

Improving Voluntary of Small Business Owners Through Tax Education : Business Development Service (BDS) Model

(An Approach of Social Marketing and AIDA Stages)

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Abstract

Small businesses in Indonesia have been recognised as the main contributor to the Indonesian Gross Domestic Product (GDP). Reports published by several government agencies suggest that in 2014, small businesses contributed approximately 60% of the Indonesian GDP, which is an increase of 4% from the 2009's figure of 56%. Despite this significant contribution, unfortunately, their contribution to tax revenue is relatively small of only 1% of total tax revenue. The Indonesian tax office has been known to introduce several attempts to improve their contribution towards tax revenue. These, unfortunately, are not able to improve their compliance significantly.

This research is aimed at exploring new ways to address this concern. For this purpose, this research uses action research as an approach. Action research is chosen because it enables a need of change to be identified, potential model or solution be proposed and then tested, and lastly, the application of the proposed solution be evaluated.

In this research, the business development service is chosen as the main model. This model relies on the assumption that a person will be willing to do a certain thing provided that they obtain a particular benefit directly. The problem of providing direct link between taxation and benefit in this research is addressed by assuming that the tax office is an education provider working in concert with other agencies, such as universities, small business community, and other relevant government agencies. These entities work together to organise workshops in business operation, book-keeping, or basic taxation concepts, and organise market stalls to 200 small business owners in Southern Tangerang Region that participate in this research. Hence, this research views taxpayer education in a wider context as opposed to a limited view of providing only tax materials. The education provider and the research participants then establish an entity referred to as *SMES Sahabat Pajak (USP) Community*.

In the evaluation phase, it is revealed that there is a significant increase of participants who pay taxes. In the start of the program, there is only 4% of participants who pay taxes. Once the program is concluded, this figure rises significantly to 92%. It is also revealed that a number of participants acknowledge that there is an increase in their business turnover as a result of participating in the activities organised as part of this research. Further, they are willing ask their colleagues to be part of USP, which continues to exists after the research is concluded.

In conclusion, it is revealed that it is possible to improve small business voluntary compliance by showing that there is an indication of a direct benefit obtained from taxation, as shown in the use of the business development service in this research.

Keyword: voluntary compliance, small business, business development service.

I. Introduction

A various efforts have been made by the Directorate General of Taxation to achieve the target of tax revenue. One of the efforts is to conduct tax counseling to the taxpayers. The objective is to increase the tax compliance that ultimately leads to the achievement of tax revenue targets. The tax compliance referred to this paper is a formal compliance, a compliance of paying and reporting annual tax returns.

This research is limited to the stage of willingness to pay and report taxes, not to the stage of execution of payments and tax reporting. The studied taxpayer is an Individual Taxpayer with Specific Gross Income as mentioned in Government Regulation No.46 of 2013, Individual Taxpayer who derives their income from business activities with gross turnover below Rp4.8 billion per year. Referring to the Law No 20 of 2008 about Micro, Small and Medium Enterprises, the Taxpayer referred to Government Regulation No.46 of 2013 is included in the category of Micro, Small and Medium Enterprises (SMEs). That Law states that the limit of gross turnover per year of micro business is a maximum of 300 million, small businesses from Rp300 million to Rp2.5 billion, and medium businesses from Rp2, 5 billion to Rp50 billion. In the next discussion, occasionally will be used terminology a SMEs Taxpayer as a replacement of the term Individual Taxpayer with a certain Gross Income.

There is a gap between the amount of tax receipts and the potential tax. The gap between tax potential and tax revenue from SMEs business can be shown from data released by Central Bureau of Statistics (CBS), Ministry of Cooperatives and SMEs and Fiscal Policy Agency (FPA). In the period of five years, the business circulation generated by SMEs has grown 83%, from Rp2,969 Trillion in 2009 to Rp5,400 trillion in 2013. Data from the Ministry of Cooperatives and SMEs shows that SMEs contributes 60.34% to the total of Indonesia's economy (gross domestic product / GDP) in 2013 from 56.18% in 2009. However, the contribution of SMEs to tax revenue is only 5%. The amount of SMEs contribution to GDP can be seen in the table below:

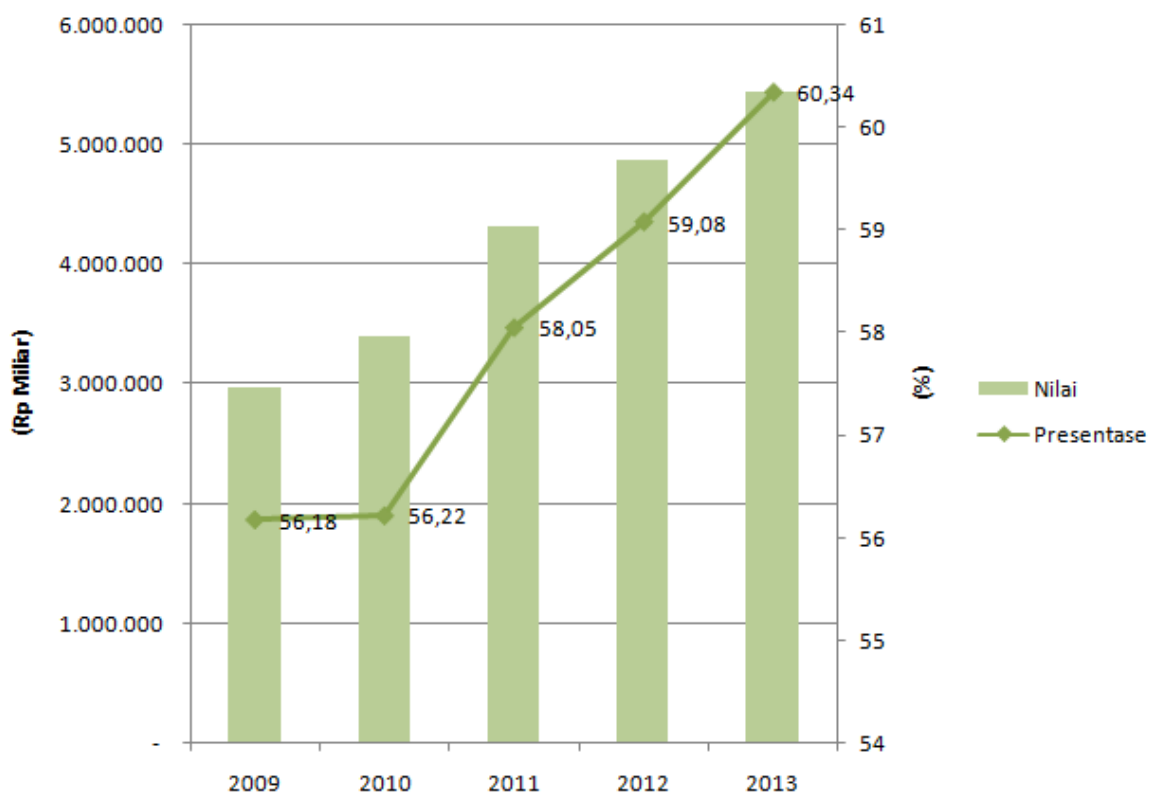


Figure 1. SMEs's Contribution to GDP

This research was conducted on the taxpayers of SMEs which mostly reside in working area of Tax Office (KPP – Kantor Pelayanan Pajak)) Pratama Pondok Aren, Regency of South Tangerang, Banten, Indonesia, that is Pondok Aren, Pamulang, Ciputat, and Ciputat Timur Subdistrict. The population in the four sub-districts is 1,095,205 people. 2013 BPS data shows an average of 18.20% (199,327 people) Tangsel residents are business actors.

Based on the data obtained from KPP Pratama Pondok Aren, in 2015, the number of registered taxpayers (TP) amounted to 241,086 TP, of which the number of TP Agency are 15,833, Employees are 192,213, Non Employee Individual TP are 32.711, and Treasurer TP are 329. The tax revenue target in 2015 amounted to Rp2,068,029,187,195.00. The contribution of non-Employee and Employee Taxpayers towards the realization of tax revenue is still quite low, which is only about 5.29% (Rp109.188.726.900,00). From the above, it can be concluded that the potential taxation of the business actors in the working area of KPP Pratama Pondok Aren is still very likely to be optimized.

The low compliance and contribution of SMEs to taxes is due to the low awareness of the importance of the role of taxes, the lack of knowledge about taxes, and there are no direct benefit from paying taxes. People are more willing and disposed to pay taxes if they feel a direct benefit of paying taxes or interacting with the tax authorities or institutions. On the other hand, the tax terminology according to the Taxation Law is a mandatory contribution that **does not provide a direct benefits**. There is a difference here, the taxpayer, who is a human being, wants to get a direct benefits by paying tax while the Tax Law says otherwise.

To relate the paradigm differences is need an effective education or counseling. A counseling with Business Development Service (BDS) method was chosen in this research using action research approach. The using of BDS is because this is a form of business development services for the SMEs's actors that can be done by synergies that can give each other a direct benefits between several parties, in this case is between Directorate General of Taxation, Polytechnic Keuangan Negara (PKN) STAN, and other parties. BDS helps to develop the business of SMEs' players as well as to overcome various obstacles faced (Irfan and Indah, 2014).

This research is due to the need of a strategy to overcome the paradigm differences between taxpayers and tax regulations and a large number of SMESs' actors, which is about 56 million people (BPS, 2013) while the number of government officials in the Directorate General of Taxes is very few. Another thing is the Directorate General of Taxation's difficulties of getting access to the underground economy information of the SMEs' actors. Because of these problems, the synergies with the various parties for a persuasive approach, obtain data and foster tax compliance is urgently needed. This reason reinforces the

background why tax counseling through the BDS program based on the social marketing concepts through the AIDA stage is done.

BDS is based on the social marketing theory and AIDA (awareness, interest, desire, and action) Phillip Kotler and Nancy Lee (2015). According to Kotler, there are four stages for someone willing to perform a desired action. In this case, the action is taxpayer willing to comply the tax. The stages are awareness, interest, desire, and action (AIDA). Stage awareness is how taxpayers know and aware that the tax has an important role for the country and know that they have a tax obligation. The interest stage is the taxpayer agree, support, or happy with the program / activity launched by the Directorate General of Tax (in the next discussion referred to as the tax office). The desire stage is the emergence taxpayer's assurance that the program run by the tax office is good and there is a willingness to follow it. For example marked by their willingness to find out about the rules of applied tax rules. The action stage is the taxpayers have made efforts in order to find out how to pay taxes and report the tax return.

This research uses a social marketing way. Social marketing is the use of marketing principles and techniques in influencing the target audience to voluntarily accept, reject, modify and abandon a behavior for the benefit of individuals, groups and communities as a whole . However, unlike commercial marketer that sells goods and services, social marketers fight for behavior change. Social marketing uses principles, tools, and commercial marketing strategies tailored to the needs and conditions of the target, resulting in behavioral changes that not only benefit of the individual but also benefit of the community.

