

**Research Article**

# Strategy For Increasing Market Retribution in The Regional Company Horas Jaya Marketing

**Eva Sriwiyanti\***, Toga Sehat Sihite, Pinondang Nainggolan, Rosita Manawari Girsang, Djuli Sjafei Purba and Risma Munthe

Faculty of Economics, University of Simalungun, Simalungun, Indonesia

**Abstract.**

The research objective was to analyze the strategy to increase the market retribution of the Horas Jaya Regional Company in Pematangsiantar City. This research uses descriptive research. This type of data consists of primary data through interviews related to the research problem, as well as direct observation of the research object. Secondary data were obtained from existing documents at the Regional Company Pasar Horas Jaya Kota in Pematangsiantar. To analyze the data obtained, the authors used descriptive and qualitative data analysis methods. The results of this study are the existence of a strategic location and increased user fees and reduction of employees who are the prima donna of local revenue in Pematangsiantar city. It can be seen from the weight and rating in doing research for gain weight and rating 80% of the subsector levies has become a source of local revenue Pematangsiantar. Likewise with the planning carried out by the Horas Jaya Market Regional Company in Pematangsiantar City to increase the acceptance of market retribution in Pematangsiantar City, in terms of determining the maximum possible target, the targets are carried out according to market conditions and based on all types of potential that exist in the Horas market. In terms of the implementation of Human Resources (officials or officers) who carry out the collection has not been maximized and there are assets in the form of market land that have not been managed by the Horas Jaya Market because from the results of existing research: the target and the realization of market charges have never reached the target.

**Keywords:** Market retribution; strategy; marketing

## 1. Introduction

In increasing the economic growth that exists in the central and regional governments, there are many problems that must be resolved in terms of development. This development covers all aspects of life, which essentially creates a just and prosperous society for Indonesia. Local governments as development facilitators in the regions should try to collect funds from the community through taxes and levies in a wise manner so that they do not become a burden to the community in the implementation of development, especially regional development. Retribution is one of the Regional Original Revenues (PAD) for local governments based on Law No.28 of 2009 concerning Regional Taxes and Regional Levies. One of the ways to increase PAD is by increasing the income that

Corresponding Author: Eva Sriwiyanti; email: [evasriwiyanti.s@gmail.com](mailto:evasriwiyanti.s@gmail.com)

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comes from market retribution. With the existence of the Regional Government Law, the market is not only a service unit to the community, but the market is already a business unit for the local government so that it is expected to generate retribution profits. In Law No. 32 of 2004, basically the local government in Indonesia, obtains 5 sources of income or finance made possible by law. Original Regional Revenue (PAD) is a source of regional revenue that comes from several regional revenues and one of which is obtained from regional retribution. The largest local revenue (PAD) is obtained from the local tax and local levies sector. One of the problems faced by some districts / cities in Indonesia at this time lies in the efforts to increase Regional Original Revenue (PAD). The reality that exists can be seen from the low Regional Original Revenue (PAD) in a number of regions in the past, which ultimately conditions the regions to be helpless and always dependent on financial assistance or subsidized funds from the Central Government. Apart from the issue of limited authority in mobilizing sources of tax and retribution funds, there are also issues of a juridical technical nature in terms of tax collection and regional fees.

The effort to develop the acceptance of market fees each year experiences obstacles and obstacles. These constraints and obstacles include the behavior of mandatory user fees, the market retribution obliged often makes payment of levies in arrears for various reasons. From this arrears, the revenue obtained cannot be optimal. This problem then results in delinquency in the payment of market levies which will have an impact on decreasing the total revenue of market levies. Therefore, the Regional Company of Pasar Horas Jaya must really focus on the strategies that will be taken and implemented. Based on this background, the author takes the title "Strategy for Increasing Market Levies on Regional Companies Pasar Horas Jaya Pematangsiantar".

## 2. Methods

### 2.1. Definition of Strategy

Strategy is the means and tools used to achieve final goals (goals or objectives). It is a matter of the organization's operations. Strategy is the same as a game plan. Meanwhile, strategy is a comprehensive planning formulation of how the company will achieve its mission and goals. Strategy will maximize competitive advantage and minimize competitive limitations. Strategy is a way to achieve long-term goals. Business strategies can include geographic expansion, reservation, acquisition, product development, market penetration, reduction, ventilation, liquidation and joint ventures. Strategy is an overall

approach with regard to the implementation of the idea, planning, and execution of an activity within a certain time[1] [2] [3] [4].

