

Public Service Innovation (Innovation of “Tape Pasar” in Surakarta, Central Java Province)

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ABSTRACT

Market Tape Innovation is an innovation of Market E-Retribution Technology made by the Surakarta City Trade Office. Market Tape innovation aims to facilitate trading in paying market levies, reduce cartel money circulation, and increase traders' awareness to pay market fees. This research uses desk research with library research. The results of the research adoption of innovation Market Tape in the city of Surakarta shows (1) traders obtain information about Market Tape innovations from socialization conducted by the Surakarta City Trade Office, (2) Traders in the traditional markets of Surakarta City received Tape Market innovation because can reduce the abuse of market and retribution results, (3) Traders implement Tape Market innovation in Surakarta in 2016 with a levy payment mechanism using e-retribution cards electronically.

Keywords: *Innovation, Market Tape, Innovation Adoption, Public Sector*

1. INTRODUCTION

Public service or public service is the provision of services either by the government, private parties on behalf of the government, or private parties to the community with or without payment to meet the needs and or interests of the community[1]. In fact, until now, public services provided by the government to the community are still not optimal. It is proven that there are still many public complaints related to public services. According to 2019 Ombudsman data, the complete Ombudsman reports amounted to 11,087 reports, an increase compared to 2018 as many as 10,985 reports. Of the 41.03 percent of reports received by the Ombudsman in 2019 related to local governments[2]. The number of public complaints about public services against local governments encourages local governments to innovate in the public sector. Hierarchically, the encouragement to innovate begins with the policy of Law Number 23 of 2014, articles 386, 387, and article 388, which explain the need for initiatives to innovate by all components of local government (regional heads, SKPD, DPRD) and even layers of society [3], [4].

Innovation as a planned change by introducing technology and the use of new equipment within the scope of the agency. Public sector innovation is needed to provide public services that better reflect the availability of public choices and create a variety of service methods [5]–[7]. The public sector must innovate because of demands for accountability, transparency, and various principles of good governance that lead to higher-performing public organizations [8], [9]. Innovation is a new idea or idea and how a particular individual or social group adopts an innovation—adoption as a positive reaction of people to innovation and its use. According to Rogers, there are several stages in the innovation adoption process, including 1) the knowledge stage, when someone knows about the innovation and gains an understanding of how the innovation functions, 2) the persuasion stage as the stage of social members forming favorable or unfavorable attitudes towards the innovation, 3) the decision stage leads to the choice to accept or reject the innovation, 4) the implementation stage occurs when the individual or prospective adopter determines the use of an innovation and 5) the confirmation stage is the adopter stage looking for reinforcement for the innovation decision that has been made, but there is a

possibility that he will change his original decision if get conflicting messages [10], [11].

Studies on innovation adoption have been widely researched and discussed. Several studies on the adoption of innovations include: First, Novriansyah examined the adoption of floating tourism innovations in Kampoeng Rawa by farmer and fisherman groups in Rawa Pening. Novriansyah's research stated that Kampoeng Rawa was successfully adopted by innovation by farmers and fishers from the knowledge stage to the confirmation stage because it was considered to be following what was needed by them at that time, namely to improve the economy. Interpersonal communication plays an essential role in the process of introducing innovation to the adoption process. Kampoeng Rawa utilizes deliberation, discussion, and meetings. The relative profit level and suitability of making Kampoeng Rawa made farmer and fisherman groups decide to accept and adopt the innovation [12].

