DIGITAL PAYMENT SYSTEM IN MICRO, SMALL AND MEDIUM ENTERPRISES: EXPLORATION, PREFERENCES, AND INTENTIONS OF MICRO, SMALL AND MEDIUM ENTERPRISES PLAYERS USING QRIS

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ABSTRACT

Technology and business systems developments today offer much convenience in transaction activities. This development has led to changes in new ways and methods of transaction activities, especially in payment transactions. Payment transactions can be carried out virtually via digital or electronic media. This kind of thing allows necessary transactions to be carried out effectively, efficiently, and safely. This kind of development can become an idea for the birth of financial transaction services through digital media. Technological and business developments in offering digital payment systems have brought many changes, namely the digital wallet (e-wallet) feature, the successor system to electronic money (e-money). In this digital wallet feature, users can store money in digital form in an application. E-Wallet and E-Money are applications that can be accessed using a smartphone. These applications have practicality, comfort, and security advantages when used for the transaction. QRIS provides a more efficient alternative non-cash payment method. Using one QR Code standard, the provision of goods and services does not need various QR Codes from different publishers. QRIS is very useful in helping process non-cash transactions more efficiently. It helps improve business performance. Meanwhile, the drawback is that you must be connected to the internet when using the application to transact. The use of technology has now become fundamental in everyday life, both in social and economic aspects. In the production process, technological intervention has become the dominant lifestyle in society. This research aims to discover how micro, small, and medium enterprises perceive QRIS and their intentions in using QRIS. It also supports understanding of QRIS in micro, small, and medium enterprises business in the Samarinda area. The research method used is qualitative, with primary data sources and data collection using literature studies and interviews. The criteria in this research are micro, small, and medium enterprises in the Samarinda area that have used QRIS for non-cash payments. The results of this research show that micro, small, and medium enterprises have the perception that the use of lines can be helpful and facilitate buying and selling activities, increase trust, and create a social perception both from the perspective of consumers and business owners in micro, small and medium enterprises business in the Samarinda area.

Keywords: **UMKM, QRIS, Digital Payments**.

INTRODUCTION

Technology is growing rapidly from its application to the emergence of various digital forms and in Indonesia many industries ranging from transportation, trade, and financial services have adopted digital technology. Industries that embrace digital technology can predict market direction and demand more quickly. In addition, various business ventures that use digital technology can determine the increase and pace of the market (Entrepreneurs, 2023).

Likewise, the discovery of new formulations of computer capacity, as if it has been able to shift the position of the ability of the human brain in various fields of science and activity. In short, technological progress today has really been recognized and felt to provide a lot of convenience and comfort for the life of mankind (Tarantang et al., 2019).

The payment system is a way carried out by two people between the payee and the one who makes the payment in which there must be an agreement, delivery, ratification and payment system inseparable from the development of the times which were originally only payments in cash now to non-cash payments that are electronic. The existence of development will help the economy and accelerate the acquisition of income of a country (Munawaro &; Pujianto, 2023).

In early 2020, the entry of Covid-19 into Indonesia presented new challenges so that the government had to limit social activities which eventually had a major impact on people's welfare. Because the emergence of this problem has an impact in various fields, one of which is a problem that is deeply felt by the government and the community itself is related to economic problems (Indah Kusumaningtyas &; Budiantara, 2023).

In increasing the quantity of non-cash transactions in the community. Based on this policy, Bank Indonesia issues payment products through QRIS. This feature is a breakthrough that stands for Quick Response Code of Indonesia Standard (QRIS) which is a QR code payment standardization by Bank Indonesia to make QR Codes easier, faster, and safer (Sudyantara &; Yuwono, 2023).

Electronic payment instruments are implemented in Bank Indonesia Regulation Number 20/6/PBI/2018 concerning Electronic Money. The change in payment methods from cash to electronic payments is quite well received by consumers. This is proven by the increase in transactions using electronic money every year. The increasing use of electronic money, supported by electronic money service providers, is increasingly varied. Service features in transactions are easier and can be done in the palm of your hand (Aulia, 2020).

QRIS provides an alternative method of cashless payment more efficiently. Through the use of this one QR Code standard, transaction services for goods and services no longer need to provide various QR Codes from different publisher sources. The use of QRIS is very useful in helping the process of non-cash transactions more efficiently, the use of QRIS by MSMEs is very helpful in improving business performance. Until now, many MSMEs have used QRIS, so this research needs to be done to explore the factors that influence MSMEs' intentions to use QRIS, hopefully this research can be useful for all of us. Therefore, the question arises, what factors influence the intentions of MSMEs in using QRIS? (Setiawan I wayan Arta &; Mahyuni Luh putu, 2020).

