



Legal Protection of Consumers in Online Transactions (E-Commerce)

I Gusti Ayu Tia Anja Ariesti^{1*}, Ni Made Jaya Senastri²

^{1,2} Master of Law Program, Warmadewa University, Denpasar, Indonesia
tiaanja26@gmail.com*

Abstract. Technological advancements have ushered in a new era in the global economy commonly referred to as the digital economy. The presence of this phenomenon is characterized by the growing prevalence of economic activities that employ the internet as a means of communication. For instance, the trade industry increasingly depends on electronic commerce, also referred to as e-commerce, as a means of conducting transactions, hence facilitating the process of doing business transactions. It is undeniable that transactions through e-commerce allow default to occur, so there is a need for legal protection for consumers as stipulated in Articles 4 and 7 of the Consumer Protection Act. Business actors must be responsible for their negligence. As for the form of responsibility of business actors in e-commerce default disputes as specified in Article 19 paragraph (1) of the Consumer Protection Law that business actors have the responsibility to compensate the aggrieved party. Settlement of default disputes in e-commerce buying and selling transactions can be resolved through non-litigation or litigation through local courts, as stipulated in Article 47 of the Consumer Protection Law.

Keywords: E-commerce, Online transactions, Consumer protection.

1 Introduction

The advent of technological advancements has ushered in a new era in the global economy, commonly referred to as the digital economy. The presence of the internet as a means of communication is evident through the growing prevalence of commercial activities that rely on it. One illustrative instance involves the growing dependence of trade on electronic commerce (e-commerce) as a means of conducting transactions [1]. The presence of e-commerce provides consumers with many benefits and extraordinary solutions because they only need to spend a little time traveling to shop. Besides that, the goods offered are also relatively low and affordable. Today, in its development, e-commerce transactions are a positive challenge as well as a negative challenge. The scenario might be regarded as favorable due to its potential to offer benefits to customers, enabling them to assess and select goods and services based on their individual needs [2]. However, it is argued that these conditions have a negative impact since they lead to a relative weakening of consumer positions compared to business actors, perhaps resulting in disillusionment and financial setbacks.

© The Author(s) 2023

M. Umiyati et al. (eds.), *Proceedings of the International Conference on "Changing of Law: Business Law, Local Wisdom and Tourism Industry" (ICCLB 2023)*, Advances in Social Science, Education and Humanities Research 804,
https://doi.org/10.2991/978-2-38476-180-7_64

In general, Internet buying and selling transactions will be preceded by an offer to sell, an offer to buy and acceptance of selling or buying. Before that, there may be an electronic offer, for example, through a website on the internet through posting on mailing lists and newsgroups or through invitations to customers, so that, in this case, the business actors and consumers can only communicate via the internet and not face to face in agreeing. One of the things that is of concern to the perpetrators of this online trade is the occurrence of default. Default occurs because it does not do what is promised, the goods received do not match the goods ordered, and there is an error in sending the product [3].

The phenomenon that often occurs today is that in e-commerce transactions, such as Shopee, Tokopedia, Bukalapak, and others, business actors are the most potential parties to default because the agreement between the seller and the buyer occurs when the buyer makes a payment. In the event of default, business actors are afforded legal remedies under the Law, which include the issuance of a statement of carelessness (referred to as "ingebrekestelling" in Dutch) and the subsequent issuance of a summons. A statement of default refers to a communication from the customer to the business actor, wherein the consumer notifies the expected deadline for the completion of the performance. Through this communication, the customer establishes the precise moment at which the business actor is considered to be in default when they fail to fulfill their obligations. Subsequent to said occurrence, the individual responsible shall be obliged to endure the unfavorable outcomes resulting from the failure to meet the expected level of performance [4].

2 Methodology

The study employed normative legal research, which refers to the examination of laws and regulations as well as the conceptualization of law as a set of rules or norms that serve as standards for appropriate human conduct [5]. This study is grounded in the examination of legal norms that are relevant to laws and regulations. This normative legal research incorporates secondary sources of data, including laws and regulations such as Law Number 8 of 1999, which pertains to Consumer Protection Law, as well as the Civil Code, Criminal Code, court rulings, and legal theories. The opinions presented in this study are sourced from scholarly perspectives [10]. This normative legal research extensively utilizes primary legal sources, secondary legal sources, and tertiary legal sources.