The second research is about the diffusion and adoption of innovations in poverty reduction by studying the diffusion and adoption of innovations in the service of "*Mbelo Wong Cilik*" Poverty Reduction Integrated Service Unit (UPTPK) in Sragen Regency. Sutopo & Annur explain that the facilitating factors are UPTPK services according to the economic conditions of the poor, communication behavior, open adopter characteristics with new things, and the role of opinion leaders. While the inhibiting factors include the ineffective use of mass media, education, the community has less of a role in the diffusion of innovation to members of the social system and the frequent occurrence of information bias from the Village / Kelurahan to the community [13]. Third, Burhansyah (researched the factors that influence the adoption of agricultural innovations in the Gapoktan PUAP and Non PUAP in West Kalimantan with case studies of Pontianak and Landak districts. The results of his research show that the adoption rate of Gapoktan PUAP innovation is generally at a moderate level; the technological components adopted include superior seeds, fertilization, use of tractors, pest and disease control, harvesting and post-harvest tools. Factors that influence adoption include the distance from the settlement to the location of the farm and the distance from the settlement to the source of technology, education level, land area and accessibility to the road. The Gapoktan PUAP is able to increase the productivity of rice farming compared to the non Gapoktan PUAP, directly increasing farm income [14].

An interesting local government innovation to discuss is the Pasar Tape innovation in Surakarta City, Central Java. Market Tape Innovation or better known as Market Retribution E-Technology, is an innovation initiated by the Surakarta City Trade Office in managing market fees. The Market Tape innovation was implemented in Surakarta City in 2016. The purpose of implementing the Pasar Tape innovation in Surakarta

City is to make it easier for traders to pay market levies directly without waiting for retribution collectors.

From several studies discussed previously, the research conducted by researchers has similarities and differences. The similarities are that they both discuss the adoption of innovations. However, the difference with the three previous studies is that the researcher emphasizes the adoption of local government innovations in the trade sector that are rarely carried out, particularly the Pasar Tape innovation in Surakarta City. The majority of innovations that already exist and are carried out by local governments are related to essential services such as population, health, and education.

2. METHOD

This research uses a desk research method with descriptive analysis. Desk research aims to collect data and information with the help of materials contained in the library room [15]. Data collection is done by utilizing secondary data. Secondary data is data that is available in various forms. Usually, secondary data is in the form of documentation or report data already available [16]. The research material used is a publication from the Surakarta City Trade Office regarding the number of market retribution rates in Surakarta City and the budget for managing market retribution in Surakarta City.

3. RESULT AND ANALYSIS

3.1. Conditions before the Market Tape innovation in Surakarta City

Before the Pasar Tape innovation in Surakarta City, market fees were managed manually by withdrawing market fees in cash by the Surakarta City Market Management Office. Proof of payment of market levies, namely SKRD (*Surat Setoran Retribusi Daerah*). The market retribution rate refers to the Surakarta Mayor Regulation Number 14 of 2016, which is determined based on the type of facility consisting of the yard, booth, kiosk, location, zone, place, market class, duration of use and environmental, electrical power consumption.

The retribution rate for stalls, kiosks per square meter (m²)/day is 0.1% of the Estimated Base Place Value and Electricity Tariff X Usage based on kWh meters. For the courtyard, the levy rate is Class I Market (Gede Market, Klewer Market, Legi Market, Nusukan Market, and so on) of Rp. 500/m²/day. Class II markets such as Ivory Market, Sidodadi Market, Kadipolo Market, Purwosari Market, and so on) the levy rate is Rp. 300/m²/day and Class III Markets (Sidomulyo Market, Klitikan Elpabes Market, Joglo Market, Old Iron Market and so on) are large the rate is IDR 200/m²/day.

After the officers withdrew the levy from the merchant, the proceeds from the levy were deposited

directly to the Head of the Surakarta City Market. Furthermore, it is deposited to the Surakarta City Market Management Office. The levy will be calculated by PBKB (Recipient Special Treasurer Officer). After that, it is only reported to the Surakarta City Trade Office and deposited to the Regional Development Bank as the holder of the regional treasury.

3.2. Conditions After the Market Tape innovation in Surakarta

Rogers explained that the innovation adoption process includes five stages as follows [10], [11]:

1. Knowledge Stage

The majority of traders in the Surakarta City market know about the Market Tape innovation (Market Retribution Technology) from the socialization carried out by the Office Surakarta City Trade. The target of implementing the Pasar Tape innovation is all market traders in the city of Surakarta. The concrete objectives of the Tape Pasar innovation are for traders to have independence in paying retribution without being served by retribution collection officers, traders' awareness of the obligation to pay levies, and cultivating traders to like to save. The socialization carried out by the Surakarta City Trade Office was not only through face-to-face meetings with traders and traders from all traditional markets in Surakarta City but previously the *launched* Mayor of Solo, FX, the Tape Market innovation. Hadi Rudyatmo and the Head of the Surakarta City Trade Office. In addition to direct socialization, including YouTube, the Surakarta City Government website, radio, and newspapers.