On the other hand, MSMEs also have a strategy in achieving a goal. Strategy is an action to strive for continuous business improvement by meeting what is expected by the community today and in the future, including in the provision of goods and services needed. Business actors from MSMEs also use the benefits of social media as a form of promotion and the existence of various products and services in MSME businesses, this is also used to build an image on the brand they have created. With this wide range of information, MSMEs have considerable competitiveness. In the midst of such fierce competition, it is very necessary to adjust strategies quickly to respond to changing situations and conditions. In order to remain competitive, MSMEs focus on efforts to build synergies, utilize basic competencies and provide added value for customers (Setiawan I wayan Arta &; Mahyuni Luh putu, 2020).

THEORETICAL BASIS

According to Listfield and Montes-Negret, the payment system is a standard regulation and a tool used for the exchange of financial value, namely between the two parties involved to release from obligations (Ramadani, 2016). The payment system is also described in Bank Indonesia Law No. 23/1999, which includes a set of rules, institutions and mechanisms used to transfer funds to fulfill obligations that will arise from an economic activity. In other words, this payment system is a way of exchanging currency values with a set of rules, institutions and mechanisms for transferring from one party to another. So With the rapid development of technology, more and more payment systems are said to have an important role for the economy along with the increasing volume and value of transactions. The role of the payment system includes tools to improve the country's economic efficiency, advise on monetary policy transmission, and maintain financial stability (Widowati &; Khusaeni, 2022).

QRIS in its implementation still has various obstacles, one of which is the low level of financial literacy of the Indonesian people, especially public understanding of digital finance is still lacking and uneven (Anastasia Anggi Palupi, 2022).

According to Bank Indonesia, payment instruments in Indonesia are divided into 2:

a. Cash means of payment: banknotes and also coins used are still included and commonly referred to as currency currency. This currency is still used and also has a very important role in the economy, especially everyday life. Especially in the scope of the number of transactions that have a small value.
b. Non-cash payment instruments: cards, cheques, demand deposits, debit notes and electronic money

Mobile Payment is all payments made using a mobile device to initiate, authorize, and confirm the exchange of financial value for both goods and suits (Au and Kauffman, 2008). Mobile payment is used as payment to pay for goods, services, and bills using mobile devices (such as mobile phones, smartphones and PDAs). (Dahlberg, Mallat, Ondrus, &; Zmijewska, (2008). Mobile payment includes a way of settling payments and transactions between three main parties, namely between banks, service providers who are sources of funds, cellular network service providers, and retailers (merchants) in a fast, convenient, safe, and simple way, anytime and anywhere when using mobile phone facilities (Humbani, &; Wiese, (2018).

Innopay (Jeroen &; Monica, 2012) classifies mobile payment systems based on 2 criteria, namely: proximity (proximity) and business model. Proximity payments are classified based on the physical location of the consumer; For example, proximity is called close when payment is made at the store counter and proximity is called far when using online payment via mobile phone. While payments based on business mo del are characterized based on differences in consumer interaction relationships (Peer to Peer P2P or Consumer to Consumer C2C) or relationships between companies and consumers (Business to Consumer B2C). Mobile payments in a B2C perspective, one of which is by using QR technology.

QR codes are storage systems that use matrix points or two-dimensional bar codes developed by Denso Wave that can be printed or displayed on layers and translated/interpreted using a special reader (Denso Wave, 2000) to provide more extensive information compared to traditional bar codes. Information usually linked to QR codes is a web address (page, location on google maps, links, etc.), basic text (alerts, SMS, e-mail, messages, etc.) or numeric information (phone number, coordinates, nominal, etc.).

QR Code Indonesia Standard (QRIS)

QRIS (QR Code Indonesia Standard) is a payment QR Code standard for payment systems in Indonesia developed by Bank Indonesia and the Indonesian Payment System Association (ASPI). QR Code is one of the shared delivery channels in payment transactions (same as ATMs and EDCs) (Sihaloho et al., 2020).

Quick Response Code is a matrix code in the form of a 2 (two) dimensional picture that has components or arrangements consisting of square pattern sides on 3 (three) sides (upper right, upper left, and lower left sides), and also black modules patterned squares, pixels, and dots that are able to store data in the form of characters, symbols, and alphanumeric (Aini et al., 2018).

