The Effectiveness of the Implementation of the Quick Response Code Indonesia Standard (QRIS) Payment System for MSMEs

Sakinatun Nisa*, Hendri Hermawan Adinugraha*,
*Universitas Islam Negeri KH Abdurrahman Wahid Pekalongan, Kabupaten Pekalongan, 51156

ABSTRACT

The rapid advancement of technology has brought significant changes in society, particularly in the economic sector. The latest technological developments, especially in financial technology, have facilitated Indonesians in their daily activities, access to information, and business development. The rise of digital economy through innovations in financial technology has led to the emergence of cashless payment systems, such as QR code-based payment systems. Despite the benefits of these systems, challenges such as inadequate internet infrastructure and lack of public participation hinder their effectiveness, especially in rural areas like Rowoyoso village in Pekalongan Regency. This study aims to explore the effectiveness of implementing the QRIS payment system for Micro, Small, and Medium Enterprises in Rowoyoso Village, Pekalongan Regency. The qualitative research approach involves data collection through interviews with MSMEs owners and observations at the research site. Findings indicate that while QRIS offers convenience and transparency in financial transactions, challenges such as poor internet connectivity and low community participation pose barriers to its successful implementation. The research contributes to understanding the impact of digital payment systems on MSMEs and highlights the importance of addressing infrastructure and community engagement issues for the effective adoption of QRIS. The findings suggest that QRIS can enhance business operations, streamline financial management, and improve security compared to traditional cash transactions. By evaluating the effectiveness of the QRIS payment system, this study provides insights for policymakers, financial institutions, and MSMEs owners to enhance the digital payment ecosystem in rural areas like Rowoyoso village.

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Corresponding Author:
Sakinatun Nisa
Department of Islamic Economics and Business
KH Abdurrahman Wahid State Islamic University Pekalongan
Pekalongan Regency, Central Java, Indonesia, 51161
Email: sakinatun.nisa@mhs.uimgusdur.ac.id

1. INTRODUCTION

Technological advances are increasingly rapid and bring many changes in people's lives. Rapid technological advances have made it easier for people to obtain information quickly, which has an impact on the country's economic sector (Kudu et al., 2023). Recent technological developments have made it easier for
Indonesians to carry out their daily activities, stay informed, and develop their business. Technological developments related to the use of the internet are developments that most people are interested in. The rapid development of the Internet has led to innovations, especially in the field of financial technology, which meet the needs of the community both in providing access to financial services and in processing transactions (Aryawati et al., 2022). The development of the use of information technology in the financial sector has given birth to many new trading concepts. The development of innovation in the field of financial technology has led to the development of a new economy in the form of a digital economy. The growth of the digital economy is made possible by the non-cash payment system which is a convergence of technology and information. Fintech (financial technology) seeks to take advantage of this potential by offering various forms of financial products that make it easier for users to access various financial services (Setiawan I wayan Arta & Mahyuni Luh putu, 2020).

The cashless system is also advancing, a system that previously could only be done by swiping Debit / Credit Cards (EDC System), Internet Banking, and Mobile Banking through bank transfers. But now it is increasingly developing and offered not only by banks, but also by various applications such as GoPay, OVO, Dana, and others (Saragih & Rikumahu, 2022). Cashless refers to people who do not use physical money to transact and transmit financial information digitally. In daily transactions, people use digital money rather than real money (Hairani et al., 2024). Fintech services simplify existing financial services and enable financial activities to be carried out more quickly and easily without time and space constraints (Burhanuddin & Abdi, 2019). Effectiveness is the relationship between the results of the accountability center and the goals to be achieved. The greater the contribution of the output produced to the value of achieving the goal, the more effective the unit.QR stands for Quick Response and is used to translate content quickly. Quick response (QR) codes are barcodes with special algorithms that can be read using a camera with a barcode reader or smartphone with QR codes have a large square field followed by a small square field, and data storage has a pattern structure contained in QR codes (ISO / IEC 18004: 2000). QR codes applied to digital wallet payment methods are dynamic. This is because the QR code scanning process requires user data based on user needs, such as: B. Information About Personalization, Aggregate Transactions, and Certain Reference Digital Wallet Websites Indexing and abstracting services depend on the accuracy of the title, extracting from it keywords useful in cross-referencing and computer searching. An improperly titled paper may never reach the audience for which it was intended, so be specific (Ruslan et al., 2019).

Non-cash payments are considered more efficient. Electronic money can be an effective solution to increase the use of non-cash payments in society. Increasing the use of electronic money is one way to support the demonetization movement initiated by the Indonesian government. The goal of cashless is to reduce the use of cash in everyday transactions and replace it with safer and more efficient electronic payments. Yonshi et al in their research showed that the use of QRIS is not effective. Not all business stakeholders understand the QRIS program. The lack of information about QRIS products causes businesses that already use QRIS to stop using QRIS. Especially because of the slow withdrawal of funds, business people prefer to rely on cash transactions and direct transfers through account numbers (Kudu et al., 2023).