There are several obstacles in delivering information on the Pasar Tape innovation, namely the refusal from traders regarding the change in payment methods from being served by retribution collectors, now traders have to pay themselves. Market Tape Innovation is an innovation in paying market fees using electronic devices. In implementing the Tape Market innovation, traders must make e-retribution cards at partner banks of the Surakarta City government, including BNI, BTN, and Central Java BPD. The e-retribution card payment fee is IDR 20,000. Before making e-retribution cards, traders open savings books from banks collectively. After opening the passbook, the merchant gets an e-retribution card. The function of the e-retribution card is a means of payment of user fees and registered traders as members of the mandatory deposit of user fees to the Surakarta City government. The market retribution payment process is through the Pasar Tape innovation. The merchant attaches the levy e-card to the Tapping Reader machine. A payment receipt is issued as proof that the merchant has paid the levy. Suppose the balance in the e-retribution card runs out. In that case, the merchant can refill the balance at the bank that the government has provided in all traditional markets in Surakarta City.

2. Persuasion Stage

In the process of socializing the Pasar Tape innovation to the associations and traders in all markets in Surakarta City, the innovator, the Surakarta City Trade Office, invites all associations and traders to implement Pasar Tape innovations to facilitate payment and management of market retribution in Surakarta City. However, there are still traders who do not understand the Pasar Tape innovation. Even the rejection from traders shows that the socialization carried out by the Surakarta City Trade Office has not been received as a whole. Therefore, intense communication between the Surakarta City Trade Office and the Surakarta City market association and traders is needed. Referring to the adoption of innovation, an intense communication process can create social change. Rogers suggests several stages as follows [11]:

a. Relative

advantage Relative advantage is an innovation that must have advantages and more value compared to previous innovations. The Pasar Tape innovation benefits all parties, not only traders but also the Surakarta City government. Traders can pay market levies directly without collecting officers. For the community, with the Pasar Tape innovation, transparency in regional financial management is created, and the Surakarta City Government can make accountable reports to facilitate the management of market retribution.

b. The suitability of the

innovation should be compatible or compatible with the innovation it replaces. Implementing the Market Tape innovation in Surakarta City has a relationship and conformity with before the Market Tape innovation. Before the Market Tape innovation in Surakarta City, the payment of market retribution was carried out by retribution collectors. After the Tape Market innovation, there were still retribution collectors. Still, their role was not to collect retribution from traders in the traditional markets of Surakarta City but to assist and assist traders who would make retribution payments through a tapping reader machine.

c. Complexity

With its new nature, innovation has a level of complexity that may be higher than previous innovations. The complexity, in this case, can be interpreted as the obstacles faced in the implementation of the Pasar Tape innovation in Surakarta City. The barriers include traders' concerns regarding continuing the application of Pasar Tape innovation in Surakarta City and internet network connections that often have trouble. Internet connection is the main thing in

implementing merchant retribution transactions, starting from data transfer between e-retribution devices, banking servers and the main server located at the Surakarta City Communications and Information Office.

d. Possibility to try

Innovation can only be accepted if tested and proven to have more advantages or value than the old innovation. The Pasar Tape innovation was implemented in Surakarta in 3 stages, including stage 1 (in 2016) at the Depok Bird and ornamental fish market, Singosaren market, Gede market, Ngudi Rejeki Gilingan market, stage 2 (in 2017) at Klewer market, People's market Tanggul, Gading market, Bangunharjo market, Sibela Mojosongo market, Kadipolo market, Nongko market and stage 3 (in 2018) in 30 other markets in Surakarta City.

e. Observability

Innovation must also be observable in terms of how it works and produces something better. Market Tape Innovations in Surakarta City are easy to observe in terms of implementation. Starting from traders opening savings books at partner banks of the Surakarta City government, including BTN, BNI, Central Java BPD, getting an e-retribution card as a retribution payment instrument, and attaching the levy e-retribution card to the tapping reader machine and then issuing a receipt for the retribution payment.

