faculty of Business and Accountancy, Universiti Selangor, 40000 Shah Alam, Selangor, Malaysia  
aqmaljamil@gmail.com

(c) Centre for Professional and Business Development, Faculty of Business and Accountancy, Universiti Selangor,  
40000 Shah Alam, Selangor, Malaysia, norhayla@unisel.edu.my

### Abstract

The number of people who use social media has skyrocketed in recent years. This is due to technological advancements, such as the availability of low-cost mobile phones, which has resulted in a staggering increase in the number of individuals who use social media. Every smartphone these days must have at least one social media app installed. Teenagers and young people are not the only ones who use social media; the elderly have also begun utilising it and incorporating it into their daily lives. In addition, social media has the ability to disseminate information more swiftly. As a result, the positive usage of social media must be expanded to its full potential. This study aims to examine the role of the media in informing students about the need to repaying their student loans. The motivations driving media awareness, social media, and information literature are examined in this study. Following the above factors, the study discusses the function of the media in educating graduates on how to pay back their student loans. Finally, implications for future research on the role of the media in informing students about the need of repaying their education loans are discussed.

2421-826X © 2022 Published by European Publisher.

*Keywords:* Graduated student, media awareness, repaying education loan, role of media, social media

## 1. Introduction

People can find others with whom they have in-person or online affinities, activities, backgrounds, or friendships through media. Social media is a web-based tool that facilitates the growth of personal and professional networks. There is no doubt that social media has a significant impact on today's young adults. People's daily lives are increasingly shaped by their use of social media platforms (Akram & Kumar, 2017). Individuals stay up to date on their friends and family's social media updates, and adolescents increasingly use laptops, tablet computers, and cell phones. People are also being compelled to adopt new lifestyles due to advancements in technology. As a result, using social networking sites to teach young people how to be more socially competent can be advantageous (Siddiqui & Singh, 2016). According to (Ioană & Stoica, 2020), most online buyers are between the ages of 25 and 29. Students' lives are significantly impacted by social media (Ismail et al., 2011). It is often easier and more convenient to get information, share information, and communicate via social media platforms.

Put another way, "social media" is an internet-based means of exchanging data. Social networking sites allow for a wide range of activities, including conversations, information exchange, and the creation of digital content. Blogs, microblogs, wikis, social networking sites, photo-sharing sites, instant messaging, video-sharing sites, podcasts, widgets, virtual worlds, and other types of social media are all available to the general public via the web. Tens of millions of people use social media to exchange information and form new relationships (Siddiqui & Singh, 2016). Loan repayment issues are communicated to students through the media. Students stated that they rely on a variety of sources for information. In order to create a plan for raising awareness among young people, it is necessary to evaluate the effectiveness of these resources (Grolnick & Slowiaczek, 1994). When it comes to repaying their student loans, social media can impact. The effectiveness of the information and the likelihood of behavior change would benefit from such interactions with young people. As Volkwein et al. (1998) show, students are aware of the importance of loan repayment. As a result, defaults on student loans cannot be attributed to a lack of knowledge or information. However, the same study also found that three-quarters of students are not aware of loan deferment options.

## 2. Problem Statement

Businesses, organizations, and brands embrace social media as the latest marketing craze. It aids in the dissemination of information, the development of friendships, the formation of connections, and the acquisition of followers. In order to meet corporate goals and boost annual revenue, companies turn to social media for a variety of reasons. With social media, companies can communicate with their stockholders more directly, which is advantageous (Bajpai et al., 2012).

The state's priority sector lending program has grown to include a significant portion of education loans. More and more students are turning to financial institutions like student loans for help. As a result, students and their families do not understand all aspects of the education loans program, which causes problems for both the loans institution and the students. Borrower ignorance also plays a role in this plan's poor repayment performance. Student's perceptions of the amount of debt they owe vary even within the

same university (Hira et al., 2000). As a result, the current project emphasises a conceptual evaluation of the media's role in educating students about repaying their school loans.

### **3. Research Questions**

Is the media's role in educating students on the importance of repaying their education loans successful?

### **4. Purpose of the Study**

The purpose of the study is to know whether the media's role in educating students on the importance of repaying their education loans successful

### **5. Research Methods**

To better understand the role of the media in informing students about the importance of repaying their education loans, this study re-examined and evaluated the role of the media. The study conducted a wide-ranging search of online databases for research articles and literature on social media, graduates, and student loan repayment. EBSCO HOST is included, Google Scholars, Spingers link, and Wiley Science Direct. We discovered a wide range of academic papers and other works as part of this extensive search. All articles and research papers have been vetted to determine which ones should be included in this review. In the end, we chose the articles that best fit the media's role in educating students about the importance of repaying their education loans after thoroughly reading and analyzing the relevant articles. The empirical studies were reviewed for their aims, methods, and conclusions.