There are 2 types of transaction mechanisms using QR Code:

1. Merchant – Presented (push payment)

The transaction is triggered by a transfer made from the customer's account at the issuer. QR codes are static (they can be stickers pasted so they don't require a large investment, suitable for small and micro businesses). While medium and large businesses can create QR codes dynamically by investing in EDC machines

2. Customer – Presented (pull payment)

Transactions are carried out by means of the acquier (merchant) billing payments to customers / customers. Need to invest in scanner tools, POS applications (applications used by customers to create QR Codes). This method is a complement to the cashless payment model for medium and large businesses and can be used as an alternative to transportation payments. With the implementation of the QRIS system, customers can scan QR from all PJSP and chant only need one QR code and a fund storage account on one PJSP (Bank Indonesia, 2019).

RESEARCH METHODS

The method used in this problem-solving research is qualitative or analytical methods. This program begins with an introduction where we collect data and information related to MSMEs in the Samarinda area. The population taken is MSME actors in the Samarinda area. The research sample used was 3 MSMEs in Samarinda City that use QRIS as a digital payment system. We also evaluate the extent of the development of MSME players in utilizing digital technology, especially the use of the QRIS application. After completing the preliminary study stage, we proceed to the stage of Theoretical fundamentals. The data collection technique carried out is an interview conducted after observation.

RESULTS AND DISCUSSION

Bank Indonesia launched QRIS on August 17, 2019, this payment service has only begun to be implemented by the central bank on January 1, 2020 in Indonesia and the implementation of QRIS is first prioritized for MSME players. In the research that has been conducted, 3 MSMEs who were resource persons in our research have implemented QRIS in their businesses. Analysis of the interview results showed that most of the participants interviewed stated that they as MSME actors had a strong enough intention to use QRIS. Most of them already know what QRIS is and the benefits obtained by using QRIS. The MSME players said that QRIS or *Quick Response Code Indonesian* is a payment system that allows users to make transactions via QR that can be done *online*, transactions become more efficient and effective, easy to use and gated.

QRIS has been widely displayed on the cashiers of several stores in the Samarinda area ranging from supermarkets, delivery expeditions to coffee shops. This certainly makes it easier for people if they want to transact using mobile banking. However, the author's initial observation at one of the coffee shops that implemented QRIS payments in Singaraja City stated that people in Singaraja City were more dominant in making transactions using cash than using QRIS scans. It can be concluded that interest in using QRIS as a means of payment is still low (Wardani &; Masdiantini, 2022).

How to use QRIS for customers is:

1. Customers must have one of the accounts on PJSB (Payment System Service Provider) or electronic money such as shopeepay, gopay ovo, dana etc. and mobile banking applications that have barcode scan features.
2. Customers must have a balance to make payment transactions.
3. Customers scan the QRIS barcode at the merchant.
4. The customer enters the payment amount.
5. The customer performs the authority system and confirms payment.(Hardiky et al., 2021)

As a country with a very large number of MSMEs, Indonesia has tremendous potential to utilize digital technology for its economic growth. QRIS as one of the digital payment innovations presents a series of opportunities that can empower MSMEs to develop and adapt to today's digital era (Listiyono et al., 2024).

Satisfaction

Satisfaction or statisfaction is a feeling of pleasure arising from a person or user who has compared the results of the product or service used against the expected results. In addition, satisfaction can also be concluded that satisfaction is an attitude formed towards the experience of a product when using. Customer satisfaction is not only obtained from the quality of the products they consume but also from the services provided by MSME businesses to their customers. Customers not only want certain services, but also in the level and quality of service that is perfect. MSME entrepreneurs need to pay attention or even prioritize orientation to serve customers (customer service) that can Relax customers (Nainggolan et al., 2022).

The following are the perceptions of MSME actors we have interviewed in terms of benefits, conveniences, and risks.

a. **Perception of Benefits**

The perceived benefits felt by MSME players towards QRIS. In general, there are 2 codes related to the perception of QRIS use for MSMEs, namely, Easier and More Effective.

Most of the MSME players we interviewed said that QRIS provides benefits, namely making transactions easier. As stated by speaker 1, namely "Yes, QRIS provides benefits, namely making payments easier and more effective". Then stated by speaker 2, namely "Because the use of QRIS is quite rare, it is very easy for those who understand, and for those who don't understand, they usually pay only cash". Furthermore, it was stated by resource person 3, namely "It's really easy".

b. Perceived Ease

The perception of ease in using QRIS felt by several MSME players who have been interviewed said that QRIS is easy to use. As stated by speaker 1, namely "Yes, very easy and practical". Then stated by speaker 2, namely "Yes, transactions are very easy. No need to use cash anymore". Furthermore, it was stated by speaker 3, namely "yes, it's easy and not complicated, there is no need for more installments because it is definitely right".