The implementation of the social marketing in this study aims to willing of SMEs actors to change their behavior from not willing to obedient tax became willing to obedient. This research is a pilot project. Positive results obtained from this study will be replicated to other KPP (Kantor Pelayanan Pajak) in the hope that it will have a significant impact on tax compliance, both revenue and tax reporting.

II. Theoretical Basis

Kotler and Nancy Lee (2015) provide the definition of social marketing as follows: *Social marketing is the using of marketing principles and techniques to influence the target*

audience to voluntarily accept, reject, modify and abandon a behavior for the benefit of individuals, groups and communities as a whole.

Meanwhile, according to Professor Punam Anand Keller, the definition of social marketing is the practicing of commercial marketing technology to analyze, implement the planning and evaluate the program that designed to influence the voluntary's behavior of the target in order to improve the personal and community welfare.

Roberto and Lee define social marketing as the using of marketing principles and marketing techniques to influence goals, which by voluntarily accepting, modifying, or abandoning behavior for the benefit of individuals, groups or society as a whole.

Table II.1 Differences Between Social Marketing and Commercial Marketing

<i>Difference</i>	<i>Social marketing</i>	<i>Commercial Marketing</i>
Product	Changes in behavior	Goods and services
Goal	Increasing of individual or social benefits	Financial increase for marketers
Competitor	1. Previous behavior (to be changed) or other preferred behavior. 2. The feeling of "pleasure" and the benefits of doing the previous behavior	Other companies or organizations offering similar goods and services
Segmentation	Groups or individuals deemed to have social problems	Groups or individuals who are able to increase product sales.

Social marketers use 4 (four) main tools in marketing (4P) to influence the target market: product, place, promotion and price or better known as marketing mix. Kotler and Lee said that the stage of social marketing design is as follows:

1. Consumer research and analysis the environment
2. Segmentation and targeting
3. Set object and goals

4. The 4P analysis and determination

5. Evaluation

Ananda Sabil Hussein in his journal entitled "Social Marketing: A Strategy to be a Better Indonesia" writes that as part of the marketing concept, in its application social marketing also relies on four important variables in commercial marketing which are often called marketing mix (Kotler, 2006) which are Product, Price, Place / Distribution and Promotion.








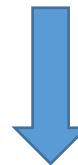








Price in social marketing is the cost or sacrifice an individual must incur to adopt the behavior offered. Kotler & Lee (2008) explains that the costs required to adopt a behavior include both material and non-material. Material costs relate to the amount of dollars that must be incurred to obtain the product offered. The monetary cost is related to the cost incurred to buy the offered product. While non-material costs are costs such as time, risk, effort, energy and feelings of discomfort when adopting new behaviors.

Place / distribution refers to the distribution channels used by marketers in order to deliver the products offered to the target audience. In delivering the products offered to the target audience, marketers can use intermediaries.

Promotion - Lefebvre (2011) emphasizes that in the context of social marketing, promotion must be in accordance with the behavior to be offered, the price, the distribution channel and the intended audience group. Often promotions promoted by a marketer are incompatible with the product offered so the target audience resistant to the product / behavior offered.

II.2 AIDA Marketing concept (Awareness, Interest, Desire, Action)

Tri Nugroho (2013) in his article Marketing Communications states that according to Kotler (2015) the purpose of a communication activity of a marketing leads to the willingness of consumers to buy products, make use of services, or follow the wishes of marketers. Kotler formulated there are 4 (four) Hierarchy Model Responses to be passed before the consumer decides to change the behavior. The four models are AIDA model, influence hierarchy model, adoption innovation model, and communication model:

Stage	AIDA Model	Influence Hierarki Model	Adoption Inovation Model	Communication Model
Cognitive Stage	Attention 	Awareness  Knowledge 	Awareness 	Exposure  Acception  Cognitive Rensponse
Affective Stage	Interest  Desire 	Joy  Preference  Belief	Interest  Evaluation 	 Attitude  Intention
Behavioural Stage	Act	 Purchasing	Trial	 Behaviour

The four models assume that purchases pass through cognitive, influence and behavioral stages respectively. The "study-feel-do" sequence is said to be the appropriate sequence if the listener has a high degree of engagement with a product category deemed to have a high difference. An alternate sequence of "do-feel-study" would be relevant if the listener has a

high engagement but understands little or no product category differences. The third sequence of "learn-to-feel" will be relevant if the listener has low involvement and understands only slight differences in the product category.

In this research used AIDA model with consideration of this model is relatively more simple than others. The AIDA stages sequentially include awareness, intention, desire, and action.

A. Stage of attention (awareness)

This is the stage where the marketer tries to make the consumer aware and knowing of the existence of the marketed product or a campaign policy / program. Efforts that made at this stage may be promotions, advertisements or campaigns in print, online media, radio or television.

B. Interest stage

Once consumers know the existence of the product, this stage seeks to make consumers feel agree, happy or interested about the products or services offered, as well as a campaign program. Efforts undertaken include providing further information about the product, conveying the benefits when having the product, conducting an activity / program / policy submitted.

C. Stage intend (desire)

This is the stage of conducting an offer or activity that the consumer intends to be very confident interested in owning, utilizing the product, or conducting a program or policy.

D. Stage decides to buy or change behavior (action)

The last stage is the willingness of consumers to perform activities in order to purchase products, utilize services, or adhere to a policy.