### **6. Findings**

The vast majority of people worldwide are active users of social media in some form or another. To name a few, social media sites have incorporated varying degrees of education, business, marketing, and information transmission. First, let us look at Facebook, the most popular social media network on the Internet, in terms of total subscribers and brand recognition. Founded on February 4, 2004, Facebook has grown to over 1.59 billion monthly active users, making it one of the most successful platforms for connecting people from around the world (Lee & Lee, 2020). For small and medium-sized businesses, the platform will soon promote their products or services to more than 1 million people.

Even though Twitter's 140-character limit may seem like an ineffective way to promote a brand, more than 320 million active monthly users can make the most of it (Cripps et al., 2020). With Twitter, businesses can stay in touch with their target audiences while promoting their products and services to a broader audience. Twitter was established in San Francisco, California, on March 21, 2006, and it is still based there (Jukes, 2019).

Google+ is the next logical step. Google+ is currently one of the most popular social networking sites. Simply because of its SEO value, it is a must-have for any small business. With 418 million active users as of December 2015, Google+ has become one of the most popular social media platforms ever

since its launch on December 15, 2011. This is all without bringing up YouTube. Three former PayPal employees launched video-based social networking site YouTube on February 14, 2005. In November 2006, Google paid \$1.65 billion for it. After Google, YouTube is the second most popular search engine on the Internet, is the second most popular search engine with over 1 billion monthly visitors (Gupta et al., 2017).

### **6.1. Media Awareness**

People from all over the world can now connect through social media, which is becoming increasingly important in today's world. They use the internet to communicate and exchange information with their friends and colleagues. Users and web publishers both participate in social media. In addition to connecting and exchanging information, social media gives them a platform to do so. 'Communication' is defined as "one in which people with similar interests connect and interact to share their life experiences" (Evans, 2008). On the other hand, online communication and the electronic dissemination of information and ideas are at the heart of social internet media. People use words and visual aids to communicate ideas and concepts to combine technology and socialization.

It is referred to as "loan repayment awareness" when students realize they must pay back their student loans once they graduate. According to Volkwein et al. (1998) findings, students believe they are obligated to repay their loans in full. As a result, both parents and students agree that paying off student loans is an essential priority (Ismail et al., 2010). However, a lack of knowledge or misinformation is not to blame for loan defaults. It was also discovered that three out of four students were not aware of the deferment options available to them for their student loans. Students awareness of their borrowed debt differs from one student to the next, even if they are enrolled in the same course at the same college or university (Hira et al., 2000). A total of 30 pieces of information from various sources are provided to the student. As a result, it is possible to assess the effectiveness of these sources in raising the awareness of young people about financial responsibility (Grolnick & Slowiaczek, 1994). Computer information technology (IT) literacy increases among students as they increasingly rely on the internet for information.

### **6.2. Social media**

There are a variety of web-based and mobile-based platforms for social networking and content creation that allow people to do both simultaneously. Social media apps are becoming increasingly important parts of people's daily routines. Thus, they are more likely to use social media sites like Facebook and Twitter to communicate (i.e., Facebook, Instagram, LinkedIn, and Twitter). Social media applications have been identified as one of the most effective and influential outcomes. Aside from that, it has been gradually assimilated into the vast majority of people (Alalwan et al., 2017).

Customer engagement, customer relationship management, and communication with clients and prospects are all made easier with social media, which has primarily been recognized as an effective tool for this purpose. This is especially true for customer engagement, customer relationship management, and communication with clients and prospects (Filo et al., 2015). It is possible that social media platforms are being used to encourage businesses to engage in more two-way communication with their consumers in

order to boost brand loyalty, as stated by national regulatory agencies. Additionally, social media's ability to present content visually, verbally, or textually or combine textual, visual, and verbal content is a significant advantage for its users (Okazaki & Taylor, 2013). Businesses have predicted various uses for social media, including the facilitation of information discovery, an increase in interactivity, the promotion of goods, and an improvement in customer purchasing behavior (Zeng & Gerritsen, 2014). The result is a wide range of interactive practices and processes that help businesses identify their brands and achieve success in marketing (Filo et al., 2015). Customers are being acquired through participation and online customer relationship management, two methods that have taken a significant amount of time and money to develop (Alalwan et al., 2017).

More than 93% of companies have adopted and integrated new platforms and tools to interact with their global customers, according to Bennett (2013). Researchers and practitioners alike have been paying attention to social media as a means of gaining insights into how people interact with each other and the world around them. Information about the most critical requirements for a successful deployment of this technology and how much investment is needed to make these applications viable in the first place must be obtained before proceeding further. Researching the role of social media in various contexts. Knoll (2016) argue that social media's innovative nature makes it critical to address the issues that come with it. Because of these new technologies and the fact that research in this area has progressed beyond the exploratory stage, new interest levels and comprehension are required.