From the statements they conveyed as MSME players who have used QRIS, they think that using QRIS greatly facilitates the buying and selling transactions they make and is more practical in making payments. This is also in line with previous studies which stated that buying and selling QRIS transactions is very practical and very easy.

c. Risk Perception

Some MSMEs using QRIS that we have interviewed stated that there are few barriers to using QRIS. As stated by speaker 1, namely "Here QRIS payments are less than cash, and all who use QRIS are safe". Then speaker 2 stated "There are no obstacles, usually there are a few obstacles if you just use QRIS, because you don't understand". Then resource person 3 stated "The problem may only be from network factors".

From the statements made by MSME players who use QRIS that we interviewed, they said that there were only a few obstacles experienced while using QRIS. This means that the risk is very small. And it does not affect the intentions of MSME players in choosing QRIS as a digital payment system. And several factors that influence MSME players to use QRIS are from several banks and people around.

Understanding MSMEs

According to the 1945 Constitution, the future was strengthened through TAP MPR NO. XVI / MPR-RI / 1998 concerning Political Economy in the framework of Economic Democracy, Micro, Small and Medium Enterprises need to be empowered as an integral part of the people's economy that has a strategic position, role, and potential to realize a more balanced, developed, and equitable national economic structure. Furthermore, the definition of MSMEs was made through Law No. 9 of 1999 and because the increasingly dynamic development situation was changed to Law No. 20 Article 1 of 2008 concerning Micro, Small and Medium Enterprises, the definition of MSMEs is as follows:

1) Micro Business is a productive business owned by individuals and/or individual business entities that meet the criteria for Micro Business as stipulated in this Law.
2) Small Business is a productive economic business that stands alone, carried out by individuals or business entities that are not subsidiaries or branches of companies owned, controlled, or become part either directly or indirectly of Medium Enterprises or Large Enterprises that meet the criteria for Small Business as referred to in this Law.
3) Medium Enterprises are productive economic enterprises that stand alone, carried out by individuals or business entities that are not subsidiaries or branches of companies owned, controlled, or become part either directly or indirectly with Small Enterprises or Large Enterprises with total net worth or annual sales proceeds as stipulated in this Law.
4) Large Enterprises are productive economic enterprises carried out by business entities with a total net worth or annual sales proceeds greater than Medium Enterprises, which include state-owned or private national enterprises, joint ventures, and foreign businesses carrying out economic activities in Indonesia.
5) The Business World is Micro Enterprises, Small Enterprises, Medium Enterprises, and Large Enterprises that carry out economic activities in Indonesia and are domiciled in Indonesia (Yuli Rahmini Suci, 2008).

Characteristics of MSMEs in Indonesia

In the characteristics here there are four reasons that explain the strategic position of MSMEs in Indonesia. First, MSMEs do not require large capital like large companies so that the formation of this business is not as difficult as large businesses. Secondly, the required labor force does not demand any particular formal education. Third, most are located in rural areas and do not require infrastructure like large companies. Fourth, MSMEs have proven to have strong resilience when Indonesia is hit by an economic crisis (et al., 2019).

The existence of QRIS strongly supports the merchant transaction process and maintains income security. The increase in daily income of MSME traders is due to the existence of QRIS. The increase in income occurs around 5-10% in a day for some traders. In addition, there are merchants who experience an increase in income on Saturdays and Sundays when using QRIS. This increase in revenue will increase financial inclusion in MSME merchants and the country's digital economy (Sihaloho et al., 2020).

CONCLUSION

Based on the results of interviews we conducted with several MSME players who use QRIS, they stated that using QRIS as a digital payment system makes it easier and more effective to make payments. It was identified from this study that the intention of MSME actors in choosing QRIS is formed from the perception of benefits, perceptions of convenience, and perceptions of risk, then it can also be from outside influences such as banks or people around who also use QRIS as a digital payment system. From a benefit perspective, MSME players revealed that QRIS has the benefit of making payments more effective. From the perception of convenience, MSME players stated that by using QRIS, the transaction process became easier and more practical. From the risk perception, MSME players feel that there are only a few obstacles and obstacles in using QRIS. Finally, from the interviews we conducted, it can be concluded that the intention of MSME players in choosing QRIS because of the payment system is due to a positive perception from MSME players towards the use of QRIS.

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