The use of QRIS can anticipate criminal activities. Using electronic money helps minimize the risk of crimes such as theft and robbery. Carrying excess cash increases your chances of being targeted by criminals. In addition, the use of electronic money also helps reduce the risk of becoming a victim of online scams and scams. Business competition is getting fiercer and tighter. The use of electronic money has become a global and popular trend in Indonesia in recent years. As more and more people use electronic money, companies in Indonesia are also following this trend by offering various types of electronic payment methods to customers. QRIS can be used by all people because simple and fast transactions are very important for the community. With the spread of science and technology as well as information and communication technology that is easy to use, people are increasingly open to try new things and keep up with the times. QRIS itself has been adopted by many economic and business actors in Indonesia as an alternative cashless payment method that is convenient, fast, and safe. In research conducted by permatasari shows that the majority of consumers already know about how to use electronic money, especially at Theman Coffee. (D. P. Permatasari & Suryaningisi, 2023)

Many business people ranging from small and medium enterprises to large corporations use a non-cash transaction system because using non-cash transactions is definitely more time-saving and safer. Where cash/cash transactions are much more risky such as carrying relatively large amounts of cash and of course handing over or taking money directly. (R. Permatasari et al., 2022). MSMEs are the main pillar of the Indonesian economy. Based on data from the Ministry of Cooperatives and Small and Medium Enterprises, the number of MSMEs currently totals 64.2 million with a contribution to GDP of 61.07% or IDR 8,573.89 trillion. The contribution of MSMEs to the Indonesian economy includes being able to absorb 97% of the total workforce and attract up to 60.4% of total investment (UMKM Menjadi Pilar Penting Dalam Perekonomian Indonesia, n.d.). During the current economic turmoil, digitalization is increasingly becoming a reality and is a strategic step for MSMEs to survive and continue to play an important role in economic...
recovery. Disruptive innovation is a system innovation for market transformation that prioritizes convenience, practicality, accessibility, and low cost. Therefore, digital payments provide solutions for the growth of the MSME sector through the use of electronic devices (Anggarini, 2022). Bank Indonesia has introduced digital transactions in the form of QR codes developed directly by Bank Indonesia and the Indonesian Payment System Association (ASPI) as its payment flow policy. This allows you to make business transactions and payments safely and easily using just your mobile phone in your hand (Ihsan, 2020).

Currently, many Indonesians use a quick response code (QR code)-based payment system, one type of server-based that has recently been popular among the general public. QRIS (Indonesian Standard Quick Response Code) is an innovation in Bank Indonesia’s payment system. August 17, 2019 is the date of QRIS verification in Indonesia (Widowati & Khusaeni, 2022). Quick Response Indonesia Standard (QRIS) is a payment QR code standard launched by Bank Indonesia in collaboration with the Indonesian Payment System Association (ASPI) to enable digital payments in Indonesia, specifically to encourage and support the development of MSMEs. Launched on January 1, 2020 up to sector, QRIS is a combination of many QR codes provided to make the payment process faster, easier, cheaper, safer and more reliable. QRIS displays all payment applications from all business actors, both banks and non-banks, and can be used in all shops, shops, parking lots, food stalls, tourist tickets and donations. With the motto "Universal, Easy, Profitable, Direct", QRIS aims to facilitate transaction efficiency, accelerate financial inclusion, and encourage MSME growth and economic growth (Sholihah & Nurhapsari, 2023). The main target of QRIS is business actors or merchants who sell their merchandise. As one of the economic sectors in people's lives, MSMEs play an important role in the Indonesian economy, and economic actors must have technological knowledge to maintain competitiveness (Ramadani, 2020).

Until now, there are 15.7 million merchants who have registered their products to QRIS. This number is still relatively small when compared to the number of micro, small and medium enterprises (MSMEs) in Indonesia which reached 64.2 million. The use of QRIS for MSMEs also helps speed up the transaction process so that merchants can receive payments from customers in cashless. In addition, small traders can manage their transactions better and more easily monitor their transaction history through a digital system that records them automatically (Hamzah et al., 2024). However, there are still many MSME players who do not understand the usefulness, benefits and production of QRIS. And you are sure that QRIS has several risks such as falsification of proof of transaction, transaction security and late payment. That's why many MSMEs still use cash payments (Ruslan, 2019).

