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Implementation of Consumer Legal Protection in Electronic Transactions

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ABSTRACT

The development of online transactions through social media presents convenience and risks for consumers, mainly due to the lack of regulations and legal protection mechanisms. The goal of this study is to look at how Law Number 8 of 1999 on Consumer Protection is applied to online transactions and see how much legal protection consumers get. The method utilized is normative legal and follows the law. The problem being studied is how customers are protected by law when they buy things online through social media

The study's results show that although normative protection has been regulated, its implementation is still weak due to low law enforcement, a lack of information, and often irresponsible business actors. This study recommends strengthening regulations, consumer education, and stricter law enforcement.

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INTRODUCTION

The growth of information and communication technology has greatly affected many areas of life, including trade. Because of how quickly information and communication technology changes, ny people in the trade industry can now do business online via websites or marketplace apps (Choirunnisa et al., 2024). This is happening not just in metropolitan cities, but also in other parts of the country. The rise of electronic media and e-commerce has led to the creation of many platforms, including Lazada, Shopee, Bukalapak, and Tokopedia. These platforms are popular online transaction service provider applications in Indonesia. (Trideta et al., 2023). One of the most prominent forms of online transactions today is through social media platforms such as Facebook, TikTok, and Instagram. This platform now functions as a medium of social interaction and as an alternative means for buying and selling activities between individuals and business actors. Access to information is important in realizing the principle of openness to the public, because it is related to creating legal certainty as regulated in consumer protection. Digital media effectively supports promotional activities and information delivery (Dwijaya et al., 2024).

Ease of access, time flexibility, and broad market reach make online transactions through social media an option that is in demand by the public (Rustini et al., 2025). However, behind these various advantages, some risks are not small. Consumers, as relatively weaker parties in the transaction structure, often face various problems, ranging from goods that do not match the description, delivery delays, poor product quality, and fraud that causes material losses (Singarimbun, 2023). This is exacerbated by the nature of transactions on social media, which tend to be informal and minimally regulated, making it difficult to trace and resolve disputes when there is a violation of consumer rights.

The Government of Indonesia passed Law Number 8 of 1999 on Consumer Protection to protect consumers' rights and make trading safer. This legislation covers all the rights and responsibilities of customers and businesses, how to settle disputes, and the administrative and criminal penalties for breaking the law. In short, this rule covers all kinds of transactions in person or online (Pramono & Kurniati, 2023). However, there are still a lot of problems with enforcing consumer protection in online transactions, especially those made through social media. These problems include a lack of law enforcement, monitoring, and legal understanding in the community itself.

Although transacting through social media is practical and straightforward, there are also risks. One of the main concerns is security, especially for consumers. Because there is no clear transaction protection, many buyers are scammed by mismatched items, not being delivered, or even by sellers who suddenly disappear after receiving payment. Research by Saputra et al. (2025) shows that consumer trust in transacting through social media is still low due to the lack of legal protection and ineffective complaint mechanisms (Saputra, 2025).

Based on data from the Ministry of Communication and Information Technology (Kominfo), from August 2018 to February 16, 2023, 1,730 cases of online fraudulent content occurred through social media in Indonesia (Septiani, 2024). Forms of violations that often occur include:

1) Consumers receive goods different from those promised in the advertisement.
2) The consumer has paid, but the seller has never delivered the goods.
3) Many accounts use fictitious identities or are challenging to track when disputes occur.
4) Unlike official *e-commerce* platforms such as Shopee or Tokopedia, transactions on social media do not have strict consumer protection.

This situation indicates that even while trade on social media is booming, there still are not clear rules and better enforcement to protect consumers. So, we need to look more closely at how legal consumer protections are used in real life. Also, we need to look at how well the community understands and is aware of the law when it comes to safeguarding their rights as customers, as well as how businesses respond to the legal duties that are put on them.

This research intends to examine the implementation of legal protection for the public in online transactions based on Law Number 8 of 1999 concerning Consumer Protection. This study also wants to advise people on legal steps to take if they lose money in digital transactions. The results of this study should help people better understand their rights when they trade online and make them more careful and choosy about who they do business with. This study concerns how the Consumer Protection Law can keep people safe when they buy things online.

RESEARCH METHODS

This research adopts a normative juridical method, focusing the investigation of applicable laws and regulations. The research was not done in the field or by talking to people. But it was done by looking at the regulations that protect consumers and control internet transactions. The law being looked at is Law Number 8 of 1999, which is about protecting consumers. With this strategy, the research intends to identify how the rule of law can safeguard the public while completing online transactions and examine whether the present regulations are transparent and fair enough in guaranteeing consumer rights in the digital era.

This research adopts a legislative approach for analysis based on the concept of law. The method used is qualitative normative analysis, and the research results are presented descriptively.