3 Discussion

3.1 Legal Protection and Consumer Rights in Buying and Selling Transactions Through E-Commerce

An agreement is a legal activity with a relationship between one individual and another or one group with one person and vice versa; this provision is emphasized in Article 1313 of the Civil Code. The term contract is an agreement made in writing,

and the contract is part of the obligation. The source of the obligation comes from the agreement. In agreement, there are fundamental requirements that are divided into 4 (four) parts so that the agreement can be said to be valid according to statutory rules; this is emphasized in Article 1320 of the Civil Code, namely:

1. Agreement of those who bind themselves
2. Capacity to agree
3. A certain thing
4. A legitimate cause

From 4 (four) fundamental elements regarding the validity of an agreement, there is a legal science thinking that develops in an agreement, where the above provisions are classified into two elements, namely subjective and objective. The agreement of individuals who want to make an agreement and the ability of a person who execute an agreement are included in the subjective element. Meanwhile, a certain thing falls into the category of objective elements, namely the causa of the agreed object and a valid causa where the agreed object does not conflict with the rule of law. If these elements have not met the standard standards of an agreement, it can be said to be defective. An agreement can be considered defective, leading to the cancellation of an agreement from one of the parties, and is null and void.

In determining the validity of an agreement, the first thing that must be considered is the consensus of the parties concerned in the agreement. In an agreement, there are several characteristics for the occurrence of an agreement, such as good and correct grammar in written and oral agreements, language that the other party easily understands, and a body gesture that the opposing party understands; all of these characteristics are said to be an agreement on the statement of will [6].

Default refers to a breach of obligation in a contract or agreement committed by one party that harms the other party. Breach of Obligation in default occurs when one party does not fulfill the obligations agreed upon in the contract or agreement. The obligation can be in the form of an obligation to do something (duty to do), an obligation to give something (duty to give), or an obligation not to do something (duty to refrain) [7]. Default can cause financial or non-financial losses to the injured party. This loss must be directly attributable to the default committed by the party that breached its obligations [8]. Indonesian law provides several remedies the injured party can exercise due to default. Some of the remedies that may be applicable include fulfillment of obligations, compensation, termination of the contract, or cancellation of the contract.

3.2 Responsibility of Business Actors Related to the Fulfillment of Consumer Rights in the Implementation of Buying and Selling Transactions through E-Commerce

Agreements in e-commerce trade transactions are legal acts or relationships carried out by legal subjects and will give rise to legal responsibilities. Thus, it will create rights and obligations for legal subjects. For this reason, legal responsibility is a principle created due to a legal relationship that the legal subject must implement. The

principle of responsibility can be seen through 2 (two) terms, namely liability and responsibility. Ridwan HR explains that liability has a broad and comprehensive meaning of legal terms in every character of risk or responsibility, such as certainty, responsible parties, and potentially responsible parties [9]. Liability can expressly be interpreted as a process in pointing to every character of rights and obligations. Liability indicates a condition of actual or potential compliance with obligations, a condition of responsibility for the risk of loss, threat, crime, cost, or burden, and finally, a condition of compulsion to comply with the law *ius contitutum* or *ius contituendum*.

In the context of default dispute resolution in e-commerce, businesses are also expected to engage in mediation or other alternative dispute resolution processes. Indonesian law encourages amicable dispute resolution and provides a framework for mediation between businesses and consumers involved in default disputes. Businesses are expected to follow this process in good faith and attempt to reach a satisfactory settlement for all parties involved. It is emphasized in Article 47 of GCPL, which determines that efforts to resolve default disputes are made outside the court. The above article also determines related non-litigation dispute resolution to determine the amount of consumer compensation and guarantees to consumers so that the losses experienced by consumers do not recur. Nevertheless, in the event that the business entity persists in its refusal to reconcile and provide compensation upon being found guilty, the options available to the aggrieved party are outlined in Article 23 of the General Consumer Protection Law (GCPL). These options include initiating legal proceedings against the business entity through the consumer dispute resolution body or filing a lawsuit in the judicial body situated within the consumer's legal place of residence.