## 2.2. Characteristics of the Strategy

The end result of the strategy is a plan that refers to the direction of an organization's journey in the future. And then a strategy that has been formulated will experience changes in the environment and the strategy that has been formulated is no longer in accordance with the existing environment. Some of the main strategic features are: (1) Goal Directed Actions, namely the organization and how to implement it. (2) Consider all internal strengths (resources and capabilities). (3) Pay attention to opportunities and challenges[4].

## 2.3. Dimensions of Strategy

Strategic management has several dimensions or is multidimensional, namely: (1) Future Orientation Dimensions, (2) Internal and external dimensions, (3) Dimensions of encoding Resources. Strategic management as a management activity cannot be separated from the ability to utilize various available resources. (4) Dimensions to top management inclusion, (5) Multi plane dimensions[4].

## 2.4. Strategy Formulation

Strategy formulation is the development of a long-term plan for effective management of environmental opportunities and threats, seen from the company's strengths and weaknesses. The formulation of the strategy include determining the company's mission, defining objectives in achievable, strategy development, and establishment of policy guidelines. Here's an explanation of the mission, goals, strategies, and policies. (1) Mission, the mission of the organization is the purpose or reason why the organization exists. (2) Destination, the aim is the end result of planning activity. (3) Strategy, is a comprehensive planning formula, about how the company will achieve its mission and goals. (4) Policy, provides broad guidelines for overall organizational decision making[2] [5] [6].

## 2.5. Benefits Strategy

Some of the benefits of the strategy strengthening the company in preventing problems. (1) The decision strategies based on the group's decision will likely result in the best available alternative. (2) Employee involvement in the formulation of strategies to increase their understanding of the relationship that enhances productivity in exchange for their motivation. (3) Gaps and overlaps of activities between individuals can be reduced because participation in strategy formulation will clarify the differences in their respective roles. (4) The rejection of the change in the company is reduced[4].

## 2.6. Strategy Levels

There are four levels of strategy in total, called the master strategy, namely: (1) Enterprise strategy, this strategy is related to the community response every organization has a relationship with the community. Communities are located outside the organization that can not be controlled. (2) Corporate strategy, this strategy is related to the mission of the organization, so it is often called a grand strategy which covers the fields that the organization is engaged in. (3) Business strategy, level strategy outlines how the market in the community how to establish the organization amid the employers (the government), the entrepreneurs, legislators, politicians and so on. (4) Fungtional strategy, strategy is supporting strategies and to support the success of other strategies. There are three types of functional strategies, among others: economic functional strategy, functional management strategy, strategy strategic issues[4] [7] [8].

## 3. Results and Discussion

### 3.1. SWOT analysis

SWOT analysis is just one method of describing and evaluating the condition of a problem, a project or a business concept that is based on internal factors, namely Strengths, Weakness and external factors, namely, Opportunity and Threats. SWOT analysis consists of four factors, namely: strengths, weakness, opportunity, Threats[1].

### 3.2. Company history

A Brief History of PD Pasar Horas Jaya Geographically, Pematangsiantar located in North Sumatra province on line 3 ° 01 '09' '- 2 ° 54' 40 " North Latitude and 99o 6

'23' '- 99o 1' 10 " Longitude East located in the middle of Simalungun. Gross Regional Regional Income (GDP) Pematangsiantar has increased significantly each year, but as yet relatively stable inflation. This is the impact of various price increases for commodities, especially transport and energy have an impact reducing purchasing power. In addition Pematangsiantar economic growth until 2014 also increased. It is seen from the GDP growth rate to Pematangsiantar constant prices continue to rise. Sectors that provide the greatest contribution is the trade, hotels and restaurants.