RESULTS AND DISCUSSION

Consumer Protection in Online Transactions

Consumer protection is an effort made to maintain the rights of consumers in transacting goods and services, so that irresponsible business actors do not harm them. Consumer protection includes protecting consumers who buy goods and services and maintaining their safety and comfort in transactions

(Bambungan, 2025). Law No. 8 of 1999 in Indonesia protects consumers by listing their rights that businesses must follow. This is done to make sure that no one feels like they are getting a bad deal in the transactions and to make sure that economic activities are fair. This protection also includes steps that businesses can take to stop fraud or the misuse of information against consumers (Nasution et al., 2021).

Buying and selling transactions are no longer limited to physical spaces such as markets or conventional stores (Isma, 2023), but have spread to various digital platforms, including *e-commerce*, marketplaces, shopping applications, and social media such as Facebook and Instagram. Therefore, the legal framework regulating consumer protection is also designed to enable this online transaction practice to protect consumers from various forms of losses. The UUPK does not just safeguard everyday transactions; it protects all buying and selling operations in the Republic of Indonesia, even those that occur online.

In Article 1, Section 2 of the UUPK, consumers are described as: "Every person who uses goods and/or services available in society, either for the benefit of themselves, their families, other people, or other living beings, and not for trade." This term is pretty broad and does not say how to get products and/or services, thus those who buy things online, like on social media, are also legally recognized and entitled to the same protection. Article 4 of the UUPK lists nine fundamental rights that consumers have. Among them are:

1) The right to feel safe, comfortable, and secure when buying goods and/or services.
2) The right to choose goods and/or services and get the goods and/or services according to the exchange rate and the conditions and guarantees promised.
3) The right to clear, honest, and accurate information on the condition and warranty of products and/or services.
4) The right to speak up and complain about the goods and/or services used.
5) The right to get help, protection, and fair ways to settle disagreements.
6) The right to consumer assistance and education.
7) The right to be treated or served fairly, honestly, and without bias.
8) The right to obtain money back, recompense, or reimbursement if the goods or services you get are not what you agreed to or are not what they should be.
9) Various laws and regulations restrict various rights.

These rights are fundamental in online transactions with special characteristics, such as the absence of direct contact between the seller and the buyer, the limited ability of the consumer to inspect the goods physically, and the high potential for misuse of information and identity. Article 4 letter c is important since it says that businesses must give clear, honest, and accurate information about what they sell, such as their specifications, prices, guarantees, and how to ship and return items. False or misleading information can hurt customers and break their rights (Cahya et al., 2024). Article 5 of the UUPK says that consumers also have responsibilities, such as:

1) Read or follow the instructions, information, and procedures for using goods and/or services safely and securely;
2) Act in good faith when buying goods and/or services;
3) Pay the agreed-upon exchange rate;
4) Follow the legal efforts to settle consumer protection disputes.

However, suppose the business actor's fault or negligence causes the consumer to lose something. In that case, the consumer has the right to ask for compensation, as stated in Article 19, paragraph (1) of the UUPK. This article says that the business actor is responsible for paying for any damage, pollution, or loss the consumer suffers from using the goods and/or services they sell. This kind of compensation could be a refund, a replacement of products or services of equal value, or a repair of the goods.

Many online business actors do not include a clear identity, do not have a fixed business address, or use anonymous accounts, which makes it difficult for consumers to follow up if a problem occurs (Cahya et al., 2024). Even though the law carefully regulates this situation, enforcing the legal protections that customers should have is hard. Article 8 of the UUPK, for example, says that businesses cannot offer, make, or sell items or services that do not meet standards or include false information. This is another way that the UUPK protects customers. Article 10 prevents corporate actors from influencing conditions in a certain way so that customers feel the need to buy things. Articles 12 and 13 say that deceptive advertising and false promises to customers are against the law. Articles 45 to 48 set the rules for settling consumer disputes in and out of court.

Legal Responsibility and Violations by Business Actors

In Indonesia's consumer protection legislative framework, business players are vital as parties who provide and distribute goods and/or services to the public. Law Number 8 of 1999, often known as the Consumer Protection Act (UUPK), gives businesses clear rules about what they can and cannot do in traditional and online transactions. Business people must follow the rules of honesty, responsibility, and ethics when they do business (Amalia et al., 2024). Article 1, number 3 of the UUPK defines business actors as "Every individual or business entity, whether legal entity or not, who conducts business activities in the jurisdiction of the Republic of Indonesia."

Article 7 of the UUPK defines the obligations of business players. These include the need to behave in good faith in their business activities, give accurate, transparent, and honest information about the products or services offered, ensure product quality and safety, and serve consumers fairly and non-discriminately. Business actors must also provide opportunities for consumers to try products and compensation if the product or service does not comply with the agreement.

This rule still applies to online transactions, like those made through Facebook. However, in real life, people still often break this rule (Bintarawati et al., 2024). Customers often get wrong information about products, are unsure of their quality, and have trouble contacting businesses after the sale. It illustrates that people often do not follow the rules that should be followed in transactions, especially when they are done online and are not watched closely.

