The influence of the Covid-19 Pandemic on young online businesses

Nokya Suripto Putri  
Department of Anthropology  
Faculty of Social and Political Sciences, Universitas Airlangga, Surabaya  
Address: Jalan Airlangga 4-6 Surabaya, Indonesia  
E-mail: nokya.suripto.putri-2020@fisip.unair.ac.id

Abstract

Indonesia is one of the countries affected by the Covid-19 pandemic. The Covid-19 pandemic has a negative impact on economic, educational, socio-cultural, and other aspects. When viewed from a financial aspect, this pandemic has made efforts to shift trade from trading directly or face-to-face to online or commonly referred to as e-commerce, which is now an online business. This research method is quantitative and qualitative. Researchers used a purposive sampling technique to get respondents aged 15 to 25 who worked as online businesses during the Covid-19 pandemic. Then, the data analysis that the researchers did was descriptive statistical analysis. This study indicates that the most driving factor for young people aged 15 to 25 to do online business is to follow the current trends (37%). In addition, the inhibiting factor that many young people experience when running online businesses during the Covid-19 pandemic is a large number of competitors (37%). The number of competitors is related to the difficult economic situation during the Covid-19 pandemic.

In addition, the results of this study also show that 60% of respondents choose that online business has no impact on academics because respondents say that doing business online provides positive energy. So, high school students, college students, and the general public (aged 18-25 years) can continue to develop online businesses even though they are during the Covid-19 pandemic.

Keywords: pandemic; Covid-19; online business; students; college student; Indonesia

Introduction

The Covid-19 pandemic is a disaster that has hit Indonesia and throughout the world. The Covid-19 pandemics first appeared in Wuhan, China, on December 30, 2019. Covid-19 has symptoms such as shortness of breath or difficulty breathing, high fever, and cough. Covid-19 is a disease that occurs due to a virus originating from animals that spread or transmit to humans. The very rapid transmission of the virus has an impact on the economy in Indonesia. McKibbin & Fernando (2020) in Firman (2020) stated,

“...Evolusi Virus Corona dan dampaknya pada perekonomian sangat sulit diprediksi sehingga mempersulit pihak berwenang untuk menyusun kebijakan ekonomi dalam menghadapi dampak pandemi Covid”

("...The evolution of the Corona Virus and its impact on the economy is complicated to predict, making it difficult for the authorities to formulate economic policies in the face of the impact of the Covid pandemic").

That resulted in the economy supporting sectors having to be closed first to reduce the spread of Covid-19 in Indonesia. The impact of Covid-19 on the economy in Indonesia is very varied. There are negative impacts, and there are also positive impacts. Covid-19 harms tourism, trade, investment, and other systems for negative impacts. Hanoatubun (2020) explains that [1] the trade sector has experienced a decline in tax payments even though trade is one of the largest sectors in paying taxes. [2] The decreasing interest of residents to buy goods or investments. [3] The cancellation of several airlines aiming abroad to suppress the spread of Covid-19. [4] The closure of tourism spots, which
causes tourists to fail to travel, negatively impacts tourism sectors such as hotels, restaurants, rental shops, and even shopping centers for souvenirs.

On the other hand, Covid-19 also positively impacts Indonesian citizens in dealing with economic problems. The Covid-19 Pandemic condition has made many people do business indirectly, or "E-commerce." According to its development from time to time, E-commerce has a definition that continues to expand. According to Bauum (1999) in Febriantoro (2018), E-commerce is a business process through electronic transactions, exchange of goods, services, and electronic information using dynamic technology and applications. Its purpose is to connect companies, consumers, and communities. Furthermore, according to Turban et al. (2000) in Febriantoro (2018), E-commerce can be through existing networks on computers, including the internet, to carry out the buying and selling process and exchange of products, services, and information. Wearesocial, Hootsuite (2018) in Febriantoro (2018) records Indonesia that,

“...January 2018 internet users in Indonesia reached 132.7 million with a penetration rate of 50% (population 262 million) as can be seen in Figure 1. Data on active social media users is 130 million while registered mobile phone users are 177.9 million or 67% of the total population. From this survey, it was also found that there are 120 million active social media users who access using mobile devices. The high level of internet usage is triggered by infrastructure development and the ease of getting a smartphone or handheld device.”

