

Legal Protection for Consumers in Electronic Transactions Under the Electronic Information and Transactions Law

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ABSTRACT: Advancements in information technology have driven a shift from conventional to electronic transactions, offering convenience and efficiency but also introducing risks such as fraud, breach of contract, misuse of personal data, and non-conformity of goods or services. This study aims to analyze consumer legal protection, business actor liability, and dispute resolution mechanisms in electronic transactions under the Electronic Information and Transactions (ITE) Law. It employs a normative legal research method utilizing statutory and conceptual approaches. The findings indicate that consumer protection is not solely based on the ITE Law but must be interpreted in conjunction with the Consumer Protection Law, the Government Regulation on Trade Through Electronic Systems, and the Personal Data Protection Law. Such protection encompasses legal certainty in electronic transactions, consumer rights, business actor liability, system and personal data security, and dispute resolution mechanisms involving both non-litigation and litigation channels. Consequently, an integrated legal protection framework is essential to ensure security, certainty, and fairness for consumers in electronic transactions.

KEYWORDS: Legal Protection, Consumers, Electronic Transactions, ITE Law, E-Commerce.

I. INTRODUCTION

Advancements in information and communication technology have brought about profound changes in society, including in the realms of commerce and economic activity. The Internet is no longer merely a communication tool; it has evolved into a medium for conducting various economic activities, such as the buying and selling of goods and services. This shift has given rise to a new transaction model known as electronic transactions. Through electronic transactions, consumers can acquire goods and services without the need for face-to-face interaction with business operators. The entire process from product selection, ordering, and payment to delivery can be carried out via electronic systems. While these developments offer convenience to the public, they simultaneously give rise to new legal issues that require adequate legal protection.¹

Electronic transactions are essentially an evolution of commercial activities that leverage information technology. In an electronic transaction, the legal relationship between the consumer and the business entity remains one that gives rise to rights and obligations for each party; the distinction lies in the medium employed. While conventional transactions involve face-to-face interaction, electronic transactions are conducted via electronic systems that enable parties to communicate, exchange information, place orders, and make payments without being physically present in the same location. Consequently, the legal relationship in electronic transactions possesses characteristics that differ from those of conventional transactions particularly regarding the identities of the parties, evidentiary matters, transaction security, and liability mechanisms.²

Indonesia has established a legal framework for electronic transactions through Law Number 11 of 2008 concerning Electronic Information and Transactions, which was subsequently amended by Law Number 19 of 2016 and, for a second time, by Law Number 1 of 2024. This latest amendment aims, among other things, to provide legal certainty and fairness, as well as to rectify provisions that previously gave rise to multiple interpretations and controversy in their application.³

The ITE Law holds a significant position in establishing a legal basis for electronic transaction activities. The law recognizes electronic information and electronic documents as valid legal evidence, provided they meet the requirements

¹ Abdul Halim Barkatullah, *"Electronic Transaction Law in Indonesia: A Guide to Navigating the Digital Era of E-Commerce Business in Indonesia"* Bandung: Nusa Media, 201, p.25.

² Ahmadi Miru and Sutarman Yodo, *"Consumer Protection Law"* Jakarta: Rajawali Pers, 2015, p.36.

Legal Protection for Consumers in Electronic Transactions Under the Electronic Information and Transactions Law

stipulated by statutory regulations. This recognition is crucial because electronic transactions generally do not generate physical documents, unlike conventional transactions. Transaction evidence may take the form of electronic messages, emails, electronic documents, transaction records, electronic payment proofs, and data stored within electronic systems.⁴ Nevertheless, consumer protection in electronic transactions cannot be based solely on the ITE Law. The relationship between consumers and business actors is also a legal relationship subject to Law Number 8 of 1999 concerning Consumer Protection. That law remains in effect to this day and serves as the general basis for consumer protection in Indonesia.⁵