### **6.3. Role of institution**

It was established in 1997 by the Malaysian government to provide loans to local students enrolled in polytechnics and public and private tertiary education institutions, such as the National Higher Education Fund Corporation (PTPTN). PTPTN loan repayment was waived in 2015 for students who graduated with honors. From 88,372 loan approvals in 2000 to 193,922 in 2015, the number of loans granted has increased significantly over the past decade (Ong Kian-Ming et al., 2016). The National Higher Education Fund Corporation (PTPTN) provides study loans for post-secondary education in Malaysia. The Ministry of Education oversees this division. Since the company's inception in 1997, approximately 1.2 million students have benefited from loans totalling approximately Malaysian Ringgit (RM) 25.89 billion. Ethnic Malays, who make up most of the country's population, are the primary beneficiaries of this institution's efforts to promote economic mobility (Jan, 2020).

There are still many students taking advantage of the situation by defaulting on their study loans, despite the efforts of the Malaysian government and agencies to provide funding for these tertiary students. The amount of money lent is being repaid much more slowly than expected as the number of borrowers increases (Zakaria et al., 2020). Of the estimated 80% of students who took out loans, approximately 50% defaulted (see [www.ptptn.gov.my](http://www.ptptn.gov.my)). There are not many scholarships available for students because of the increase in the number of students and institutions of higher learning. In order to fill the gap, the government would have to provide students with loans. For students to continue their education, they now need this financial assistance (Abu Bakar et al., 2006). In this section, the institution must maximize its technology and social media use. The majority of Malaysian teenagers use social media daily. As a result, the PTPTN should use social media to encourage loan repayment. For example,

before watching a video on YouTube, viewers must sit through a 5- to 15-second advertisement, which cannot be skipped. In order to collect a payment, PTPTN can now take advantage of YouTube's clout because the commercial requires viewers to watch the entire length of the video before moving on.

## **7. Conclusion**

The use of social media networks by and among students in higher education is becoming more common. It is becoming impossible to find a student unaware of and who does not use one or more social networking sites these days. It suggests that social networking sites have consumed a significant amount of time in student's life. The parties concerned must make the most of social media to promote college loans repayments as much awareness as possible. Young people are not the only ones who use social media; members of generation X, who are the parents of education borrowers, have also entered the realm of internet communication. It may indirectly impact parents' ability to influence their children's willingness to repay their student loans. The media should encourage students who cannot repay their college loans by producing informational images or videos.

Any business, including student loan providers, can benefit significantly from the power of social media. There are several advantages to using social media, including increasing the visibility of an institution, building stronger relationships, and establishing two-way communication with students. Consequently, social media websites have become a vital part of business communication. However, a few things to keep in mind as companies "focus on efficiently exploiting social media platforms." A comprehensive social media communication strategy, backed by best practices, is essential for businesses looking to make the most of social media. In order to get the most out of social media efforts, the company should adhere to the suggestions of this guide closely as possible.

Student loans repayments must be fulfilled on schedule, and institutions play a vital role in this. Institutions must be on the watch for any issues that borrowers may be having, such as when they need to start repaying their loans to the lender. So it is since many borrowers are unaware that they are already obligated to repay their student loans. Furthermore, all borrowers must get regular communications from the institution. According to multiple accounts, graduates said that they could not receive any correspondence from the university regarding the return of their student loans via email. However, a small percentage of people receive notifications from educational institutions about debt repayments. As a result, given that most graduates are now engaged in social media, institutions must be more aggressive in their use of social media. Graduates can be contacted through the institution's social media alerts. In this age of globalization, institutions may learn from huge organizations how to effectively reach their customers through films, social media influencers, and the development of videos that can encourage borrowers to return their college loans. (Ong Kian-Ming et al., 2016)

## **Acknowledgments**

This concept paper was funded by the Ministry of Higher Education (MOHE) under the Fundamental Research Grant Scheme (FRGS).