II.3 Business Development Service (BDS)

Irfan Fatoni and Indah Dewi (2014) stated that Business Development Services (BDS) is a form of business development for SMEs related to marketing, production, business management, finance, operations, and others. The purpose of this BDS is to help the perpetrators of SMEs in order to overcome business constraints faced, both financial and non-

financial constraints. Constraints or problems that are often faced by SMEs actors, among others:

1) Financial Issues

- a) Lack of capital facilities accessibility
- b) No systematic approach to capital business process
- c) High transaction costs (caused by quite complicated the loan application procedure)
- d) High capital interest, both investment and working capital
- e) Does not yet have good financial management standards (not bankable)

2) Non Financial Issues

- a) Lack of knowledge about technology, production and quality control.
- b) Lack of knowledge and marketing network.
- c) Limited quality of human resources.
- d) Lack of understanding of accounting and finance.
- e) Less understanding of business licensing issues

II.4 Taxpayer Compliance

According to Safri Nurmanto (2005) compliance taxation is a condition where the Taxpayer meets all tax obligations and exercise taxation rights.

Zein (2007) defines Taxpayer compliance as follows "The taxpayer understands or seeks to understand all the provisions of the tax legislation, fills out the tax form completely and clearly, calculates the amount of taxes payable correctly, and pays the tax payable on time."

An individual taxpayer with certain gross circulation is subject to taxation obligations pursuant to Government Regulation Number 46 year 2013 on Income Tax on businesses with Gross Income and Certain Criteria. Taxpayers who meet this criterion are Individual and Corporate Taxpayers which has a turnover in a year below Rp4, 8 billion. The rate is 1% of the Tax Base. The Tax Base is a gross turnover. The Income tax must be remitted to the state cash no later than the 15th of the following month. For example Mr. Amir, a clothing merchant, has a turnover of Rp100,000,000.00 in January 2015. Then the amount of his Income tax is $1\% \times \text{Rp}100,000,000.00 = \text{Rp}1,000,000.00$ and must be paid by February 15, 2015.

II.5 Understanding SMEs (Micro, Small and Medium Enterprises)

There are some understanding of SMEs, among others:

A. According to Law Number 20 Year 2008 **SMEs**:

- **Micro Enterprise**, is a productive businesses owned by individuals or private companies
- **Small-scale business**, which is a stand-alone productive economic enterprise conducted by an individual or a business entity that is neither a subsidiary nor a branch of a company owned, is controlled or constituted either directly or indirectly by a medium-sized or large-scale business.
- **Medium-sized enterprise**, which are stand-alone productive economic enterprises, carried out by individuals or business entities that are not subsidiaries or branches of a company owned, controlled, or become part of, directly or indirectly, by a small business or a large enterprise.

Criteria of SMEs according to Law Number 20 Year 2008 are as follows:

No	Description	Criteria	
		Asset	Omzet
1	Micro Business	Max. 50 Million	Max. 300 Million
2	Small Business	> 50 Million - 500 Million	> 300 Million - 2.5 Billion
3	Medium Business	> 500 Million - 10 Billion	> 2.5 Billion – 50 Billion

B. According to the Central Bureau of Statistics (CBS)

Central Bureau of Statistics (CBS) provides the definition of SMEs based on labor quantity. Small business is a business that has a workforce of 5 people up to 19 people, while medium business is a business that has a workforce of 20 people up to 99 people.

According to the data of Ministry of Cooperatives and SMEs, the total number of SMEs reached 65.5 million business units or 99.9% of the total business units in Indonesia. In more detail, from business units in Indonesia, the number of micro-businesses dominates 55.856

million units or 98.79%, followed by small-scale businesses totaling 629,418 units or 1.11%, medium-sized businesses 48,997 units or 0.09% and large businesses 4,968 units or 0.001%.

III. Discussion

In this research, bds (business development service) should be conducted by applying stage aida (awareness, interest, desire, action) based on the principle of social marketing. Different from commercial marketing aimed at how to make products or services department sold, so the purpose social marketing is how changing perilaku. dalam this research that it wants to turn is behavior respondents (taxpayers), of disobedient tax be obedient tax. Business development service that is one way or strategy counseling tax that emphasizes the concept of mutually beneficial and meet the needs of / the interests of various parties (SMEs agents, SMEs agency, banking, and others). The tax office, working with different parties, act as the facilitator who developed business taxpayers so that taxpayers have the positive on the taxation and the motivated to obey tax. With bds this, the interests of all parties are accodated. The tax office get compliance. he tax office get compliance tax, banking get potential customers, and actors SMEs would develop their enterprise.

Social marketing using the concept 4p the product, price, place and promotion. adapun products used in social marketing this is successor program SMEs friend taxes and belief to pay tax good thing. Price is labor and money by respondents to obey pajak. jika the respondents wish to obey tax, it must out some money for some to pay tax, spend the time and energy to learn tax. While place activities social marketing than through social media online as wa and facebook, also in places activities involving the SMEs like a training entrepreneurial, the events micro and small entrepreneurs who held by kpp, the local government and SMEs community. Promotion done with promoting advantage of products that was offered in the appropriate determined, as in entrepreneurship training, the events general and via social media. The concept of social marketing is designed with the concept of 4p aims to change the attitude of audience through four stage aida as detailed in chapter before. At the awareness, the target audience that is the taxpayer op agents SMEs expected to know and aware of the program SMEs friend taxes and slogan to pay tax good thing. The efforts is form group community via social media and sending sms blast about the program offered. Following know the program offered, the target will start interested (interest and

agree with products through further details of the program and would to be obtained if obey tax.