The Consumer Protection Law grants consumers the right to security, comfort, and safety, as well as the right to receive accurate, clear, and honest information regarding goods and/or services; it also entitles them to compensation, restitution, and/or replacement should the goods and/or services received fail to conform to the agreement or otherwise prove unsatisfactory. These rights remain applicable in electronic transactions, even though the legal relationship between the consumer and the business operator is conducted via digital media.⁶ Issues regarding consumer protection in electronic transactions are becoming increasingly complex because consumers often lack direct knowledge of the business operator's identity, address, or actual circumstances. Consumers rely solely on information presented via the digital interface of the electronic platform. This situation can create an imbalance of power between the consumer and the business operator. Consumers may suffer losses if information regarding goods or services is inaccurate, the price differs from the initial quote, the delivered goods do not match the offer, goods are not shipped after payment, or personal data is misused.⁷

In the practice of electronic transactions, another frequently encountered issue is the use of standard clauses on digital platforms. Consumers are generally presented with a choice merely to accept the terms and conditions established by the business operator or platform provider; they lack a fair opportunity to negotiate these terms. This situation can give rise to problems if such standard clauses limit the business operator's liability or diminish consumer rights guaranteed by statutory regulations. Beyond issues concerning goods and services, electronic transactions are also closely linked to the collection and processing of personal data. When engaging in electronic transactions, consumers typically provide details such as their name, address, telephone number, email address, payment information, and other data. While this data is necessary to execute the transaction, it simultaneously holds economic value and poses risks if misused or compromised by a data breach. Consequently, consumer protection in electronic transactions must also be aligned with Law Number 27 of 2022 concerning Personal Data Protection.⁸

The Personal Data Protection Law positions personal data protection as an aspect of human rights protection and establishes a legal basis for personal data security. The enactment of this law strengthens consumer protection, given that personal data is a crucial element in digital transactions. Consequently, consumer protection in electronic transactions extends beyond the goods or services purchased to encompass the security of consumer data processed during the transaction. In addition to the ITE Law, the Consumer Protection Law, and the Personal Data Protection Law, the government has issued Government Regulation Number 80 of 2019 concerning Trading Through Electronic Systems (PP PMSE). This regulation governs the conduct of trade via electronic systems and provides a more specific legal framework for digital trading activities. Government Regulation Number 80 of 2019 was enacted on November 20, 2019, and is currently in effect.⁹

Based on the foregoing, it is evident that the development of electronic transactions requires a legal protection system capable of balancing the interests of consumers, business operators, and electronic system providers. Such protection must ensure that electronic transactions possess legal validity, consumers receive accurate information, business operators are held accountable for the goods or services offered, consumer data is safeguarded, and consumers have access to dispute resolution mechanisms in the event of loss. Based on this background, this study focuses on addressing several issues: (1) the legal framework for consumer protection in electronic transactions under the Law on Electronic Information and Transactions, and (2) the nature of business operators' liability and the legal remedies available to consumers who suffer losses in electronic transactions.

³ Law Number 1 of 2024 concerning the Second Amendment to Law Number 11 of 2008 concerning Electronic Information and Transactions.

⁴ Law Number 11 of 2008 concerning Electronic Information and Transactions, as last amended by Law Number 1 of 2024.

⁵ Law Number 8 of 1999 concerning Consumer Protection.

⁶ *Ibid.*

⁷ Janus Sidabalok, *Consumer Protection Law in Indonesia*, Bandung: Citra Aditya Bakti, 2014, p.45.

⁸ Andini Lestari, "Consumer Protection in Electronic Transactions: A Juridical Review of the ITE Law," *Journal of Law and Technology* 8, no. 1 (2021): 55–67.

II. RESEARCH METHODS

This research employs a normative legal research method. Normative legal research is conducted by examining legal norms, legal principles, legal doctrines, and relevant laws and regulations pertaining to the legal issues under investigation. This approach is employed because the primary object of the research is the legal framework governing consumer protection in electronic transactions.¹⁰ The approaches employed in this research are the statutory approach and the conceptual approach. The statutory approach is applied by examining various regulations relevant to electronic transactions and consumer protection, particularly Law Number 11 of 2008 concerning Electronic Information and Transactions, as last amended by Law Number 1 of 2024, Law Number 8 of 1999 concerning Consumer Protection, Government Regulation Number 80 of 2019 concerning Trading Through Electronic Systems, and Law Number 27 of 2022 concerning Personal Data Protection.¹¹