## References

- Abu Bakar, E., Masud, J., & Md Jusoh, Z. (2006). Knowledge, attitude and perceptions of university students towards educational loans in Malaysia. *Journal of Family and Economic Issues*, 27(4), 692–701. <https://doi.org/10.1007/s10834-006-9035-6>
- Akram, W., & Kumar, R. (2017). LIT REVIEW - BUT Good Suggestions - A Study on Positive and Negative Effects of Social Media on Society. *International Journal of Computer Sciences and Engineering*, 5(10), 351–354.
- Alalwan, A. A., Dwivedi, Y. K., Algharabat, R. S., & Rana, N. (2017). Social Media in Marketing: A Review and Analysis of the Existing Literature. *Telematics and Informatics*.
- Bajpai, V., Pandey, D. S., & Shriwas, M. S. (2012). Social Media Marketing: Strategies & Its Impact. *IRJC International Journal of Social Science & Interdisciplinary Research*, 1, 214–223. [www.indianresearchjournals.com](http://www.indianresearchjournals.com)
- Bennett, M. J. (2013). *Basic concepts of intercultural communication*, (2nd Ed.). Intercultural Press, Boston.
- Cripps, H., Singh, A., Mejtoft, T., & Salo, J. (2020). The use of Twitter for innovation in business markets. *Marketing Intelligence and Planning*, 38(5), 587–601. <https://doi.org/10.1108/MIP-06-2019-0349>
- Evans, L. (2008). Professionalism, professionalism and the development of education professionals. *British Journal of Educational Studies*, 56(1), 20–38. <https://doi.org/10.1111/j.1467-8527.2007.00392.x>
- Filo, K., Lock, D., & Karg, A. (2015). Sport and social media research: A review. *Sport Management Review*, 18(2), 166–181. <https://doi.org/10.1016/j.smr.2014.11.001>
- Grolnick, W. S., & Slowiaczek, M. L. (1994). Parents' Involvement in Children's Schooling: A Multidimensional Conceptualization and Motivational Model. *Child Development*, 65(1), 237–252. <https://doi.org/10.1111/j.1467-8624.1994.tb00747.x>
- Gupta, H., Singh, S., & Sinha, P. (2017). Multimedia tool as a predictor for social media advertising- a YouTube way. *Multimedia Tools and Applications*, 76(18), 18557–18568. <https://doi.org/10.1007/s11042-016-4249-6>
- Ioanăș, E., & Stoica, I. (2020). Social Media and its Impact on Consumers Behavior Part 2. *Journal Kesehatan Prima*, 1(1), 1–5.
- Ismail, S., Serguieva, A., & Singh, S. (2010). Students' Attitude towards Loan Repayment : A Theoretical Framework. *Jurnal Bisnis & Manajemen*, 10(1), 45–52.
- Ismail, S., Serguieva, A., & Singh, S. (2011). Integrative model of students' attitude to educational loan repayment: A structural modelling approach. *Journal of International Education in Business*, 4(2), 125–140. <https://doi.org/10.1108/18363261111189522>
- Jan, W. S. (2020). *Malaysia's Student Loan Company*. Yusof Ishak Institute.
- Jukes, S. (2019). Crossing the line between news and the business of news: Exploring journalists' use of twitter. *Media and Communication*, 7(1), 248–258. <https://doi.org/10.17645/mac.v7i1.1772>
- Knoll, J. (2016). Advertising in social media: A review of empirical evidence. *International Journal of Advertising*, 266–300.
- Lee, S. Y., & Lee, S. W. (2020). Social media use and job performance in the workplace: The effects of Facebook and KakaoTalk use on job performance in South Korea. *Sustainability (Switzerland)*, 12(10). <https://doi.org/10.3390/SU12104052>
- Okazaki, S., & Taylor, C. R. (2013). Social media and international advertising: Theoretical challenges and future directions. *International Marketing Review*, 30(1), 56–71. <https://doi.org/10.1108/02651331311298573>
- Ong Kian-Ming, Jonathan Yong, Khai-Yen, C., & Ng, D. (2016). The Sustainability of the PTPTN Loan Scheme. *Penang Institute*, December, 1–44. <https://penanginstitute.org/programmes/penang-institute-in-kuala-lumpur/the-sustainability-of-the-ptptn-loan-scheme/>

- Siddiqui, S., & Singh, T. (2016). Social Media its Impact with Positive and Negative Aspects. *International Journal of Computer Applications Technology and Research*, 5(2), 71–75. <http://www.ijcat.com/archives/volume5/issue2/ijcatr05021006.pdf>
- Volkwein, J. F., Szelest, B. P., Cabrera, A. F., & Napierski-Prancl, M. R. (1998). Factors Associated with Student Loan Default among Different Racial and Ethnic Groups. *The Journal of Higher Education*, 69(2), 206. <https://doi.org/10.2307/2649206>
- Zakaria, N. B., Rasyid, M., Mohamed, N., Daud, D., & Ismail, A. M. (2020). Study Loan Defaults Among Tertiary Graduates. *International Journal of Financial Research*, 125-130.
- Zeng, B., & Gerritsen, R. (2014). What do we know about social media in tourism? A review. *Tourism Management Perspectives*, 10(January 2018), 27–36. <https://doi.org/10.1016/j.tmp.2014.01.001>