By sharing tips and tricks related to entrepreneurship through WA group, involving figures of SME to become "tax ambassador", held a gathering SMESatau visit program to the location of the perpetrators of SME, target expected more assured and appears willingness to present in the activities of the social marketing held Taxation Service Offices. In the stage of action, efforts target of respondents who already support SME program tax friend and confident with belief pay taxes profit. The aim at this stage is the respondents do real efforts toward tax compliance, as register to get Tax Identification Number. At this stage, has held entrepreneurship training as part of the social marketing expected useful for the development of the perpetrators of SME so that eventually willing to voluntarily to comply and pay the tax.

A summary social marketing done in this research summarized in tables follows: awareness target come to know and agree with the program SMEs friend the tax usp and belief to pay tax good thing

Tabel III.1 1 the Purpose and Efforts of AIDA Phase

No.	Tahapan	Tujuan	Efforts/Activities
1	Awareness	Respondens come to know and agree with the USP (SMES Sahabat Pajak) Progam or SME's Fella Tax and have belief that Pay The Tax is Profitable (PTTP)	1 .Open registration clerk or team member passion with successor program 2 .Know the taxpayer needs and hopes 3 .Cooperation with the third party , among others PKN STAN 4 .The approach to figures of SME community 5 Getting mass of SMEs 6 Socialization of successor program the USP (SMES Sahabat Pajak) Progam or SME's Fella Tax and belief that Pay The Tax is Profitable (PTTP)

2	Interest	The respondents interesting and supporting the program	7. Entrepreneurship training program simultaneously 8. Created and engaged through Whatsapp Group 9. Running Tax and Bookeeping for SME class 10. Buying Our Products Program.
3	Desire	The respondents sure and willing to find out more about tax	
4	Action	Respondents attempted toward compliance tax	11. <i>Sweetener&gimmick</i> ,: giving rewards to the comply tax payer such as a free ticket to attending the excellent entrepreneursh training class 12. <i>Broadcast</i> the invoice of payment tax to social media which is aimed to urged the others to obey the tax 13. Reminding of the value “Pay The Tax is Profitable” 14. <i>Conversion process</i> : how to convert a willingness of pay the tax to action. Such as by helping and giving the assisstance of tax payment process. 15. <i>Maintenance program</i> : The program aimed at maintain compliance tax 16. Evaluation program.

III.1 Respondents

In this research , used a questionnaire to know variabels affecting to pay taxes .The gophers is participants who coached through a series of BDS Program held in September and October 2016 .Respondents was an SMEs with a kind of culinary business , craft , and fashion . Researchers spreading the questionnaire about 250 , but while some 128 were completed.

III.2 Research Variables

Research questionnaires for respondents comprise 20 items question that represents 5 (five) a variable research namely four the independent variable and one the dependent variable. Four independent variables is AIDA stage , awareness , interest , desire and action .While dependennya side variables is the willingness to obey (paying tax and report on taxes as well as tax amnesty). Questionnaires use likert scale 1 through 5, while 1 is absolutely disagree and 5 is absolutelty agree.

1. Valuation of Respondents on Awareness Variables (X1)

Table III.1 Valuation of Respondents on Awareness Variables's Distribution (X1)

Statement	Total Score	Average Score	Questions
X1.1	433	3,38	I know that LOCAL TAX is different with CENTRAL TAX. Land and Building Tax and Vehicle Tax are Local Tax, meanwhile Income Tax and Value Added Tax are Central Tax.
X1.2	425	3,32	I know that MOST funds for KUR (Credits for Business) for SME, health (BPJS), free education, electricity subsidies and fuel come from CENTRAL TAX.
X1.3	484	3,78	I know that for citizens who have income from business are required to have NPWP (Taxpayer Identification Number).
X1.4	462	3,61	I know that every citizen who has income from business is required to pay Income Tax and report the tax once a year through Annual SPT (Tax Return).
X1.5	347	2,7	I know that Amnesty Tax ransom rate for SME is only 0.5% of reported/untrusted assets.
Average	430,2		
Average per person	3,36		

Source: Questionnaire processing's results, 2016

According to the tabel, we can conclude that respondents' responses for Awareness Variables are doubtful in average scale 3.36.

2. Interest Variables (X2)

Table III.2 Valuation of Respondents on Interest Variables's Distribution (X2)

Statement	Total Score	Average Score	Questions
X2.1	520	4,06	I like the slogan "TAX, FELLA FOR SME"
X2.2	506	3,95	I agree with the slogan "PAYING TAX MAKES PROFIT"
X2.3	554	4,33	I am interested if tax office throw activities and programs with the spirit of "TAX, FELLA FOR SME" and belief of "PAYING TAX MAKES PROFIT" (for example by holding an entrepreneurship workshop, creating WhatsApp group for business community, creating a site that unites the interests of entrepreneurship and taxation, holding a class for preparation of bookkeeping and financial statements for SME, holding a special tax socialization for SME, etc).
X2.4	567	4,43	By believing in question X2.3, it can change my negative perception of tax office to positive.
X2.5	538	4,2	I am fine with Income Tax rate at 1% of turnover per month.
Average	527,4		
Average per person	4,12		

Source: Questionnaire Processing's Results, 2016

According to the table, we can conclude that respondents' responses for Interest Variables are agree in average scale of 4.12.

3. Desire Variables (X3)

Table III.3 Valuation of Respondents on Desire Variables's Distribution (X3)

Statement	Total Score	Average Score	Questions
X.3.1	554	4,33	I am sure that if paying tax is INTENDED ALMS to help 250 million people of Indonesia, then God will reply with kindness and blessed fortune.

