CHAPTER I

INTRODUCTION

1.1 Background

What is coronavirus? COVID-19 is an infectious disease that attacks the respiratory system, this disease is caused by Severe Acute Respiratory Syndrome or SARS. This disease first appeared in the city of Wuhan, China (Mishra et al., 2020). COVID-19 is a global health problem around the world, including Indonesia. The case of COVID-19 tends to increase overtime, it will have a significant impact on the global economy and it will affect the stability of the economy in Indonesia (Susilawati et al., 2020).

Coronavirus hampers many human activities including the field of education, one of the effects is that the changed education system, which initially used a direct learning system in class, has now changed to online education (Karmen & Pribadi, 2022). Online education is a learning system that utilizes technology and internet networks to deliver learning materials. By using this online education system, both teachers and students will not meet or interact directly, all learning is carried out through various applications that have recently sprung up. There are various applications that can be used in online education including Google Meet, Zoom meeting, Skype, Google classroom which allows teachers and students to meet face to face through video teleconference (Nasarudin & Husnan, 2020)

In Indonesia, the learning system with the online education method began to be implemented in March 2020, the Ministry of Education and Culture made a policy to implement this online education system which was then disseminated to all levels of education in Indonesia from elementary school to college. Recording to CNBC Indonesia, in circular letter No. 4 of 2020, the Minister of Education and Culture, Nadiem Makarim said that learning from home was carried out to provide a more meaningful learning experience for students (kemdikbud.go.id, 2020).

Nadiem Makarim agrees that this online education was a good decision and would also have a positive impact. Still being launched from CNBC after the online education system was implemented, many people started to complain.

When the online education system was introduced, there began to emerge the pros and cons of this policy. Some assume that online learning is a good decision on the grounds that this can prevent the spread of Covid and can also further enhance students' ability to learn online (Novelly et al., 2022).

On the other hand, the public does not believe that online learning is suitable for the situation of students. The inability of parents to provide device and internet quotas are another reason many oppose the introduction of online learning. Students also began to complain about various things. The main thing that is in the spotlight is related to the difficulty of students in understanding learning materials, the costs for internet quotas that swell, and also the lack of interaction between fellow students which causes a lack of motivation in learning (Karmen & Pribadi, 2022).

The purpose of this study is to compare the differences in student spending before and after the pandemic. The changes in student spending patterns that will be examined in this research are not only related to the amount of spending made by students but also whether there are significant changes in the spending patterns made by students. For expenditure indicators that will be discussed, the author will focus on residence cost, food consumption cost, transportation cost, internet quota cost, other expense costs include entertainment, traveling and shopping, and the last one is total spending (Larasati, 2020).

This research will take place in West Sumatra with Andalas University students as the research sample. The data that I will examine will be collected using a random sampling technique so that this research will be able to represent Andalas University students as a whole. If this research is successful, I hope that many benefits can be drawn from this research.

There are various benefits that can be taken from the results of this research, including: First as an evaluation by the government of this online education policy and later it is hoped that there will be innovations or new policies from the government to reduce the shortcomings of this system. Second, with this research, teaching staff can also consider a learning system that does not burden students. As an example, there are several lecturers who require thesis guidance students to be offline during guidance. So students who are outside the field must

go back and forth to Padang for guidance. Third, as campus employees in each faculty, it is hoped that they can facilitate students' academic affairs, it is hoped that matters relating to the management of study plan cards and others can be completed online without students having to come directly to campus (Karmen & Pribadi, 2022).

Finally, the author hopes that with this research, students can also determine their priority scale, especially in terms of managing finances during the pandemic. This is because, in principle, the size of a student's expenses belongs to the student administration itself. It is important to make careful and rational planning during this pandemic, as students should be able to think critically and find the best solution for every disaster.

The effect of online education to the changes of student spending pattern is the background of author to raising the title : **THE EFFECT OF ONLINE EDUCATION DURING THE COVID-19 PANDEMIC ON STUDENT SPENDING IN ANDALAS UNIVERSITY.**

1.2 Research problem

The presence of the pandemic had a significant impact on the world of education. The learning system has changed to online learning. This change has created unrest in society. Students spend a fixed amount each month to meet their needs, including paying for meals, boarding, transportation, internet quotas, and other needs that require students to spend some amount of money.

