

## ANALYSIS OF THE ROLE OF THE USE OF DANA APPLICATIONS IN COFFEE SHOP CORNER OF ANGKRINGAN, EAST MEDAN DISTRICT

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**Abstract:** This study aims to examine the role of using the Dana application as a means of payment in UMKMs Angular Angkringan in East Medan, North Sumatra. The approach used in this study uses a Qualitative Approach. Data collection was carried out by interviewing business owners, namely the owner and 2 staff. Based on the results of the study, it is known that this business problem is that the level of use of the Dana application in the UMKM business is in the high-level category. Business people also make it easier for business owners because of time efficiency. Meanwhile, consumers get benefits in the form of promos offered by business owners and the Dana application. This is certainly very beneficial for business people in doing all transaction matters.

**Keywords:** Funds, UMKMs and Business

### Introduction

The development of today's times makes everything more innovative. The presence of technology is present in all sectors. Education, Medical, Entertainment and economic are no exception. Digitalization of all sectors makes things easier. In the economic world, digitalization is very helpful. Easy access to buy a product or service is the result of the fruits of the development of the times that exist today. The emergence of various kinds of financial technology makes the choice of money storage increasingly diverse. ( 2844 , n.d.)

The emergence of financial technology makes it easier for people to manage finances, so this has become a habit of people's transactions today. Many e-wallet applications (digital wallets) have sprung up as a result, payment systems in economic transactions continue to experience changes in technological advances in payment systems. Cash (currency) has several roles, namely as a payment method that switches to digital forms of payment. Financial technology (fintech) is also the use of financial technology to produce products and provide services in the payment process. The financial technology industry in today's digital era is increasingly popular among various circles of society, especially millennial generation teenagers. (Yuliati & Handayani, 2021)

Today's global market moves very fast, which causes changes in competition In the corporate sector, this competition is getting tougher especially in goods and services that use technology. All producers of goods and services must think carefully and continue to innovate to compete for market share. Price is the most important consideration when consumers choose products and services. Products and services that provide the most value will most likely have

high demand in terms of market share. It is important for manufacturers to understand this in order to provide high-quality products and services that satisfy customers. Quality products and good service are also not a guarantee that consumers will depend on certain company products and services. (Mighty, 2020)

A type of payment account that allows users to store money for future transactions is called a digital wallet or e-wallet. Digital wallets offer any kind of payment transaction to store money or transfer money to other users. Digital wallets facilitate transactions both online and offline. Digital wallets have existed in Indonesia since 2009, and the first digital wallet approved by Bank Indonesia is an e-wallet owned by PT. Indosat, Tbk is called Paypro (Bank Indonesia, 2019).

But at that time the development of electronic wallets as a means of payment was not widely known. Only certain people know and use it. Due to lack of marketing, the growth of digital wallets was still very slow as there were not enough support options available at the time. Currently, various types of digital wallet applications are available in Indonesia. Including DANA that works with hundreds of thousands of online and offline merchants. DANA can be interpreted as a digital e-commerce wallet application that can process non-cash payment transactions. (Shaban et al., n.d.)

The DANA application is increasingly advanced because its use is very fast, practical and flexible so that it is easy and safe to make payments anytime and anywhere. The DANA application is not only used in various ways as a trading tool but is also very useful in various fields such as education, services, public and social services for UMKMs

The presence of e-wallets in UMKM businesses is very helpful in modernizing community business units. The rise of e-wallets can present various benefits that are very helpful for UMKMs. This is often used by UMKMs to increase profits, which is very reasonable in the business world. In addition to financial benefits, benefits in terms of time and energy efficiency are also often an added value why many UMKMs work with certain e-wallets.

This research not only explores the extent to which the Dana application is used by SMEs Coffee Shop Angular Angkringan, but also seeks to analyze changes that may occur in financial management and business decision making. Thus, this research is expected to contribute to further understanding of the use of technology in supporting the growth and sustainability of UMKMs in the culinary sector.

Thus, this study not only discusses the development of digital payment technology, but also focuses on the real impact that may be felt by SMEs Coffee Shop Angular Angkringan in East Medan District.

## Literature Review

### 1. Dana Application

DANA has been present since 2017 and was officially launched on November 5, 2018. Fintech DANA was developed by PT Espay Debit Indonesia Koe, as a digital wallet that can perform cashless and non-card transactions digitally.