X.3.2	567	4,43	By believing question X2.3, it can makes me willing to pay tax according to prevailing provisions.
X.3.3	538	4,20	By believing question X2.3, it can makes me willing to understand tax laws, such as how to calculate, pay and report taxes.
Average	538,33		
Average per person	4,20	4,2	

Source: Questionnaire processing's results, 2016

According to the table, we can conclude that respondents' responses for Desire Variable are agree in average scale 4.20.

4. Action Variables (X4)

Table III.4 Valuation of Respondents on Action Variables's Distribution (X4)

Statement	Total Score	Average Score	Questions
			With the spirit of "TAX, FELLA FOR SME" and belief of "PAYING TAX MAKES PROFIT", I am willing to:
X4.1	512	4,00	Attend socialization activities held by tax office to find out how to calculate, pay and report taxes
X4.2	509	3,97	Invite friends to also attend the tax socialization and obediently pay taxes
X4.3	522	4,07	Set aside some money from income or sales results to pay taxes
X4.4	522	4,07	Record turnover every month to know how much tax I should pay
Average	516,25	4,03	
Average per person	4.03		

Source: Questionnaire processing's results, 2016

According to the table, we can conclude that respondents' responses for Action Variables are agree in average scale 4.03.

5. Willingness to Pay Taxes Variables (Y)

Table III.5 Valuation of Respondents on Willingness to Pay Taxes Variables's Distribution (Y)

Statement	Total Score	Average Score	Questions
			With the spirit of "TAX, FELLA FOR SME" and belief of "PAYING TAX MAKES PROFIT", I am willing to:
Y.1	521	4,07	Pay taxes monthly (via ATM, Internet Banking or Bank Teller)
Y.2	511	3,99	Report Annual SPT (Tax Return) every year
<i>Average</i>	516	4,03	
Average per person	4,03		

Source: Questionnaire processing's results, 2016

According to the table, we can conclude that repondents' responses for Willingness to Pay Taxes Variables are in average scale 3.94.

III.3 Test of Research Instrument

III.3.1 Validity Test

Validity test is done to find out whether the item statement in the questionnaire is able to measure the changes obtained in this research. The test equipment used is Product Moment Pearson correlation. An instrument is valid if the correlation score equals Product Moment Pearson $> r$ table. Otherwise, an instrument is not valid if the correlation score equals Product Moment Pearson $< r$ table. The result of item statement processing in the questionnaire use SPSS 17 which is in the table of appendix 1.

Based on the data in the table of appendix 1, research instrument is valid, as evidenced by the Pearson correlation score for each positive items and bigger than the r table (0,1736).

III.3.2 Reliability Test

Reliability test is done to measure the level of consistency of a research instrument. It is necessary to get the same data which will be obtained at re-test in different time periods.

Reliability test is done by using SPSS 17, with the criteria if alpha coefficient > r table, which means questionnaire items are reliable (trusted). The value of r table for N as many as 128 with 5% significance of two-way direction is 0,1736. From the test results table found in appendix 2, then instruments in the questionnaire can be said reliable because the alpha coefficient obtained for each variable is bigger than 0,1736.

III.3.3 Multicollinearity Test

Multicollinearity test aims to examine whether in the regression model found a correlation between independent variables. A good regression model should not found any correlation between independent variables. The test is done by looking at VIF (Variance Inflation Factor) score and Tolerance score. Data are declared not having multicollinearity when the VIF score is less than 10 and tolerance score is more than 0,1.

Table of Multicollinearity Research

Model		Coefficients ^a						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.611	.828		.738	.462		
	x1	.047	.028	.107	1.717	.089	.781	1.280
	x2	.097	.067	.153	1.439	.153	.267	3.748
	x3	-.146	.107	-.145	-1.366	.174	.269	3.718
	x4	.637	.069	.732	9.199	.000	.477	2.094

a. Dependent Variable: y

Source: SPSS processing results, 2016

From the table, we can conclude that multicollinearity between independent variables is not happening because the VIF score is less than 10 and the tolerance score is bigger than 0,1.

III. 3.4 Coefficient of Determination Test (R^2)

Coefficient of determination test aims to measure how far the independent variable's ability to explain the variation of dependent variable.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.793 ^a	.628	.616	1.103

a. Predictors: (Constant), x4, x1, x3, x2

b. Dependent Variable: y

Source: SPSS processing results, 2016

From the table, adjusted value of R^2 is 0,616. Adjusted value is used if independent variables involved more than 2. The effect of independent variable to dependent variable equals 61.6 % or in other words 61.6% variation of dependent variable can be explained by independent variable. Meanwhile, the remaining 38.4% is caused by other factors, beyond the variable investigated.

III.3.5 Hypothesis Testing and The Study

Hypothesis 1	Whether AIDA stages as a whole affect willingness of personal taxpayer (WP OP) with certain gross income to comply with taxes
H₀	AIDA stages as a whole <i>do not affect</i> willingness of personal taxpayer (WP OP) with certain gross income to comply with taxes
H₁	AIDA stages as a whole <i>affect</i> willingness of personal taxpayer (WP OP) with certain gross income to comply with taxes

To answer hypothesis 1, use the Coefficient of Simultaneous Regression Test (F Test). F Test basically shows whether all of independent variables in a model simultaneously affect on the dependent variables.

