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# Seller's Rights and Obligations of Marketplace in Indonesia

I Putu Gede Budayasa, I Gede Totok Suryawan, Ni Putu Suci Meinarni, Wayan Eny Mariani, Komang Redy Winatha STMIK STIKOM Indonesia
Denpasar, Indonesia
budayasa@stiki-indonesia.ac.id

Abstract—Business competition in the current era of globalization requires business people to innovate, not only in terms of production but also in marketing. Marketing media which currently a trend of society is through a digital store known as marketplace. Marketing through the marketplace requires businesses to comply with the provisions applicable to the marketplace. Those provisions are rights and obligations between parties involved in buying and selling activities within each marketplace. This research focuses on the rights and obligations of sellers as goods or services provider in the marketplace transaction. Each marketplace has different provisions regarding the rights and obligations of the seller. Several marketplaces sampled in this research were determined by purposive sampling method. Implementation of the rights and obligations of the sellers is analyzed using descriptive study by considering customer complaints that violate the provisions of the marketplace where the seller is running its business.

Keywords—marketing; rights and obligations of sellers; marketplace

# I. INTRODUCTION

The current buying and selling process can be done through physical transactions or through digital media. Physical transactions require buyers and sellers to meet and exchange goods or services directly. Constraints arise when sellers of goods or services are outside the area, making it difficult for buyers to reach them. Technology development presents solutions for distance-bound buyers and sellers through ecommerce. E-commerce provides a lot of convenience in marketing goods or services. The sellers can market their products widely by providing various variants. The marketing process with e-commerce also does not require a store for product display, thus saving costs. Buyers can also easily choose the desired product.

E-commerce in Indonesia is growing very rapidly, people are getting used to this method of buying and selling transactions. This is indicated by several marketplaces that are in great demand by the public to buy the products they need. The data collected shows that Tokopedia, Bukalapak, and Lazada are the three largest marketplaces in Indonesia. The three marketplaces have the same business process that provides virtual stores for sellers to market their products. The sellers in the marketplace have different backgrounds, allowing sales inequality to occur. This difference in techniques will

give different standards to the satisfaction of buyers. Satisfaction where the goods the buyer receives is in accordance with what the seller displays on the online catalog. Based on the results of the questionnaire distributed to 278 respondents, it indicated that 151 respondents complained about the marketplace for their dissatisfaction. Complaints given consist of non-conformance of goods with display, slow delivery, product defects, and no compensation.

To avoid the loss of buyers, the marketplace has provided rules regarding the rights and obligations of sellers in the marketplace. These rights and obligations regulate the process of buying and selling that can benefit both parties. One aspect that is regulated is that the buyer has the right to get complete information about the product being sold. When the product received is not in accordance with the information presented, the buyer can sue the seller. This study aims to look at the implementation of the rights and obligations of the seller and relate it to the regulation of consumer protection. Data was obtained from 278 respondents in STMIK STIKOM Indonesia which consisted of academics.

#### II. METHOD

The research method used in conducting this research is descriptive method. This method is used because it is considered as a suitable method in collecting data needed. The steps in the descriptive method, namely identifying the existence of significant problems to be solved through descriptive methods, limiting and formulating the problem clearly, determining the objectives and benefits of research, conducting literature studies related to the problem. Determine the framework of thinking and research questions or hypotheses, design research methods to be used including determining the population, samples, sampling techniques, and analysing data, and the last is making a research report.

The formulation of the problem in this study is how to apply the rights and obligations of sellers in the marketplace in Indonesia. The purpose of this research is to find out how far the seller's rights and obligations apply to the marketplace in Indonesia and increase consumer awareness about the rights and obligations of the seller of the marketplace.



## A. Data Collection

Data collection techniques used in this study includes literature studies and field studies. The object of this research is the marketplace in Indonesia. The method of determining Marketplace that will be used as the object of this research is purposive sampling with the criteria of the three largest marketplace in Indonesia, namely Tokopedia, Lazada, and Bukalapak. The process of collecting data needed to support this research is done by giving questionnaires to respondents. The population of this study is the STMIK STIKOM Indonesia academic community who often conduct transactions in the three marketplaces. The subject of this study was 278 respondents consisting of lecturers, education staff, and students.