The growth of MSMEs in Pekalongan Regency increases every year by optimizing the potential of MSMEs as many as 58,000 micro, small and medium enterprises (MSMEs). This causes digitalization or the use of electronic money needs to be used to support the growth of MSMEs in Pekalongan district. The use of QRIS can support the effectiveness of payments to MSME actors in addition to its easy use, accounting management without a very complicated manual process can also avoid counterfeit money that is circulated freely by unscrupulous individuals. The use of QRIS has also now spread to MSMEs in Rowoyoso Village, which is one of the villages in Pekalongan Regency, awareness of the use of technology that facilitates buying and selling activities is one of the things that must be developed. Seeing the growth prospects of the digital payment system in this case is electronic money and considering the constraints of financial access and financial inclusion efforts for MSMEs, it is important to explore further the existence of digital finance as a breakthrough in MSME development efforts. Thus, this study intends to reveal how effective the implementation of the QRIS Payment system is for MSMEs in Rowoyoso Village, Pekalongan Regency. . This study is different from previous studies. Some researchers previously only focused on the advantages of using QRIS payments and did not emphasize too much on shortcomings or obstacles that could affect QRIS performance in MSMEs. In addition, the object of research and the place of implementation of research are different from previous research. This is the attraction and also the author's reason for conducting this study.

2. RESEARCH METHOD

A The method used by researchers is a qualitative approach. Research that uses a qualitative approach is research that aims to understand human or social problems by presenting a comprehensive and complex picture in words and providing a detailed view of the source, research conducted on the natural environment (Perdana & Sinarwati, 2022). A data source is an object from which data can be obtained. If the researcher uses interviews in collecting data, then the data source is referred to as respondents, namely people who answer the researcher's written or oral questions. In this study, data sources came from several respondents who were micro, small and medium enterprises, apart from respondents, researchers used other data sources from journals, articles, and books that were considered relevant in assessing the effectiveness of using QRIS as a payment method for MSMEs, Rowoyoso Village, Wonokerto District, Pekalongan Regency.

Observation Method is a method of collecting data carried out through observation, which includes recording the state and behavior of an object. According to Nana Sudjana, observation is the systematic
observation and recording of the symptoms studied. The method of observation is to observe and systematically record the phenomena that are the subject of research. In a broad sense, actual observations are not limited to observations made directly or indirectly (Prayogo, 2021). In this study, the author made direct observations to the research location and recorded points obtained through interviews with respondents. According to Miles and Huberman, analysis activities consist of three lines of activities that occur simultaneously, namely data reduction, data presentation, and conclusion drawing/verification as something intertwined is a process of cycles and interactions before, during, and after data collection in parallel forms that build general insight (Ulber Silalahi, 2009).

3. RESULTS AND DISCUSSION

Rowoyoso Village is part of Wonokerto District, Pekalongan Regency. Rowoyoso Village has a variety of diverse customs and customs and traditions. The people of Rowoyoso Village live side by side in tradition and religion, namely Islam. Rowoyoso Village is bordered by Bebel Village to the east, Kauman Village to the south, Werdi Village to the west, and Boyoteluk Village to the north. People in Rowoyoso Village are still thick in carrying out traditions, especially in traditions that have positive values for their community.

This study used six informants who were randomly drawn based on the type of business from MSME actors in Rowoyoso Village and were willing to provide information about the use of QRIS in their businesses as data representatives. The six informants include the type of material trading business, there is one MSME with the business name UD. Wahyo Jaya, there is one MSME with the name of the Bakso Mbak Durroh business, there are two MSMEs, namely Toko Mbak Khusnul, Warung Bu Daryati service business there is one MSME with the name Puji Tailor, the type of furniture business there is one MSME, namely Dewi Collection.

Currently, due to the development of digital technology, the economic sector, especially payment technology, is increasingly digitalized. Before the development of digital technology, transactions between buyers and sellers used cash. However, technological advances, especially the availability of cashless payment methods in the business world, make buying and selling transactions easier. The understanding of MSME actors towards the implementation of the Quick Response Code of Indonesian Standard (QRIS) in their business as a QR-code-based cashless payment instrument has a positive impact on the ease of doing business and the efficiency of its use. The role of Quick Response Code Indonesia Standard (QRIS) as a cashless digital payment system has a positive impact on the ease of doing business for MSMEs. MSME players also know the advantages or benefits of transacting using the QRIS payment facility. This is in line with what was conveyed by the owner of Mbak Khusnul Shop that "QRIS makes it easier for me in the transaction process, because we can transact through the QR code that has been provided without touching."

In addition to convenience, the use of QRIS is also transparent in recording financial statements, especially in payment activities regulated by banks, as said by the owner of the Dewi Collection store that "QRIS helps in recording finances transparently and may be very easy because finances are recorded by the bank, so we don't need to record manually. But the use of Qris here is still fairly rare, maybe only a few of the young people use it." In addition to a financial system that can be monitored because it is directly connected to banks, the ease of access to QRIS can also provide a higher level of security than the use of cash which has a higher risk of loss. The QRIS system has easy access that can be reached by sellers and buyers of all ages.

