

# **The Role Of E-Commerce In Community Economic Resurgence Post Covid-19**

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**Abstract.** COVID-19 epidemic has had a severe impact on the economic sector of the community. The implementation of PSBB and WFH makes it difficult for people to fulfill their daily needs, however technological developments have created new opportunities in business, one of which is E-Commerce, which is used by online business people. The purpose of this research is to what extent E-Commerce is in the revival of the community economy after COVID-19. The method used in this study uses the System Literature Review (SLR), by examining several sources used as material in finding and obtaining literature including books, articles, electronic media and the web. Based on the results of data analysis, E-Commerce is one of the sectors driving the Indonesian economy after COVID-19, but it must be accompanied by high optimism for all business actors, stakeholders and society so that national economic conditions can rise after COVID -19.

**Keyword.** e-commerce; community economic resurgence; post-COVID-19

**Article history.** Received January, 2021. Revised March, 2021. Accepted June, 2021

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## **INTRODUCTION**

The Corona Virus Disease (COVID-19) pandemic is spreading throughout the region, giving an impact on the economic aspects that get the most attention after the health aspect (Nasrun et al., 2020). The outbreak of the corona virus (COVID-19) and the policy of restricting movement, have reduced direct interaction between business actors in running the economy and trade. This also has an impact on consumption patterns and the way people spend, from initially conventional (face to face with traders) switching to online shopping (Indonesia, 2020).

In Russia it has been studied, as a result of which the main trends have been identified: active growth in the share of the making of the purchasing population via the Internet; as a result of the impact of the pandemic, B2B and B2C e-commerce models have been developed positively; The quarantine measures taken stimulated the population and organizations to master digital services and technology, entrepreneurs began to actively use e-commerce tools, started developing websites, opened online shops and arranged the delivery of goods to their homes (Liu, 2020).

Furthermore, in Malaysia, currently e-commerce is very important in reducing non-business sector expenditures and increasing non-business sector operations. Therefore, the application of this new innovation must be increased so that no non-business sector is more lively (Igau et al., 2011).

Meanwhile, the Indonesian government policy requires restrictions on the movement of the people, both in and out of regencies and within their own regions. As a result, economic activity is hampered, some have even stopped. The effect, the economy has decreased. Since it has been going on since the beginning of 2020, the recession process cannot be avoided. The economic crisis must be resolved immediately so that it does not fall further into an economic depression. Therefore, economic recovery must be designed and implemented immediately (Nasrun et al., 2020).

It is assumed that the number of Indonesian creative economy actors continues to increase. It is not surprising that the government continues its efforts to develop this sector. Moreover, it is known that the potential is large. Naturally, there is an assumption that the creative economy will become the backbone of the Indonesian economy (Pangestu et al., 2016). One form or method that can be done is to use the E-Commerce model, which is marketing done online. Starting from introducing products, ordering products, paying bills, until sending products to destinations (Rozaq et al., 2016).

According to Mariza Arfina and Robert Marpuan, e-commerce or commonly known as e-com can be interpreted as a way to shop or trade online or direct selling that utilizes internet facilities where there is a website that provides "get and deliver" services. (Saswiana, Eli Hasmin, 2020). A.I. Pushkar, E.N. Grabowski provides the following definition: e-business is "a commercial activity that is implemented through the introduction of information technology to create an integrated value added chain (Liu, 2020).

The revival of the community economy refers to the ability of a person, especially weak groups of people, to have access to productive sources that enable them to increase their income and obtain the goods and services needed and participate in the development process and decision making that affects them (Murdani, Sus Widayani, 2019).

The increase in countries affected by the Covid-19 virus around the world, such as America, Spain and Italy, has made the world economic situation worse. Several institutions have even predicted a weakening in the world economy, including the International Monetary Fund (IMF), which projects the global economy to grow at minus 3%. The world bank projects that this year, Indonesia's GDP or economy will experience a slowdown in growth due to the Covid-19 pandemic (Jufra, 2020). The purpose of this article is to identify E-Commerce trends in strengthening the economic revival of the community, so that monetization continues to penetrate post COVID-19. Some of the experts who determine how long it takes a new habit to develop include, Maxwell Maltz from the book *Psychocybernetics* set 21 days to form new habits (Maltz, 2015). However, Phillippa Lally of University College London said her study set an average of 66 days for turning habits into habits, according to her research publication in the *European Journal of Social Psychology* (researchgate.net) (Habibi et al., 2020).

## **METHOD**

The method in this study uses the System Literature Review (SLR), by examining several sources that are used as material in finding and obtaining literature including books, articles, electronic media and the web. A theory / concept approach is also carried out by referring to several sources, such as books, scientific journals, and the internet. All descriptions of existing ideas are combined in one arrangement of thought frameworks which will then be abstracted into the results of research findings and issue recommendations for business actors, stakeholders and society so that national economic conditions can rise after COVID-19.