The expansion of electronic wallet products is an incentive from OJK (Financial Services Authority) to accelerate Indonesia's economic development. Given Indonesia's demographic bonus in 2030, when the number of working people is getting bigger, the opportunity for e-wallet development is predicted to be brighter. (Mighty, 2020)

According to 2019 statistics, there were 95.2 million Internet users in Indonesia in 2018, an increase of 13.3% compared to 2017 which amounted to 84 million people. The number of Internet users in Indonesia will increase by 67% next year, with an average growth of 10.2% in

the 2018-2023 period. In 2019, the number of Internet users in Indonesia is estimated to grow by 12.6% compared to 2018 to 107.2 million users. Based on this information, it is explained that more than half of the Indonesian population knows and uses the Internet. The results of a study conducted by APJII revealed that during 2018, internet users were dominated by the age group of 20-39 years or 72.2%.

As a digital wallet, the money stored in the DANA application can be used for credit payments, electricity, to merchants that collaborate with DANA. DANA users can also use the Save Bank Card feature to connect payments from the bank to the DANA application. When compared to other digital wallet service providers, DANA has the advantage of an open platform concept. This means that DANA can be an online or offline payment option without reducing its main features (Business et al., 2020)

Payment in the application of funds as a process of moving a certain amount of money from buyer to seller. Meanwhile, digital payments can be literalized into payments that use software to store money in electronic form, called e-wallets. Digital payment systems only require an e-wallet application, internet connection, and e-wallet balance that can be topped up through certain ATMs or merchants. (482-1939-1-PB, n.d.)

### **The Role of Using Dana Application**

Role is a person's actions in a certain way, to pay off rights and obligations in accordance with their position. Applications in general can be interpreted as software that functions specifically to help human performance.

The role of using applications allows users to be able to optimize the software in carrying out daily activities. This means that if it is felt that the technological system is used, obstacles can be overcome, but if it is not easy to use or complicated, it will not have a positive attitude towards the system. (Pransiska et al., n.d.)

The use of electronic digital wallet applications plays an important role in various aspects of daily life. Here are some important roles of using e-wallet applications: 1) Ease of financial transactions. E-wallet applications allow their users to make financial transactions quickly and easily. Payments, remittances and purchases of goods or services can be made without cash or physical cards; 2) Transaction Protection. E-wallets often have security features such as data encryption, two-factor authentication, and PINs. This helps keep users' financial transactions safe; 3) Personal Financial Management. Some e-wallet programs offer expense and income tracking features. By using this feature, users can more easily manage their personal finances and better understand their spending habits; 4) Offers and Discounts. Many e-wallets offer special offers, discounts, or cash back to users who transact through the app. This can encourage users to continue using the e-wallet and earn extra income; 5) Access to financial services. Some e-wallets have evolved into broader financial services platforms. Users can access services such as small loans, investments or insurance through their e-wallet app; 6) Digital Payments Across Locations. E-wallets are often accepted as a means of digital payment in locations ranging from retail stores to restaurants, giving users the flexibility to make payments anywhere; 7) Bill Payment and Top-up. Many e-wallets allow users to pay bills such as electricity, water, or phone bills, as well as top up credit or data packages. The use of e-wallet applications has changed the

way people interact with money and conduct financial transactions, providing convenience, speed and efficiency in both payment processes and daily financial management.

### Research Methods

This research uses qualitative methods. Qualitative methods are descriptive research methods that seek to use analysis to understand human social problems expressed in words from data sources. Qualitative research is a deductive-inductive research method that starts from a theoretical framework, then expert ideas and researchers' understanding based on experience, then develops into problems and solutions to obtain justification. report (Hardani, 2020) (Hardani, 2020). Business et al., 2020).

The interview method is a technique for data collection in this study Interview is a process of interaction or communication in which information is collected between researchers and informants or subjects. Thanks to the current development of informatics, interviews can also be conducted without face-to-face, namely through telecommunications. Basically, an interview is an activity to obtain in-depth information about a subject or topic raised in research. Or it is the process of demonstrating knowledge or information previously obtained through other techniques. (Fahimah &; Harsono, 2023)

Thus, the author's background is to find and review information or data in the field, which the author observes during in-depth observations and interviews, using qualitative methods. (Sugiono, 2016, pp. 7-9).