The existence of smartphones and internet networks has helped the emergence of E-commerce. Currently, people can use E-commerce or online business through the web, blogs, social media applications (for example, Instagram, Facebook, Twitter, and Tiktok), or online shops (for example, Shopee, Tokopedia, Lazada, and Buka Lapak). Based on the ease of access, it creates many opportunities for everyone to do online business. Purwinarti & Chandra (2020) explain that, the Covid-19 pandemic requires people to avoid crowds to prevent transmission of the virus, so people need online sales. Therefore, this online business is a solution so that sellers do not meet consumers directly.

In the era of globalization and during the Covid-19 Pandemic, online business usually refers to a lot of young people or the general public who have a range of ages (18-25 years) or more precisely by students (Senior High School) and college students who are literate with the existence of science and technology. Young people today have creative and innovative ways to deal with the Covid-19 pandemic to get pocket money to buy something they want during the pandemic. A report in Kompasiana.com by Sulityowati (2020) explains that,

“...melalui jualan online ini maka seorang pelajar tidak akan nganggur dirumah, karena mereka akan disibukkan dengan kegiatan belajar dirumah dan mengurus pesanan masuk dari promodinya tersebut.”

(“...through this online sale, a student will not be unemployed at home because they will be busy with learning activities at home taking care of incoming orders the promotion.”)
The average items traded by high school students, college students, and the general public (aged 18-25 years) are 'tie dye' masks, 'tie dye' clothes, makeup and skincare, trend clothes, and others. That makes researchers want to know the driving factors for the emergence of a sense of wanting to do business during a pandemic carried out by students (high school), college students, and the general public (aged 18-25 years). Furthermore, we want to know whether this impacts the academic field during the Covid-19 pandemic. This research aims to motivate and learn for students who have not yet entered the business world. Researchers want to determine whether the online business impacts the academic field for high school students and college students during the Covid-19 pandemic? Moreover, are there any inhibiting factors in doing online business during the Covid-19 pandemic?

Methods

The methods in this research are quantitative and qualitative. Researchers use quantitative methods because this method has a systematic, descriptive, correlation, and associative nature based on the relationship between variables. Researchers also used qualitative methods to get actual results and find analysis results based on the conditions during the Covid-19 Pandemic. The data collection technique in this study is the purposive sampling technique, which is a technique based on specific considerations (Sugiyono 2016). In this study, researchers used Google Form (G-form), which contains research questions that the researchers distributed to respondents working in an online business and were aged 15-25 years and came from Tuban. Researchers also conducted interviews with informants regarding the factors inhibiting their online business during the Covid-19 pandemic. The data analysis technique in this research is descriptive statistics, where the researcher describes the research data in the form of tables and graphs. Table 1 below shows the number of respondents the researcher got during the study.

Table 1.
Number of respondents
| Type of Respondents                  | Number of Respondents |
|--------------------------------------|-----------------------|
| Senior High School student           | 2 respondents         |
| College student                      | 15 respondents        |
| General (18-25 years old)            | 3 respondents         |

Results and Discussion

Based on the data from the research results, researchers found the factors that cause actors to do online business, the impact of online business for high school students and university students, and inhibiting factors from doing business online during the Covid-19 pandemic. Table 2 shows the driving factors mentioned by the respondents.

Table 2.
Factors that cause actors to do online business
| No. | Respondent Name Initials | Status                  | Factors for doing online business during a pandemic | Institution                      |
|-----|--------------------------|-------------------------|----------------------------------------------------|----------------------------------|
| 1.  | RU                       | College student         | Trend and needs                                    | Universitas Jember               |
| 2.  | YN                       | Senior High School student | Trend, needs, and hobby                           | SMA N 2 Tuban                   |
| 3.  | EL                       | General                 | Trend and needs                                    | Universitas Brawijaya alumni     |
| 4.  | FF                       | College student         | Trend, needs, and future                           | Politeknik Elektronika           |
The influence of the Covid-19 Pandemic on young online businesses