A conceptual approach is employed to understand the concepts of legal protection, consumers, business actors, electronic transactions, legal liability, and dispute resolution. This approach is necessary to determine how consumer protection principles are applied within the digital transaction environment. The legal materials utilized consist of primary, secondary, and tertiary sources. Primary legal materials comprise legislation and regulations relevant to the research subject. Secondary legal materials include books, scholarly journals, and the opinions of legal experts.¹² Meanwhile, tertiary legal materials encompass legal dictionaries and other supporting sources. Data collection was conducted through a literature review. The gathered legal materials were then analyzed qualitatively by correlating various legal provisions with one another. The analysis results were subsequently organized systematically to draw conclusions regarding the nature of legal protection for consumers in electronic transactions.

III. RESULT AND DISCUSSION

A. Legal Protection Framework for Consumers in Electronic Transactions under the ITE Law

Consumer legal protection is a crucial element in establishing fair trade relationships. Fundamentally, consumers are parties who use goods and/or services for their own needs or for the benefit of their families, other individuals, or other living beings rather than for resale. In transactional relationships, consumers often find themselves in a weaker position, as business operators typically possess the majority of information regarding products and transaction terms. This situation is further complicated in electronic transactions, where consumers cannot physically view or inspect the goods prior to purchase.¹³

From a normative standpoint, consumer protection in Indonesia is primarily grounded in Law Number 8 of 1999 concerning Consumer Protection. This law governs the rights and obligations of both consumers and business actors. A key consumer right is the entitlement to accurate, clear, and honest information regarding the condition and warranties of goods and/or services. In the context of electronic transactions, this right is of critical importance, as consumers make purchasing decisions based on information conveyed through electronic media.¹⁴

Business operators involved in electronic transactions are required to provide accurate information regarding goods or services. At a minimum, such information must enable consumers to understand the product's characteristics, price, condition, and the terms of the transaction. If the information provided does not reflect the actual situation and causes the consumer to suffer a loss, the business operator cannot simply evade liability by claiming that the transaction was conducted electronically. The ITE Law establishes the legal basis for transactions carried out using electronic systems. Electronic information and electronic documents are recognized within the Indonesian legal system. Given this recognition, legal relationships arising from electronic transactions cannot be deemed devoid of legal force merely because the process was conducted via electronic media.¹⁵

Recognizing electronic transactions provides legal certainty for the public engaging in internet-based trade. Consumers can conduct transactions via websites, e-commerce applications, social media, or other digital platforms, with the understanding that electronically executed transactions carry legal consequences. This also assures business operators that their transactions entail legal obligations that must be fulfilled. A crucial aspect of electronic transactions is the electronic contract. Fundamentally, an electronic contract is an agreement formed through an electronic system. Under civil law, agreements must generally satisfy the validity requirements stipulated in Article 1320 of the Civil Code: mutual consent, legal capacity, a specific subject matter, and a lawful cause. In the context of electronic transactions, the fulfillment of these elements must be assessed based on the specific transaction mechanism employed.¹⁶

⁹ Rizky Ardiansyah and Yuliana Fitria, "Responsibilities of E-Commerce Business Actors towards Consumers Based on the ITE Law and the Consumer Protection Law," *Indonesian Cyber Law Journal* 5, no. 2 (2023): 112–130

¹⁰ Wahyu R. Hartono, "Normative Analysis of E-Commerce Consumer Protection in Indonesia," *Journal of Digital Legal Studies* 7, no. 1 (2024): 55–68.

¹¹ *Ibid*, p.77.

¹² Peter Mahmud Marzuki, *Legal Research* (Jakarta: Kencana, 2021), 35–38.