The Pasar Tape innovation benefits all parties from the Surakarta City government, traders and the community. Not only providing benefits, but the existence of Pasar Tape innovation in Surakarta City offers convenience in terms of time, energy, and material efficiency. Before the Pasar Tape innovation, traders paid user fees manually, namely the retribution collectors collected fees from traders. Proof that the merchant has paid the levy, namely the SKRD. The levy proceeds are then deposited to the Head of the Market and then calculated by the PBKB (Special Treasurer Officer for the Recipient). After that, it is only reported to the Surakarta City Trade Office and deposited to the Regional Development Bank as the holder of the regional treasury. Managing market retribution in Surakarta City manually is inefficient in terms of time, labor, and materials (SKRD). It is different after the Pasar Tape innovation, where user fees are managed electronically from payment to deposit.

3. Decision Stage

At this stage, most traders feel the need for the Pasar Tape innovation in Surakarta City. At this stage, traders are included in the category of early adopters. They can immediately use the tapping reader machine

for electronic retribution payments after receiving socialization from the Surakarta City Trade Office. Merchants adopt the Tape Market innovation because it can create a sense of independence and awareness to pay the retribution that has become the obligation of traders.

4. Implementation Stage

At this stage, traders start to try and use the Market Tape innovation. The implementation of the Pasar Tape innovation in Surakarta City is carried out in stages considering the number of traditional markets in Surakarta City is quite a lot, namely 44 markets. The implementation of the Tape Market innovation began in 2016 in 4 traditional markets, including Gede market, Singosaren market, 2017 in 10 markets including Gading market, Bangunharjo market, Elpabes market, and 2018 in 30 other traditional markets in Surakarta City.

5. Confirmation Stage

Several traders in Surakarta adopted the facilities provided by the Tape Pasar innovation, namely opening a savings balance and then getting an e-retribution card as a means of electronically paying user fees. The opening of passbooks by merchants through BNI, BTN, and Central Java BPD banks as partners of the Surakarta City government is not only a requirement for obtaining an e-retribution card but can also be used for saving. Thus, traders as adopters of the Pasar Tape innovation will continue to use it because it provides benefits in making retribution payments easier and forming an attitude to like to save.

4. CONCLUSION

The process of adopting the Pasar Tape innovation in Surakarta City was carried out in several stages, including knowledge that the Surakarta City Trade Office gave traders who were the targets of the Pasar Tape innovation socialization. Then, in the persuasion stage, the traders began to consider the existence of the Pasar Tape innovation in Surakarta. After the traders received socialization about the Pasar Tape innovation, the traders started to know the Pasar Tape innovation clearly so that the traders understood the benefits of implementing the Pasar Tape innovation later. The advantage of the Pasar Tape innovation for traders is that it creates awareness to pay retribution without being withdrawn by retribution collectors. Then, in the decision-making stage, the traders decide to accept the Pasar Tape innovation because it positively impacts the prominent traders and various parties, including the Surakarta City government and the community. Once the merchant decides to accept the Market Tape innovation, it enters the implementation phase. The Market Tape Innovation was implemented in Surakarta City in stages in 2016 in several traditional markets until 2018 in 44 markets. The last stage of innovation

adoption is the confirmation stage in which traders continue to carry out Market Tape innovations seen; the benefits obtained include reducing the circulation of cartel money and traders starting to have confidence in the Surakarta City government in managing user fees, considering that Market Tape innovation in the process of managing user fees is carried out electronically so that reduce retribution abuse.

AUTHORS' CONTRIBUTIONS

Yunita Ratna Sari: Formal Analysis, Writing-Reviewing and Editing. Komang Jaka Ferdian: Writing-Reviewing and Editing. Dodi Faedlulloh: Writing-Reviewing and Editing.

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