Articles 8 to 17 of the UUPK also list things businesses cannot do, such as making and selling goods that do not satisfy standards, giving false information, and employing dishonest advertising or sales practices. If you break these rules, you could face criminal and administrative penalties, as stated in Articles 60 to 63. You could go to jail for up to five years or pay a fine of up to two billion rupiah.

Article 19 of the UUPK further states that businesses must compensate consumers for any losses they experience because they used a product or service that was shown to be faulty or not up to standard. According to the agreement, the compensation can be a refund, a new item, or a repair of the item. This duty is absolute, so people in business can't get out of it merely because they don't realize that the product has problems (Bachta et al., 2023).

This duty safeguards consumers and is also the foundation for creating a fair, healthy, and long-lasting economy (Widiarti, 2024). Business people need to ensure that the goods or services they sell fulfill the requirements and don't put customers' safety at risk. This makes the interaction between business people and customers fair and good for both sides (Winanengsih et al., 2024).

Several legal remedies can be used to protect the rights of consumers who are harmed in online transactions. Following Article 45 of the UUPK, "Consumer dispute resolution can be pursued through the court or out of court, based on the voluntary choice of the disputing party."

Here are several legal actions that people can take if they lose money in online transactions through social media:

Non-Litigation Legal Remedies

Non-litigation legal remedies are ways to settle disagreements between customers and businesses without resorting to court (Putra et al., 2022). Consumers can pursue the following non-litigation steps if they lose money in online transactions:

a) Filing a Complaint against Business Actors

When people lose money, they can first contact business people or vendors directly. They can then send concerns, objections, or requests for compensation directly through private messages, emails, or any other communication method provided.

b) Reporting to the National Consumer Protection Agency

If businesses do not handle complaints well, customers can report them to the National Consumer Protection Agency (BPKN). BPKN is an impartial group that helps the government make decisions about consumer protection policies (Wibowo, 2022). It also takes care of complaints from customers and follows up on them.

c) Asking for help from the Non-Governmental Consumer Protection Agency

The Non-Governmental Consumer Protection Agency (LPKSM) can also help people who ask for it. LPKSM is a community-based organization, not part of the government, but is officially registered with it. Its job is to fight for the rights of consumers. LPKSM can aid by helping people file complaints or demand their rights, teaching them about the legal procedures they might take, and acting as a mediator between consumers and businesses to achieve a fair settlement (Ateng, 2024).

d) Filing a dispute with the Consumer Dispute Resolution Agency

The Consumer Dispute Resolution Agency (BPSK) is an agency established by the local government based on the mandate of the Consumer Protection Law as provided in Articles 52–58, with the main aim of resolving conflicts between consumer and corporate actors conflicts outside the courts. BPSK can settle disagreements in three ways: through mediation, arbitration, or conciliation (Arimba et al., 2025).

You must file a lawsuit if you want to settle a dispute through the Consumer Dispute Settlement Agency (BPSK). According to Article 46, paragraph (1) of Law Number 8 of 1999 about Consumer Protection, this happens.

Legal Remedies for Litigation

If people feel wronged in online transactions, they may try to settle the matter out of court by filing complaints directly with businesses, going through mediation, or getting support from consumer protection groups. People have the right to sue someone in court. Going to court is a legal action that people take. People frequently choose this option when the company does not try to settle issues in good faith or when the losses experienced by customers are so big that they need a solid and enforceable legal ruling.

. In this process, anyone can go to the District Court to bring a civil action against a business to get money, have their rights upheld, or hold the business accountable in other ways. This approach lets people get justice through the official systems set up in the legal system. Also, court decisions are binding and can be used as a legal basis for carrying out the decision. Customers who are unhappy with the first result can use other legal options like appeals or cassation. Litigation is usually more extended and costs more time and money, but it is vital for consumers whose rights have been violated and who cannot reach a peaceful solution out of court.

The lawsuit is filed in the District Court under the consumer's residence or the location of the incident that caused the loss. In filing a lawsuit, consumers can use several legal grounds, such as:

1) Law Number 8 of 1999 about protecting consumers
2) Article 1233 of the Civil Code (KUHPerdata) says that if the litigation is based on default (Idham et al., 2020).
3) The Electronic Information and Transaction Law (ITE Law) applies if fraud is shown to be present in online transactions through electronic media.

CONCLUSION

Law Number 8 of 1999, often known as the Consumer Protection Act (UUPK), gives a strong legal framework for protecting consumers in a wide range of transactions, including those that happen online more and more often through social media and other digital platforms. The UUPK lists consumers' basic rights, like safety, comfort, getting the correct information, and getting paid back if they lose anything. This law also sets rules for businesses about what they can and cannot do to be honest, responsible, and make sure the quality of the goods and services they provide. If a consumer loses money in an online transaction, they can either go to court or try to settle the disagreement without going to court by complaining to BPKN, LPKSM, or BPSK. So, the UUPK is like a legal umbrella that protects consumers' rights and gives them a straightforward way to settle things if they are broken. This keeps consumers safe and strong in the digital trade environment.

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