## B. Data Analysis Technique

The data collected will be analysed by two methods, namely:

1) Content analysis method / content analysis: Content analysis / content analysis is a method to study and analyse communication systematically, objectively, and quantitatively towards the message that appears [1]. So, content analysis / content analysis is an investigation technique that describes objectively, systematically, and qualitatively with analysis to understand the text. An important component of this analysis is the presence of a problems that are consulted through theory. Content analysis / content analysis in this study includes rights and obligations in Tokopedia, Lazada, and Bukalapak, as well as compliance with existing laws and regulations in Indonesia. The results of the questionnaire were analysed descriptively by focusing on the experience of people who have made purchases online at Tokopedia, Lazada, and Bukalapak.

2) Deductive analysis method: Deductive analysis is a scientific method in which facts are analysed and elaborated with prevailing theories [2]. The conclusion is drawn from the results of data analysis.

## III. RESULTS AND DISCUSSION

## A. Data Analyses Result

Based on the results of the questionnaire obtained the following results:

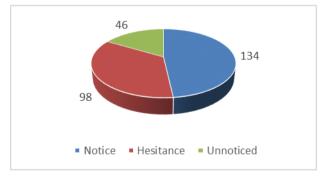


Fig. 1. Graph of consumer knowledge concerning the rights and obligations of the seller.

Based on figure 1, the majority of respondents said they knew the seller's rights and obligations in the marketplace to their customers.



Fig. 2. Graph of the types of consumer complaints when shopping online.

In figure 2, the types of consumer complaints when shopping online are: undelivered items, defective items, items not in accordance with the picture, past the delivery deadline, and no refund. Most respondents said there were no complaints when shopping online. The most common type of complaint is that the item does not match the picture.

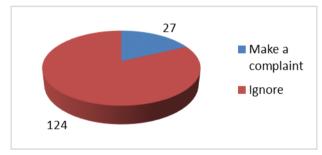


Fig. 3. Graph of consumer attitudes towards complaints.

Figure 3 describes consumer attitudes toward complaints experienced when shopping online. The majority of consumer attitudes choose to ignore to process their complaints further. This attitude is caused by several things:

- Long management process
- Requires additional fees for return shipping
- Lazy waiting for the response from the seller
- The time, energy and mind to face the process is not commensurate with the price of the item purchased.

## B. Rights and Obligation Under Indonesian Regulation

Regulations related to cyberspace transactions in Indonesia has arranged in Law No. 11 of 2008 [1]. In general, all actions that are in the realm of cyber law must be subject to the provisions of each article contained in the Act. The regulated actions are including criminal and civil actions.

Transactions in the cyber realm are outlined in several articles. It is regulating the rights and obligations of individuals and groups in conducting transactions in cyberspace. And these



are several articles in the ITE Law on e-commerce transactions [2]:

- Article 1 paragraph (2), concerning to electronic transactions
- Article 2, concerning to electronic transaction jurisdiction
- Article 5, concerning to electronic information and documents as legal evidence
- Article 9, concerning to information on goods and services
- Article 10, concerning to the institution of reliability certification
- Article 17, concerning to electronic transactions, information and documents
- Article 18, concerning to electronic contract
- Article 19, concerning to electronic system
- Article 20, concerning to electronic time and transactions
- Article 21, concerning to sender and recipient of electronic transactions
- Article 22, concerning to the organizer of electronic agents
- Article 30, concerning to prohibited acts
- Article 46, concerning to criminal provisions

In addition the regulation related to the cyberspace's transactions, it is necessary to understand about the conventional trading provision, the Law No. 8 of 1999 [3], concerning Consumer Protection. This regulation explains how the consumer is protected by his rights. As the provider of goods / services in a marketplace, direct producers or sellers must pay attention to the regulation, because in several articles there are some clause relating to the obligations of the seller. These are the aspects of the consumer's rights which is need to be concern by the sellers [4]:

- The right to comfort, security and safety in consuming goods and / or services.
- The right to choose goods and / or services and get the goods and / or services in accordance with the exchange rate and the conditions and guarantees promised.
- The right to correct, clear and honest information regarding the condition and guarantee of goods and / or services.
- The right to hear opinions and complaints about the goods and / or services used
- The right to get proper advocacy, protection and efforts to resolve consumer protection disputes.
- The right to get consumer guidance and education.