In the long term, trade and services sector is expected to be the largest contributor to the GDP with the proportion in the economy Pematangsiantar, while the industrial sector, construction, banks and financial institutions become a crutch for the two sectors. The structure of the main business field in Pematangsiantar showed that the trade sector is the dominant employer of that followed by the services sector, transport and communications and construction. Pematangsiantar still face many social problems as commonly faced by large cities other which is possible as a result of urbanization and commuting into the region Pematangsiantar, including street vendors, unemployed, criminals, bums and various other social problems as the increasing population and an increasingly competitive competition, especially in the era of globalization. This gives rise to discomfort for the city of Pematangsiantar.

The trade sector plays an important role and become the fastest-growing sectors over the past decade. The trade sector has significance for Pematangsiantar namely: (1) This sector makes Pematangsiantar as a central collection and distribution of agricultural and industrial commodities for the highland region, especially North Sumatra Simalungun, Toba Samosir, Samosir, Humbang Hasundutan and North Tapanuli. (2) The trade sector has become the livelihood of the population of Pematangsiantar. In 2013, the trade sector using labor for 77 375 people or 38.76% of the total workforce. (3) The trade sector includes street vendors, which have high elasticity of using labor.

Changes in the status of market management of the Office of Market became Regional Enterprise Market Horas Jaya, is an effort to optimize the performance of sector marketing and increase the flexibility of the management of market management professional to support the program, the vision and mission of Pematangsiantar as the city sub-center of trade and regional distribution in Sumatra North. Based on this, in October 2014 a regional company was formed, namely the Horas Jaya Market Regional Company, which is intended as a company that manages the market more flexibly in Pematangsiantar City to further develop the regional economy. The formation of the Horas Jaya Pematangsiantar Market Company was preceded by a Feasibility Study, which concluded that the establishment project was feasible. Finally, the mayor

Pematangsiantar Hulman Sitorus, S.E. with the approval of the Pematangsiantar City Regional House of Representatives (DPRD) stipulated Regional Regulation No. 5 dated 20 October 2014 concerning the establishment of the Horas Jaya Pematangsiantar Market Company.

Summary of the Analysis of Strengths, Weakness, Opportunities, Threats at PD. Horas Jaya Market, After conducting interviews and presentation the results of exposure summarized into: (1) The power possessed by PD. Horas Jaya Market: a) Strategic Location, b) Sufficient complete products and merchandise, c) Adequate facilities and infrastructure, d) Increase retribution and reduction of employees, e) Cleanliness of the market environment, f) Items sold can be seen in touch and felt directly by the buyer, g) Prices are negotiable. (2) Weaknesses owned by PD. Horas Jaya Market: a) The quality and quantity of human resources inadequate, b) There are established loan fund for businesses, c) Air circulation and spatial planning is less narrow and stuffy. (3) Opportunities owned by PD. Horas Jaya Market: a) The restoration of building a better market, neat and orderly. So that it provides comfort when shopping. b) The existence of an effort to provide good service. c) The interest to trade. d) The promotion of the presence of PD. Horas Jaya Market.

While the weakness only get a rating below average. It can be seen from the results weighted average value of weakness (0.25), by improving the quality and quantity of human resources is not adequate, yet held loans for businesses, air circulation and less porposional narrow spatial arrangement can increase the weights and good rating value. As well as the opportunities are already close to the results of the weight value and a good rating (2.35). By increasing the existence of restoration of market buildings that are better, tidy and orderly. That gives comfort when shopping, business presence providing a good service, high interest to trade, promotion existence where PD. The market could also increase the weight and value of a good rating. So is the threat of getting value results in below average and and weight and unfavorable rating (0.50), The rise of the modern market rise pitchman, cultural shifts and economic behavior and failed harvests, PD. Horas Jaya Market must be able to increase competition. Because by increasing all of that you can get a good weight and rating.

## 4. Conclusions

The threat posed by PD. Horas Jaya Market: (1) The rise of the modern market, (2) The rise of mobile traders, (3) a shift in culture and economic behavior, (4) Failed to harvest. The result of this research is the strategic location and raise the levy and the

reduction of employees who are excellent local revenues in Pematangsiantar. It can be seen from the weight and rating in doing research for gain weight and rating 80% of the subsector levies has become a source of local revenue Pematangsiantar. While a complete product and adequate merchandise needs to be improved further in order to get a good weight. So is the adequate Infrastructures, Environmental Hygiene Market, Goods sold can be seen, touched and felt directly by the buyer also must be increased in order to obtain a rating that is ideal.

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