## **RESULTS AND DISCUSSION**

The emergence of the Coronavirus Disease 2019 (COVID-19) outbreak as a global pandemic, has had a disruptive impact on all aspects of people's lives, including the economic aspect. The IMF and Bank Indonesia predict that the global economy is predicted to experience a recovery in 2021, in line with the prediction of the COVID-19 pandemic that will subside at the end of 2020 (Kurniawan, 2020).

Chairman of the Indonesian Textile Association (API), Jemmy Kartiwa Sastraatmadja, during a national webinar entitled Healthy and Advanced Indonesia: Post-Pandemic Economic Awakening, Wednesday, March 10, 2021. In the webinar Jemmy explained to solve industrial problems with the pandemic that has not yet ended, in addition to easing PPKM policies Micro, the importance of innovation and mutual synergy between the government, banking institutions and industry players to make IKM more accessible to the public (Haryono, 2021).

The implementation of economic empowerment from various programs or community empowerment projects in the economic sector, both IDT, P3DT, PPK, KUR, PPM Mandiri, P2KP, and so on, generally have similar dimensions of approach, such as (1) capital assistance, (2) development assistance infrastructure, (3) local institutional development, (4) strengthening and building business partnerships, and (5) facilities from (Murdani, Sus Widayani, 2019).

During the pandemic, consumers almost forget about brands, so communication through digital advertising will increase brand awareness again. Digital behavior encourages the expansion of online consumers no longer to the millennial generation. Several MSMEs have gone bankrupt. But not a few who finally got up and then grew. MSMEs change production operations by reducing the amount of production and at the same time making innovations to increase competitiveness. On the other hand, the massive use of digital marketing has been carried out to increase customer awareness. Marketplace as a manifestation of e-commerce is used as an innovation or change in sales methods (Santoso, 2020).

Based on Zhangxi Lin's research, the rapid growth of the consumer-to-consumer online auction market demands research into the market structure and future trends. Online reputation is an important indicator of the online merchant's business capacity in the auction market. Based on sample data from eBay.com, it was found that reputable sellers, not reputable buyers, were logically distributed. Following Gibrat's law and firm entry and exit theory, explores reputation data to study the dynamics of the online market and the implications of the findings are discussed (Lin, 2006).

The Covid-19 pandemic has caused a decline in the economy and activities in various sectors and regions in Indonesia. Although the economic shock caused by the Covid-19 pandemic has gradually subsided in line with the stability of the domestic financial market and the stretching of several economic sectors. However, given the nature of hitting both the supply and demand sides of the economy, recovery efforts will still require more time. With various limitations in social and economic activities, the new normal is a must. New normal is also an opportunity to strengthen the economy as long as it is accompanied by transparent prioritization and proper policy coordination and synchronization (Modjo, 2020).

The Micro, Small and Medium Enterprises (MSMEs) sector has an important role in driving Indonesia's economic growth. MSMEs contribute around 87% to a number of business entities in Indonesia and have a share of 85% in employment (Murdani, Sus Widayani, 2019).

At present, every individual must be prepared to face a cultural shift where every fulfillment of needs must be in line with technological developments. This is an opportunity for most E-commerce companies to present the market in the form of buying and selling products online. E-commerce covers all processes of developing, marketing, selling, shipping, servicing and paying customers, with the support of a wider network of business partners. (Permana et al., 2021).

Based on the results of the 2020 E-Commerce survey, the composition of E-Commerce businesses whose income increased, as much as 2.07 percent of income increased between 25% -50%, 1.22 percent increased by less than 25%, and 0.55 percent increased

between 51 % -75%, as well as 0.75 percent increase of more than 75%(Indonesia, 2020). So that the revival of the post-COVID-19 economy in Indonesia is supported by E-Commerce, one of which helps small, medium and large businesses to survive and even increase in the new normal era.

## CONCLUSION

From the results of the presentation and survey of E-Commerce 2020 after the COVID-19 pandemic, the role of E-Commerce in the revival of the community economy shows the following results: (1) Post-COVID-19 pandemic is an opportunity to strengthen the economy as long as it is accompanied by transparent prioritization and proper policy coordination and synchronization. As an open country, Indonesia's economy is not immune to world turmoil caused by the Covid-19 pandemic; (2) It is necessary to strengthen businesses in the form of: capital, telecommunication networks, business digitization, forming business networks and expanding marketing; (3) Strengthening the community, so that monetization continues to penetrate, so that product monetization will continue to improve.

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