| No. | Respondent Name Initials | Status                        | Factors for doing online business during a pandemic | Institution   |
|-----|--------------------------|-------------------------------|---------------------------------------------------|---------------|
| 5.  | NS                       | College student              | Trend, future goals, and leisure time              | Universitas Brawijaya |
| 6.  | IK                       | College student              | Trend and future goals                            | Universitas Terbuka |
| 7.  | BS                       | College student              | Trend and needs                                   | Universitas Jember |
| 8.  | SS                       | College student              | Trend and future goals                            | Universitas Ciputra |
| 9.  | SF                       | General                      | Trend and needs                                   | General        |
| 10. | KR                       | College student              | Trend and needs                                   | Universitas Brawijaya |
| 11. | AP                       | College student              | Trend, needs, and hobby                           | Universitas Trisakti |
| 12. | BL                       | Senior High School student   | Trend and needs                                   | SMAN 2 Tuban   |
| 13. | PP                       | College student              | Trend and leisure time                            | Universitas Brawijaya |
| 14. | SJ                       | College student              | Hobby and needs                                   | Universitas Airlangga |
| 15. | RD                       | College student              | Trend and needs                                   | General        |
| 16. | NN                       | College student              | Needs                                            | STIKERS NU Tuban |
| 17. | DV                       | College student              | Needs                                            | Universitas Airlangga |
| 18. | AM                       | College student              | Trend and social media                            | Universitas Negeri Makassar |
| 19. | RH                       | College student              | Studying business                                 | Universitas Negeri Surabaya |
| 20. | LV                       | College student              | Trend and studying business                       | Universitas Brawijaya |

The data contained in Table 2 produces a percentage in the pie chart below. With the percentage formula \( \frac{r}{n} \times 100 \). With ease:

- **a.** \( r \): the number of each factor mentioned by the respondents
- **b.** \( n \): the total number of factors mentioned by the respondents
- **c.** 100: as a percent.

![Pie chart](chart.png)

**Graph 1.** Percentage of driving factors for doing online business during a pandemic

Graph 1 about the percentage of the factors driving respondents to do online business during this pandemic, shows that most respondents did it because of online business (37%), to meet needs (32%), the aspirations of respondents (10%), as a hobby (8%), spend free time (5%), want to study business.
(5%), and just social media (3%). Table 3 will provide the research results on whether online business impacts academic high school students and college students as online business people.

Based on the study results, respondents who came from high school students, college students, and the general public (aged 18-25 years) were motivated to do online business during the pandemic 37% because they followed a booming trend. A respondent with the initials SS said that,

“If you are doing business, you must follow the trend. By following trends, we can see consumer tastes, which will affect the business we have.”

Not only that, some say that following the trend of sales turnover will increase. For example, during the pandemic, many needed masks to leave the house because they had to follow health protocols. Thus, sellers can take the opportunity to sell masks with the seller's uniqueness and creativity. Like the sale of tie-dye masks, consumers will attract consumers to buy them immediately because of the unique color and often used by celebrities.

Then, at the second level, with a proportion of 32%, it refers to respondents / online business people and consumers' needs. Respondents in question are those who do online business to meet their own needs as well as consumers. Students do all learning (school and college) with an online system during the pandemic so that respondents do not get pocket money from their parents. Finally, students do online business because they want to buy whatever they want without asking their parents for money during this pandemic. Meanwhile, to meet consumer needs, online businesses will try to sell products that consumers want. That means that all consumers carry out activities in the house during this pandemic, and it makes consumers lazy to leave the house even if they are buying food. Online business people meet consumers' food (needs) by selling food through social media platforms, such as Instagram, Tiktok, Facebook, WhatsApp, and others.

Besides, the factors that encourage students (Senior High School), college students, and the general public (aged 18-25 years) to become online business people at the third level are the aspirations of becoming an entrepreneur from an early age. In graph 1, 10% of respondents choose to use the opportunity during the Covid-19 pandemic to achieve the dreams early on. Respondents with the initials NS said that,

“If we can use this opportunity and succeed in achieving our dreamed goals, not only proud parents but also ourselves will also be proud of what we have achieved with our efforts. After all, it is not wrong to take advantage of the opportunities that exist.”

The following driving factor for doing online business during the Covid-19 Pandemic was doing hobbies, taking advantage of free time, studying business, and seeing that social media is a good platform for doing business.