In general, the responsibilities of business actors in default disputes in e-commerce from the perspective of Indonesian law include fulfilling contractual obligations, providing compensation to the injured party, providing clear and accurate information, and engaging in the dispute resolution process. Understanding and complying with these responsibilities is important for business actors to maintain integrity and trust in e-commerce, conduct business in good faith, and comply with applicable regulations.

3.3 Conclusion and Recommendation

From the discussions described above, the legal protection of consumers is specified in Article 4 and Article 7 of the Consumer Protection Law. Consumer protection consists of preventive and repressive protection. Agreements in electronic transactions in e-commerce must be by the Civil Code, precisely in Article 1313 and Article 1457. The sale and purchase agreement in e-commerce must also pay attention to the validity of the agreement by the provisions of Article 1320 as well as the form of responsibility of business actors in e-commerce default disputes as specified in Article 19 paragraph (1) of the Consumer Protection Law that business actors have the responsibility to compensate the injured party. The settlement of default disputes in e-commerce buying and selling transactions can be resolved by non-litigation or

litigation through local judicial institutions, as specified in Article 47 of the Consumer Protection Law.

The importance of caution for consumers in conducting buying and selling transactions online (e-commerce) by paying attention to ratings and brief reviews from other customers regarding goods sold by business actors. For business actors to carry out electronic transactions, they need to be careful with fictitious consumers who can harm business actors. In addition, the role of the government is also very important in the cycle of electronic transactions through e-commerce to protect consumers and business actors. The government should be able to provide supervision by providing registration obligations for e-commerce companies. In addition, it is necessary to strengthen legal substance by explicitly determining electronic evidence to help resolve disputes over defaults in e-commerce sale and purchase agreements.

References

1. Richardus Eko Indrajit, 2001, *E-Commerce: Kiat dan Strategi Bisnis di Dunia Maya*, PT. Elex Media Komputindo, Jakarta, h. 33
2. <https://money.kompas.com/read/2021/09/11/191943626/pengertian-ecommerce-dan-bedanya-dengan-marketplace>, Pengertian Commerce, diakses pada 27 Januari 2023, Pukul 18.00 Wita
3. Wanprestasi dalam Transaksi Jual Beli Online Melalui Fitur Cash On Delivery Pada Aplikasi Marketplace, Vol. 31, No.2, Agustus 2022, 110-128
4. R. Subekti, 1990, *Hukum Perjanjian*, PT Intermasa, Jakarta, h. 49
5. Amirudin dan Zainal Asikin, 2004, *Pengantar Metode Penelitian Hukum*, cet.I, Raja Grafindo Persada, Jakarta, h.118.
6. Salim H.S, Salim H.S, 2010, *Hukum Kontrak dan Perancangan Kontrak*, PT Raja Grafindo Persada, Jakarta, h. 33.
7. Cindy Mutiara Purwanti, Zulham, 2023, *Perlindungan Terhadap Lembaga Consumer Finance atas Wanprestasi yang Dilakukan Oleh Konsumen*, Al-Manhaj Jurnal Hukum dan Pranata Sosial Islam, Vol. 5 No. 1, Diakses Tanggal 26 Mei 2023.
8. Ana Tasia, 2019, *Upaya Hukum Yang Dilakukan Oleh Bank terhadap Nasabah Yang melakukan Wanprestasi Perjanjian Kredit Usaha Perdesaan (KUPEDES) Pada Bank BRI Unit Ketahuan Ditinjau Dari Asas Keseimbangan*, Jurnal Hukum Sehasen, Vol. 2 No. 2, Diakses Tangaal 26 Mei 2023.
9. Ridwan HR, 2016, *Hukum Administrasi Negara*, Rajawali Pers, Jakarta, h. 318—319.
10. Undang-Undang Nomor 8 Tahun 1999 tentang Perlindungan Konsumen

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