This research was carried out at one of the UMKMs Coffe Shop Angular Angkringan located at the intersection of Jalan Al Falah. In this study, researchers have interviewed business owners of coffee shops Angular Angkringan For primary data collection, the author used non-probability techniques for data collection and researchers have prepared several questions asked to the resource persons. In addition to data collection techniques with interviews, researchers also use literature studies from journals, and relevant reading sources to support this journal. Aids used in interviews: smartphones, and stationery.

### Results and Discussion

In research that has been conducted that the role of using the Dana application in UMKMs *Coffee Shop* Angular Angkringan has been carried out. The use of this digital payment system is applied because of the rapid development of technology and information that must be followed. The use of the Dana application is to facilitate consumers who do not have cash. The Dana application also makes it easier for consumers who are reluctant to make cash withdrawals at ATMs. Only by scanning the QR-Code listed at the UMKM merchant, transactions can be done easily. In addition, the Dana application also accepts transactions through *Virtual Accounts*, this makes payment options in the Dana application more diverse and easier for consumers.

For UMKM owners, the Dana Application can benefit UMKM owners with various promos offered in every transaction at various merchants that can attract interest for consumers to be able to continue transacting. The use of the Dana application can also make it easier to

check sales transactions and turnover every day. In addition, the *nearby* Dana feature that can show business locations on the map can be a promotional forum for business owners.

However, just like imperfect humans, the Dana App also has some drawbacks. There are several obstacles and shortcomings in the use of the Dana application that researchers collected, including:

1. Hacker Threats

The use of the internet and applications that require an internet connection, of course, must be aware of *Hackers* / Hackers. However, this does not mean that the Dana application does not have a qualified security system. But the threat of hackers must remain vigilant in order to create mutual comfort in using the application.

2. Must always be connected to the internet

Dana application or various other e-wallets can certainly only be accessed when the smartphone is connected to the internet. This is an obstacle in using the Dana application because not all internet providers can provide maximum service in every location.

3. Does not have an offline service office

Even though it has an online customer service that can be contacted 24 hours, but of course the offline service office can provide a guarantee of transaction comfort for the public so as to add a sense of security for Dana application users if at any time there are problems in transactions.

## CONCLUSION

Easy access to buy a product or service is the result of the fruits of the development of the times that exist today. The emergence of financial technology makes it easier for people to manage finances, so this has become a habit of people's transactions today. Many e-wallet applications (digital wallets) have sprung up as a result, payment systems in economic transactions continue to experience changes in technological advances in payment systems. Financial technology (fintech) is also the use of financial technology to produce products and provide services in the payment process.

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The DANA application is increasingly advanced because its use is very fast, practical and flexible so that it is easy and safe to make payments anytime and anywhere. The DANA application is not only used in various ways as a trading tool but is also very useful in various fields such as education, services, public and social services for UMKMs (Dewi et al., 2022)

The presence of e-wallets in UMKM businesses is very helpful in modernizing community business units. In addition to financial benefits, benefits in terms of time and energy efficiency are also often an added value why many UMKMs work with certain e-wallets.

This research not only explores the extent to which the Dana application is used by SMEs Coffee Shop Angular Angkringan, but also seeks to analyze changes that may occur in financial management and business decision making. Thus, this research is expected to contribute to



further understanding of the use of technology in supporting the growth and sustainability of UMKMs in the culinary sector.

Thus, this study not only discusses the development of digital payment technology, but also focuses on the real impact that may be felt by SMEs Coffee Shop Angular Angkringan in East Medan District. Fintech DANA was developed by PT Espay Debit Indonesia Koe, as a digital wallet that can perform cashless and non-card transactions digitally.

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The role of using applications allows users to be able to optimize the software in carrying out daily activities. This means that if it is felt that the technological system is used, obstacles can be overcome, but if it is not easy to use or complicated, it will not have a positive attitude towards the system.

The use of electronic digital wallet applications plays an important role in various aspects of daily life. The ease of financial transactions using e-wallet applications allows users to make financial transactions quickly and easily. By using this feature, users can more easily manage their personal finances and better understand their spending habits. (Rodiah & Melati, 2020)

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