Students who also work have multiple roles. According to Robert (2012) in Mardelina & Muhson (2017), students studying while working have occurred a lot. According to van der Meer & Wielers (2001) in Mardelina & Muhson (2017), students prefer to work part-time because they are more flexible in managing their work and study time. Daulay (2009) in Mardelina & Muhson (2017) also
Putri: The influence of the Covid-19 Pandemic on young online businesses

argues that students who work part-time are due to economic problems, fill their spare time, live independently, and seek experience. Even so, working while studying at school or university is not easy. Mardelina & Muhson's (2017) research shows that students who work have a significant impact on academic achievement. Students who work tend to have lower academic achievement than those who do not work. However, working students also provide positive benefits, such as skills development, understanding, increased self-confidence, and making students think more creatively and have a professional spirit (Curtis & Shani 2002 in Mardelina & Muhson 2017; Mardelina & Muhson 2017).

Table 3: Impact of online business on respondents’ academics

| Impact of online business on academics | Number of respondents |
|----------------------------------------|-----------------------|
| Online business has impact on academics | 5                     |
| Online business has no impact on academic | 15                    |
| Total                                  | 20                    |

So that this results in the following percentage. With the formula \( \frac{r}{n} \times 100 \). The slope of the formula \( \frac{r}{n} \times 100 \):

a. \( r \) : total of respondents affected or not affected.

b. \( n \) : total number of respondents.

c. \( 100 \) : as a percent

Graph 2. Percentage of impact of online business conducted by high school students and college students on the academic field

Table 3 on the impact of online business shows that 15 respondents do online business that does not impact their academic activities. According to the respondents, doing business online is fun, so that it provides positive energy for online business people so that they become more enthusiastic about learning. Moreover, doing business. However, five respondents did business online who impacted their academic activities because they could not divide their time between school and business. That causes them to hesitate in managing the business or studying. In addition, the respondents also choose that they manage business more than study.

Graph 2 about the percentage of the impact of an online business carried out by high school students and college students in this academic field, shows that 60% of respondents chose that this online
business had no impact on their academic activities for both high school students and college students. Then, 25% of respondents chose that this online business impacted the academic activities of students and students. Finally, 15% of respondents chose that online business had no impact on the general public (aged 18-25 years).

In this research, the impact of the online business carried out by high school students and college students did not negatively impact their academics. 60% and 15% (generally aged 18-25 years) of respondents said that in business that respondents carry out, it gives the enthusiasm to learn and sell simultaneously. Furthermore, this is something new for respondents that makes them get positive energy when doing it. On the other hand, 25% of respondents said it impacted their academics if they could not manage time studying and doing business. However, these respondents also got new insights about how to manage time and gain insight into the business field to think there are a positive impact and a negative impact for them. Furthermore, Table 4 shows the results of research on the factors inhibiting respondents from doing online business during the Covid-19 Pandemic.

Table 4.

| No | Obstacle factor                | Frequency |
|----|--------------------------------|-----------|
| 1. | Many competitors              | 15        |
| 2. | Parents’ blessing             | 3         |
| 3. | Payment system changes        | 10        |
| 4. | Good arrived late             | 12        |
|    | Total                         | 40        |

So that this results in the following percentage. With the formula \( r / n \times 100 \). The slope of the formula \( r / n \times 100 \):

- a. \( r \): total of respondents
- b. \( n \): total number of respondents.
- c. 100: as a percent

Graph 3.

Percentage of factors inhibiting the implementation of online business during the pandemic

Graph 3, regarding the percentage of factors inhibiting the implementation of online business during this pandemic, shows that the factors that prevent respondents from doing business online are the number of competitors (37%). Goods that arrive late due to regional restrictions are 30%, and 25%
Putri: The influence of the Covid-19 Pandemic on young online businesses

due to changes in the payment system. In addition, 8% of their parents' blessing was also one of the obstacles for respondents from doing online business.

As a result of this virus, online business operations have changed. As a result of this virus, online business operations have changed. 37% of respondents chose "many competitors" because many people do online business during this pandemic. There are no special requirements to become an online businessman, so many business people sell items that are almost and can make the price of traded goods go down due to many who sell them. That makes competition between business people even tighter and makes business people have to rack their brains and think more creatively to make consumers interested in buying them. Besides, the blessing of parents can also hinder respondents from conducting online business. The respondent with the initials RU said,

"Orang tua saya tidak memperbolehkan saya untuk berjualan karena mereka berfikir sebaiknya saya lebih fokus ke kuliah dulu."
("My parents did not allow me to sell because they thought I should focus more on college first.")