To answer hypothesis 1 use the Simultaneous Regression Coefficient Test (Test F). This F test basically indicates whether all the independent variables in a model influence simultaneously on the dependent variable. In addition F test can be used to see the regression model used is significant or not, provided that if p value $<(\alpha) = 0.05$ and F arithmetic > F table, means the table is significant and can be used to test the hypothesis. Criteria in the F test as follows :

Ho accepted when the probability > 0.05

H1 accepted when the probability < 0.05

ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	253.177	4	63.294	52.006	.000 ^a
	Residual	149.698	123	1.217		
	Total	402.875	127			

a. Predictors: (Constant), x4, x1, x3, x2

b. Dependent Variable: y

Source: SPSS Processing Result, 2016

From the table above, it can be seen that the probability value / significance is 0.000, then H1 is accepted and Ho is rejected. Thus it can be said that the overall AIDA stages affect the willingness of WP OP with certain gross income to comply with taxes.

Hypothesis 2 until hypothesis 5 is used to answer the second research objective, which AIDA variable has the strongest influence on the willingness of WP OP with certain gross income to comply with taxes.

Hipotesis 2	Does the Awareness (X1) variable have a significant influence on the WP OP awareness with certain gross income to comply with taxes?
Ho	Awareness (X1) variable has no significant influence on the awareness of WP OP with certain gross income to comply with tax
H₂	Awareness (X1) variable has a significant influence on the awareness of WP OP with certain gross income to comply with tax
Hipotesis 3	Does the Interest (X₂) variable have a significant influence on the WP OP awareness with certain gross income to comply with taxes?
Ho	Interest (X₂) variable has no significant influence on the awareness of WP OP with certain gross income to comply with tax
H₃	Interest (X₂) variable has a significant influence on the

	awareness of WP OP with certain gross income to comply with tax
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Hipotesis 4	Does the Desire (X₃) variable have a significant influence on the WP OP awareness with certain gross income to comply with taxes?
H₀	Desire (X₃) variable has no significant influence on the awareness of WP OP with certain gross income to comply with tax
H₄	Desire (X₃) variable has a significant influence on the awareness of WP OP with certain gross income to comply with tax

Hipotesis 5	Does the Action (X₄) variable have a significant influence on the WP OP awareness with certain gross income to comply with taxes?
H₀	Action (X₄) variable has no significant influence on the awareness of WP OP with certain gross income to comply with tax
H₅	Action (X₄) variable has a significant influence on the awareness of WP OP with certain gross income to comply with tax

To answer hypothesis 2 to hypothesis 5 use Partial Regression Coefficient Test (t test). This t test is aimed to test the partial influence between the independent variable to the dependent variable with other variables considered to be constant, assuming that if significant value of t calculate that can be seen from regression analysis show from $\alpha = 5\%$, it means independent variable influence the dependent variable. With the degree of confidence for hypothesis testing is 95% or $(\alpha) = 0.05$, the criteria are as follows:

- a. If the level of significance is $< \alpha 5\%$ and the regression coefficient (β) is positive, then the hypothesis is accepted which means there is enough evidence to reject H₀ in hypothesis testing.
- b. If the level of significance is $> \alpha 5\%$ and the regression coefficient (β) is negative, then the hypothesis is rejected which means there is not enough evidence to accept H₀ in hypothesis testing.

- c. If the level of significance is $> \alpha$ 5% and the regression coefficient (β) is positive, then the hypothesis is rejected which means there is not enough evidence to accept the hypothesis.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.611	.828		.738	.462		
	x1	.047	.028	.107	1.717	.089	.781	1.280
	x2	.097	.067	.153	1.439	.153	.267	3.748
	x3	-.146	.107	-.145	-1.366	.174	.269	3.718
	x4	.637	.069	.732	9.199	.000	.477	2.094

a. Dependent Variable: y

Source: SPSS Processing Result, 2016

From the data above, the interpretation for each independent variable as follows:

1. The probability value X1 $0.089 > 0.05$, which means that the awareness variable is not significant to the willingness of WP to comply with tax.
2. The probability value X2 $0.153 > 0.05$, which means that the interest variable is not significant to the willingness of WP to comply with tax.
3. The probability value X3 $0.174 > 0.05$, which means that the desire variable is not significant to the willingness of WP to comply with tax.
4. The probability value X4 $0.000 > 0.05$, which means that the interest variable is significant to the willingness of WP to comply with tax.

In addition, from the data t arithmetic is also known that the action variable (X4) has the largest t value among the other independent variables that is 9,199. It means that the action variable is the most dominant variable influence on the willingness of WP to comply with tax

Thus, can be deduced that H0 in hypothesis 2 to hypothesis 4 is accepted, while H2, H3, and H4 are rejected. And for hypothesis 5, H0 is rejected, and H5 is accepted.

Based on the explanation above, the awareness, interest, and desire variable, although it has no significant influence but still has an influence on the willingness of WP to comply with tax. To find out how big is the influence, it can be known by using the Double Correlation Coefficient Test.

This test aims to explain the influence of each independent variable to the dependent variable. The effect of AIDA variable on willingness of WP to comply with tax can be explained by the following mathematical equation:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4$$

Explanation :

Y : dependent variable

a : constant

b : intensity

x₁, x₂, x₃, x₄ : independent variable

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	.611	.828		.738	.462		
x1	.047	.028	.107	1.717	.089	.781	1.280
x2	.097	.067	.153	1.439	.153	.267	3.748
x3	-.146	.107	-.145	-1.366	.174	.269	3.718
x4	.637	.069	.732	9.199	.000	.477	2.094

a. Dependent Variable: y

Source: SPSS Processing Result, 2016

From the table above can be made regression equation as follows:

$$Y = 0.611 + 0.047 X_1 + 0,097 X_2 - 0,146 X_3 + 0,637 X_4$$

Interpretation of the above equation as follows:

1. Constants (a) of 0.611, meaning if the value of all independent variables = 0, then the value of Y is 0.611. WP's willingness to comply with taxes of 0.611 without an AIDA variable.
2. Regression coefficient X₁ = 0.047, meaning if the value of variables X₂, X₃, and X₄ = 0, then any increase of 1% awareness variable will affect 0.047 to the willingness of WP to comply with tax.
3. Regression coefficient X₂ = 0,097, meaning if variable value X₁, X₃, and X₄ = 0, then every 1% increase of variable of interest will influence equal to 0,097 to willingness of WP to abide by tax.