Due to changes in the learning system, student spending has also changed, as students will be sent home when online classes are held. Online learning has been introduced in various countries including Indonesia. This change in learning systems leads to changes in student spending habits. This becomes the main argument of this study. Is student spending decreasing or increasing? How can online learning change student spending behavior? How will students make financial management decisions as online learning takes off?
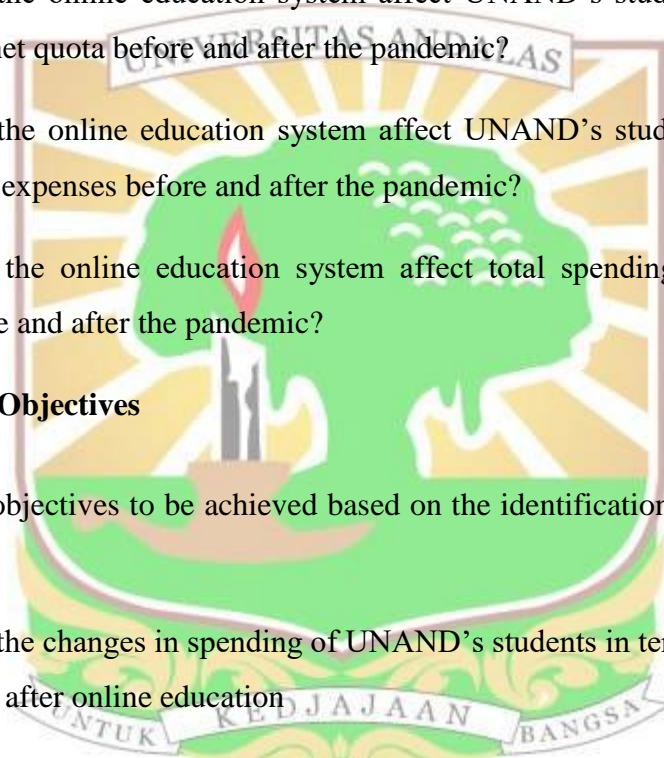
1.3 Research Question

1. How does the online education system affect UNAND's student spending in terms of residence fee before and after the pandemic?

2. How does the online education system affect UNAND's student spending in terms of food consumption before and after the pandemic?

3. How does the online education system affect UNAND's student spending in terms of transportation cost before and after the pandemic?

4. How does the online education system affect UNAND's student spending in terms of internet quota before and after the pandemic?

5. How does the online education system affect UNAND's student spending in terms of other expenses before and after the pandemic?

6. How does the online education system affect total spending of UNAND's students before and after the pandemic?

1.4 Research Objectives

The research objectives to be achieved based on the identification of problem are as follow :

1. To analyze the changes in spending of UNAND's students in terms of residence fee before and after online education

2. To analyze the changes in spending of UNAND's students in terms of food consumption before and after online education

3. To analyze the changes in spending of UNAND's students in terms of transportation cost before and after online education

4. To analyze the changes in spending of UNAND's students in terms of internet quota before and after online education

5. To analyze the changes in spending of UNAND's students in terms other expenses before and after online education

6. To analyze the changes in total spending of UNAND's before and after online education

1.5 Research Benefits

1. Government

This research is useful for the government, especially local governments to find out the impact of online education to student spending. This research is also useful for the government to see how the system works. Whether this system can be felt by all students equally or there are some students that are hard to access it. With this, the government can make several new policies so that this system can be updated again. If the system was updated, then all students will no longer have difficulty attending lectures.

2. Academics

The research is useful for the academics especially for the lecturer so that the lecturer can find out how to evaluate this online system, how the obstacles students face in online learning, and also know how this online system affects the changing of student spending.

1.6 Research Structure

CHAPTER I INTRODUCTION

This chapter discusses the background of the research, the research problem, the formulation of the problem, the aims and the scope of research accompanied by systematic research.

CHAPTER II: LITERATURE REVIEW

This chapter discusses the literature review which contains the theoretical basis that explains about consumption theory, online education, economic behavioral and student spending. In addition it also contains previous research, frameworks, and hypotheses that explain theories related to the subject matter of discussion and previous research as well as a basis for reference theory used in the analysis of this study.

CHAPTER III: RESEARCH METHODOLOGY

This chapter discusses research methods that will be used in research. Besides using research variables, sampling methods, types of data used and their sources, data collection techniques and analysis methods used to analyze the results of sample testing.

CHAPTER IV: RESULTS AND DISCUSSION

The chapter in which will discuss the analysis and discussion of the research conducted.

CHAPTER V: CLOSING AND SUGGESTIONS

This chapter discusses conclusions on the results of the discussion of research data analysis, research limitations, and suggestions that are useful for further research.