That is normal for parents to pay attention to because parents want a better future for their children by focusing on what is more important. There are two other factors, namely changes in the payment system and delays in the arrival of goods. The purpose of changing the payment system is that several respondents were already doing online business with a direct payment system or COD (money for goods) in one area before the pandemic. Using this system, consumers have more confidence in respondents or online businesses because goods can be paid for when they arrive in consumers' hands. As a result of the changing payment systems (via OVO, funds, and banks), consumers or buyers are lazy because many consumers want to make indirect payments (cash). Furthermore, the delay in the arrival of the goods is because many delivery services (for example, JNE, JNT, Si Cepat, and others) must clean up the goods obtained from place A to place B. Furthermore, there are also restrictions on employees from the delivery of goods, from six people per day to two people per day. That is done so as not to spread the Corona Virus and suppress the Corona Virus's growth rate.

Analysis of respondents' interest in online businesses during the Covid-19 Pandemic

Currently, the Covid-19 pandemic has had much impact on economic activity. According to Taufik & Ayuningtyas (2020), the Covid-19 pandemic has impacted conventional business activities but can increase online-based businesses. Online business is an industry that has the potential for the public to do during the Covid-19 pandemic. The trend with online shopping is currently booming in the community around the world (Situmeang 2018). In Situmeang's research (2018), online business has a positive and significant impact on increasing people's income. According to Adam (2020), this online business is an activity to create, manage and expand commercial relationships online. Adam (2020) also stated that this pandemic period also increased the economic wheels of online business people. Based on this, technology is essential for people who want to start an online business. According to Riawan (2020), anyone can do business online without fear of having no experience or fear of failure. This online business also does not require significant capital, especially an online shop business, because the basis for doing this online shop business is the internet (Riawan 2020). Students or young people who understand technology can do business online. According to Ilham (2018), many students have taken advantage of technological developments by doing online business. That is because online business is relatively easy and does not take up time, so that students can do it anytime with the internet.

Before the Covid-19 pandemic came to Indonesia, students' interest in doing online business was still low, even though Indonesia had entered the era of globalization. Saefuloh (2020) states that social media itself positively impacts students' interest in entrepreneurship. Yusnandar (2017) explains that three factors influence student interest when they start an online business: education, environment,
and the internet. If these three factors increase, students’ interest in doing business online will also increase. That means if these three factors do not increase, then students’ interest in online business at that time will not increase.

According to Pratiwi et al. (2014), students doing online business have internal and external motivations. Internal motivation includes earning money, self-actualization, and filling spare time, while external motivation is like motivation due to friends' requests, family support, and the environment. The results of this study show that respondents are doing online business because they see an excellent opportunity to do online business during the Covid-19 pandemic. Besides, they can generate coffers of money to meet personal needs. High school students, college students, and the general public (aged 18-25 years) have an open view and high creativity in making money amid the Covid-19 Pandemic, even though they have to overcome some obstacles. Sunaryo (2004: 135) in Izzati (2015) explains that,

“Tingkah laku manusia pada hakikatnya selalu berkaitan erat dengan motif tertentu....definisi motif yaitu menyangkut penggerak, keinginan, rangsangan, hasrat, pembangkit tenaga dan alasan serta dorongan dalam diri sendiri manusia sehingga mendorong suatu perbuatan.”

("Human behavior, in essence, is always closely related to certain motives ... the definition of motive involves the driving force, desire, stimulation, desire, energy generator, and reason and impulse within humans to encourage an action").

Based on the behavior of high school students, college students, and the general public (aged 18-25 years), this shows that the survival theory is true. Suckhurgbh (2008: 01) in Pelupessy (2012) explains that,

“...awal kemunculan teori survival terdapat kata kunci adalah organise.....yaitu spesies yang mampu mengorganisir diri dan kelompok secara baik dapat bertahan hidup (survive) dengan lingkungannya”.

"... at the beginning of the emergence of the theory of survival, the keyword is an organization ... namely species that can organize themselves and groups well can survive (survive) with their environment.”