- The right to be treated or served correctly and honestly and not discriminatory.
- The right to get compensation, compensation and / or replacement, if the goods and / or services received are not in accordance with the agreement or not as they should be.
- Rights stipulated in the provisions of other laws and regulations.

As mentioned above, consumers are guaranteed their rights by the law. A consumer can submit their complaints through the *Yayasan Lembaga Konsumen Indonesia (YLKI)*. But consumers must also pay attention to several things that become their obligations [4]:

- Reading or following information instructions and procedures for the use or utilization of goods and / or services, for security and safety.
- Good faith in making purchases of goods and / or services.
- Payment is according to the agreed exchange rate.
- Follow the legal settlement efforts of consumer protection disputes appropriately.

The explanation above is a number of things related to the seller's obligation as the provider of goods or services. In addition to the obligations that must be fulfilled, the seller also has the right to the goods or services. The right of the seller is to accept payments from consumers.

The most common payment method in electronic transactions is by transferring money or using a credit card. Usually consumers pay their order first before the item is received. And items are sent after proof of transfer or money is received.

Constraints that might arise from the transaction's way are the distrust of each party. So that the principle of good faith must be owned by both parties. This principle will also be able to avoid the parties from the dispute.

If a dispute arises that cannot be resolved yet, then the party who feels objected, can get assistance from the Consumer Dispute Settlement Agency (BPSK). Further regarding the duties and functions of BPSK in assisting the settlement of disputes, it can be seen in Article 23 of Law No. 8 of 1999 [5].

The law enforcement over the marketplace business itself must be increased. This is the duty of all parties. Marketplace owners and sellers must know the relevant regulations. Whereas, if the consumers get loss or bad experiences, they could maximize the role of consumer complaints institutions, and most important, the parties must have good faith to create a good trading climate in cyberspace.

# C. Data Results Comparison to the Related Regulation

Buyers and sellers must be aware of Law No. 8 of 1999 concerning consumer protection. The results of this study found that consumers are aware of the rights and obligations of buyers and sellers in shopping online, but they do not know the



regulations related to these rights and obligations. The most complaints are non-conformity of goods with pictures or displays from the seller. Consumers must realize that they have the right to obtain guarantees and compensation when the seller does not provide detailed information about the goods sold or the goods are received in damaged condition.

Consumers should not be worried, scared, or lazy to deliver or process their complaints because the right to consumer protection has been regulated in the legislation. Consumers can easily report various complaints in online shopping through YLKI which currently has spread in various regions in Indonesia and can be accessed online [6].

#### IV. CONCLUSION

This paper has conducted the application of seller's rights and obligations to marketplaces in Indonesia and the level of consumer awareness regarding these rights and obligations. The results showed 134 of 278 consumers stated that they were aware of the application of seller's rights and obligations to marketplaces in Indonesia. But most consumers are reluctant to complain about their complaints when shopping at the marketplace. In this study also found that there are three main problems that make them reluctant to make complaints including because of a long management process, requiring additional costs for return shipping and lazy to wait for answers from sellers.

Considering these findings, it is necessary to conduct more intensive socialization about the application of the rights and obligations of sellers in the marketplace as well as the legal consequences received if they violate these rights and obligations. To facilitate the complaints process and accelerate the follow-up of the consumer complaints, the marketplace in Indonesia should provide complaint facilities that are easily accessible to consumers, YLKI, and LPSK as witness and victim protection agencies in Indonesia.

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