4. Regression coefficient $X_3 = -0.146$, meaning if the value of variables X_1 , X_2 , and $X_4 = 0$, then each 1% increase of desire will have an effect of -0.146 on the willingness of WP to abide by tax.
5. Regression coefficient $X_4 = 0.637$, meaning if the value of variables X_1 , X_2 , and $X_3 = 0$, then each 1% increase in desire variable will affect 0.637 to the willingness of WP to comply with tax.

III.4 Qualitative Description of Interview Results, Observations, FGD and In Depth Interview

Here are some important things that can be captured from interviews, observations, FGDs, and in depth interviews:

1. The respondents who are the perpetrators of SMEs admitted initially they were hesitant and suspicious with the program of SMEs Taxpayers. However, when given further explanation and following a series of social marketing activities and programs through the AIDA stage, respondents become confident, enthusiastic, and supportive.
2. Questionnaires are disseminated and collected from respondents on the second entrepreneurship training held on October 8, 2016. After the training, in accordance with the AIDA stage, continuous efforts are continuously undertaken for the engagement of respondents. These efforts include sharing tricks and business tips through WA GROUP, holding a class of taxes and bookkeeping of SMEs with the theme of “One Hour Proficient Make Financial Statements”, as well as endorsement program, namely efforts to mutually market the products of respondents, so as to create business transactions.
3. After passing through a series of AIDA stages and various efforts undertaken at each stage, the previously ignorant respondents became aware of the rights and obligations of taxation. From the original don't want to be willing to have Tax ID Number (NPWP) and pay taxes. Until this paper is written the number of respondents who didn't want to be willing to pay taxes, and originally didn't pay taxes to be willing to pay taxes reached about 92% of the total respondents. Expected the number continues to grow.
4. Found the facts on the field, respondents have difficulty when going to make Tax ID Number (NPWP), not because of the long process, but complex administrative

procedures and various things about the requirements of the Tax ID Number (NPWP) that is difficult to understand. It also found many difficulties of respondents who will pay taxes. For the perpetrators of SMEs procedures or procedures for payment of existing taxes are now considered difficult. Making Electronic Filing Identification Number (*EFIN*) and e-billing and various uses of the latest technology, for the respondent is a luxury that is difficult to do. Not to mention, frequent errors in applications or systems.

5. It is known that respondents are not very enthusiastic or relative doubtful (points 3.53 on a scale of 1 to 5) to obedient tax if the extension pattern undertaken by the Directorate General of Taxes is merely about taxation.
6. Along with the social marketing process that to the stage of desire, militancy begins to arise from respondents to tax ambassadors. That is, fellow respondents remind each other to obey tax and respondents are also willing to socialize taxation to business circles.
7. The SMEs Program Tax Companion was greeted enthusiastically not only by respondents who reside in South Tangerang area, but also other areas, such as Depok, Bekasi, Bandung, and various other areas. They hope that similar programs can also be applied in other Tax Office.
8. Based on the results of processing questionnaires, interviews, and observations, also researched the response of respondents to tax amnesty. In general his enthusiasm is still low. This is due to the fact that the tax amnesty material has not been explained intensely. Several trials conducted against several respondents. To them this is given a more intense and personal explanation about urgency and tax amnesty procedures. The result is four out of five people who are described willing to take tax amnesty.
9. In rupiah terms, tax payments made by SMEs in this case are Individual Taxpayers (WP OP) with certain Gross Income is not material if compared to big businessmen. However, considering that SMEs are the support of almost 60% of GDP, it is feasible to consider a specific strategy to extract taxes from SMEs. In addition, the positive multiplier effect that will be generated if the perpetrators of SMEs successfully made obedient tax is the effect of militancy and viral calls to comply with taxes they do to the people of Indonesia.
10. This social marketing program involves the active role of students, structural and functional officials in KPP Pratama Pondok Aren and Kanwil DJP Banten, Taxation Center, and the perpetrators of SMEs. The support of leaders and all parties is a very

important factor for the success or failure of this program. Another factor is the availability of manpower, time, human resources, and adequate costs. If inadequate, the program is difficult to succeed.

IV. Conclusion

From the results of statistical tests and discussion, it can be concluded that:

1. BDS (Business Development Service) carried out based on the overall AIDA stages, has an effect on the willingness of SMEs actors or the Individual Taxpayers (WP OP) with certain gross income to comply with taxes. This is indicated by the probability value of the F test indicates that the independent variables simultaneously affect the willingness.
2. The independent variables were the most dominant influence on the willingness of tax obedient taxpayer is variable action. This is supported by result of T test which shows that action variable has the biggest count value among other variables and probability value $< 0,05$. Other variables are influential but not significant.
3. The low level of compliance is caused by ignorance, disagreement and unwillingness taxpayer or society to meet its obligations taxation and taxation recognized rights as citizens.
4. Social marketing programs implemented through the AIDA stage provide a positive impact on tax compliance. However, the number of taxpayers that can be treated is still very small compared to the number of registered taxpayers, especially compared to the number of existing SMEs.

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