The application of new technology must have obstacles in the process of its use. Identifying obstacles in implementing the Quick Response Code Indonesian Standard (QRIS) payment system is considered to be an important reference and provides readers with an overview of the payment system using QRIS. Of course, as a digital system, its use requires an adequate internet network to support online trading activities, but in some regions, conducting online transactions using QRIS is hampered by an inadequate internet network and system failures and payments can occur. As stated by the owner of Warung Bakso Mbak Durroh, "QRIS is easy to use if the network is good, the network problem is not good, it really hampers the mb, sometimes transactions also often fail. Usually there are also customers who run out of data packages, so we have to provide wifi networks."

Network problems that hinder the transaction process are also experienced by the owner by Puji Tailor, "Transfers via QRIS are usually constrained by an unstable network, so sometimes QRIS cannot be found, that's the only obstacle. "No matter how sophisticated technology is, if we do not have tech-savvy human resources, there will be no balance. The majority of residents in Rowoyoso Village have not fully used QRIS, so it is not uncommon for QR codes on display to be just displays and not used because buyers prefer to use cash payments. This was also said by the stall owner Bu Daryati "QRIS is rarely used because the majority of buyers are mothers who may prefer to use cash rather than having to bother with carrying cellphones and most of them do not understand the use of QRIS."

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Contributions from the community are important in supporting technological developments also became The main support so that a system can operate is adjusted to the expected target. The presentation of QRIS usage in Rowoyo Village, which is included in the low class, is an inhibiting factor in the implementation of a payment system using QRIS. This is also in accordance with the opinion of UD owner Wahyo "Actually, online transactions have been widely used in Rowoyo Village, but the percentage of users is slightly more who use cash." Based on interviews that have been conducted, there are several dominating problems, namely the inadequate internet network. The lack of support causes failures in transaction activities, it causes losses for MSME actors, and the contribution of people who lack participation also hinders the success of QRIS use.

Evaluation of the effectiveness of using QRIS is intended for MSME players as the main actors who feel ease and comfort in transactions. QRIS is a payment system recently launched by Bank Indonesia. Rowoyo Village is one of the main objectives in accelerating QRIS implementation in Pekalongan Regency. As a new system, it is certainly important to conduct an assessment of the effectiveness of the implementation of the Quick Response Code Indonesia Standard (QRIS) payment system for MSMEs in Rowoyo Village.

Based on the results of interviews that have been conducted, QRIS is a non-cashless payment system that is very effective by providing convenience to its users, both sellers and buyers. An adequate security system from using QRIS is also an additional point compared to cash use. This is the same as stated by the owner of UD Wahyo Jaya "My business is in the field of building materials, so most of the transactions use a fairly large nominal, so the use of QRIS is very helpful so there is no need to carry too much cash and the risk of being held at gunpoint on the road " The use of QRIS is considered by MSME players to be effective in buying and selling transactions because payments can be adjusted to the nominal amount of the transaction without having to think about it Change is often a problem for sellers in providing small money. This is in accordance with what was conveyed by the stall owner Bu Daryati : " The use of QRIS in my opinion is very effective because finding small money for buyer change is not necessarily always there, its use is easy in my opinion. However, because its use is relatively not too frequent, sometimes I make the funds that enter through QRIS as temporary savings or can be said to be an emergency fund."

The use of QRIS is also considered effective because the use of one QR code or barcode can be used for various non-cash payment methods such as Dana, Ovo, Shopeepay, and even Bank payments. So that MSMEs do not need to provide a lot of barcodes. Puji Tailor argued. "The good thing about using QRIS is that we don't need to write or dictate our account number, just scan it, we can directly send it according to the nominal we want." Another convenience in QRIS transactions is that QRIS can be used to transact in various places that provide QR barcodes, including online shopping. Dewi Collection believes that "QRIS is the most practical cashless payment method, because it can be used in online shopping or shopping through offline stores, and the most interesting thing is that there are often discounts and cashback if using QRIS." Based on the data that has been presented. The use of QRIS has many positive impacts.

4. CONCLUSION
The Indonesian Standard Quick Response Code (QRIS) is a financial system standardization introduced by Bank Indonesia and the Indonesian Payment System Association to facilitate transactions. The Indonesian Standard Quick Response Code (QRIS) is an easy-to-use system that provides convenience and comfort in transactions so that it has an effective and efficient impact on users, especially corporate actors (MSMEs). Recommended for further research, the results of this study can be used as a reference for related studies and as a guideline in conducting the same research, so that research results can be developed in a wider field.

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