Like high school students, college students, and the general public (aged 18-25 years), they tried to get money without asking their parents during the Covid-19 Pandemic by doing online business.

Conclusion

Based on the research data shows that several factors make high school students, university students, and the general public (aged 18-25 years) do business online; namely, the trend (37%), meeting needs (32%), and having aspirations as an online businessman (10%). Online business also impacts students' academics (25%) because students are more likely to do business than study. However, some do not impact academics (60%) because doing business online provides positive energy. When the Covid-19 pandemic came to Indonesia, the economic sector declined. That became one of the factors that prevented students from doing business online. The inhibiting factors that students experience are the number of competitors (37%), late arrivals due to regional boundaries (30%), the number of competitors (20%), and changes in the payment system (25%). Even during the Covid-19 pandemic, young people as an online business continue developing and adapting to their environment.
References

Adam A (2020) Dampak pandemi covid-19 terhadap keberadaan bisnis online. Al-Mizan: Jurnal Hukum dan Ekonomi 06 (2):51-58.

Febriantoro W (2018) Kajian dan strategi pendukung perkembangan e-commerce bagi UMKM Di Indonesia. Jurnal MANAJERIAL 3 (05):184. doi: 10.17509/manajerial.v17i2.10441.

Firman (2020) Dampak covid-19 terhadap pembelajaran di perguruan tinggi. BIOMA: Jurnal Biologi dan Pemeliharannya 2 (1):14–20.

Hanoatubun S (2020) Dampak covid-19 terhadap perekonomian Indonesia. EduPsyCounsJounal: Journal of Education, Psychology and Counseling 2 (1):146–153.

Ilham M (2018) Analisis technology acceptance model pada mahasiswa dalam menjalankan bisnis online. Musamus Accounting Journal (MAJ) 1 (1):26-37. https://doi.org/10.35724/maj.v1i1.1364.

Izzati N (2015) Motif penggunaan gadget sebagai sarana promosi bisnis online di kalangan mahasiswa UIN Sunan Kalijaga. Jurnal ASPIKOM 2 (5):374. doi: 10.24329/aspikom.v2i5.88.

Mardelina E & Muhson A (2017) Mahasiswa bekerja dan dampaknya pada aktivitas belajar dan prestasi akademik. Jurnal Economia 13 (2):201-209.

Pelupessy PJ (2012) Esuriun Orang Bati. Salatiga: Universitas Kristen Satya Wacana. https://repository.uksw.edu/bitstream/123456789/736/3/D_902008103_BAB%20II.pdf.

Pratiwi SEW, HMS U, & Kantun S (2014) Motivasi berbisnis online pada mahasiswa Program Studi Pendidikan Ekonomi Fakultas Keguruan dan Ilmu Pendidikan Universitas Jember. Artikel Ilmiah Mahasiswa 1 (1):1-10.

Purwinarti T & Chandra Y (2020) Menuangkan ide dan peluang dalam berwirausaha sebagai upaya mengatasi dampak covid-19 (Studi kasus pada UMKM Kel. Beji, Kec. Beji Depok). In: Seminar Nasional Terapan Riset Inovatif (SENTRINOV) Ke-6, 26 September 2020, Banyuwangi. Banyuwangi: ISAS Publishing 268–275.

Saefuloh D (2020) Rekognisi terhadap peluang bisnis online melalui media sosial dan hubungannya dengan minat berwirausaha: studi kasus mahasiswa Politeknik Negeri Bandung. Jurnal Bisnis & Kewirausahaan 16 (1):12-23.

Sugiyono (2016) Metode penelitian Kuantitatif, Kualitatif, dan R&D. Bandung: Penerbit Alfabeta.

Sulityowati W (2020) Peluang jualan online yang dilakukan pelajar di saat pandemi covid. [Diakses Desember 2020]. https://www.kompasiana.com/wenisulistyowati/5eb46f4097f36115a1cedd3/pe luang-jualan-online-yang-dilakukan-pelajar-disaat-pandemi-covid-19?page=all.

Yusnandar W (2017) Analisis determinan minat berbisnis online di kalangan mahasiswa. Jurnal Riset Sains Manajemen 1 (2):129–138. doi: 10.5281/zenodo.1095037.