Legal Protection for Consumers in Electronic Transactions Under the Electronic Information and Transactions Law

Agreement in electronic transactions can be demonstrated through a consumer's actions such as placing an order, clicking to agree, making a payment, or performing other acts indicating acceptance of an offer. Consequently, digital actions cannot be viewed merely as technical steps; rather, they can constitute part of the process by which a contractual relationship is formed. The existence of electronic contracts also highlights the importance of information provided prior to a consumer agreeing to a transaction. Consumers must be given adequate opportunity to understand the price, characteristics of the goods or services, additional costs, payment methods, delivery mechanisms, and return policies. Such information is essential for upholding the principle of transparency in electronic transactions.¹⁷

Consumer protection in electronic transactions also encompasses the obligation of business operators to refrain from providing misleading information. Information regarding a product must accurately reflect its actual condition. If a business operator displays specific images, specifications, quality, dimensions, or characteristics, yet the goods received by the consumer differ materially, issues regarding legal liability may arise. In the context of electronic commerce, Government Regulation Number 80 of 2019 provides more specific regulations governing digital trade activities. This regulation serves as a crucial instrument complementing the ITE Law, as it addresses the specific aspects of trade conducted via electronic systems.¹⁸ The existence of PP PMSE shows that electronic transactions are not only seen as an information technology issue, but also as a trading activity that has consequences for consumer protection. Therefore, business actors who carry out trading activities via electronic systems must pay attention to provisions regarding information, electronic contracts, payments, delivery and consumer protection. Furthermore, consumer protection also includes personal data security. In electronic transactions, consumers usually provide personal data to business actors or platform organizers. This data is used for various purposes such as creating accounts, processing payments, verifying identity, sending goods, and communicating with consumers. Because this data is directly related to a person's identity, its use must be carried out in accordance with legal provisions.¹⁹

Law Number 27 of 2022 concerning Personal Data Protection establishes a specific legal basis for the protection of personal data. The Law states that personal data protection is an aspect of the protection of personal privacy and requires a legal framework to ensure the security of personal data.²⁰ Consequently, in the event of a leak or misuse of consumer personal data during electronic transactions, the issue concerns not only the relationship between the consumer and the business actor but also the obligations of the party processing the data under the Personal Data Protection Law. Ultimately, legal protection for consumers in electronic transactions can be understood through three layers. First, protection regarding the validity of transactions and electronic evidence under the ITE Law. Second, protection regarding consumer rights and the responsibilities of business actors under the Consumer Protection Law and the Government Regulation on Electronic System-Based Trading (PP PMSE). Third, protection of personal data under the Personal Data Protection Law. These three layers must be implemented in an integrated manner to ensure effective legal protection for consumers in electronic transactions.

B. Forms of Preventive and Repressive Legal Protection for Consumers

Preventive legal protection is a form of protection afforded to consumers prior to the occurrence of a dispute or loss. Such protection aims to prevent business actors from engaging in actions that could harm consumers, while simultaneously enabling consumers to obtain information and make free choices before entering into a transaction. In the context of electronic transactions, preventive protection is increasingly crucial because consumers generally cannot directly view, test, or inspect the goods and/or services offered by business actors. This situation creates an information asymmetry between business actors and consumers. Therefore, the law must provide mechanisms that allow consumers to obtain adequate information before agreeing to a transaction.²¹

Law Number 8 of 1999 concerning Consumer Protection (UUPK) has essentially established a primary foundation for preventive legal protection by regulating consumer rights and the obligations of business actors. Article 4, letter c of the UUPK grants consumers the right to obtain accurate, clear, and honest information regarding the condition and guarantees of goods and/or services. This right to information holds significant importance because consumer purchasing decisions must be based on reliable information. Thus, the provision of information is not merely an administrative obligation for business actors but serves as

¹³ Ibid, p.97.

¹⁴ Johnny Ibrahim, "Normative Legal Research Theory and Methodology" (Malang: Bayumedia, 2022), 108.

¹⁵ Siti Sundari Rangkuti, "Legal Protection for Consumers in Digital Transactions," *Progressive Law Journal* 9, no. 2 (2023): 101–120.

¹⁶ Redyana Lutfianidha, Nuri Hidayati, Barnabas Laowo, & Olianus Dawolo. 2024. "Legal Protection for Consumers in Electronic Transactions" *Lawnesia journal*, volume 3 (1), P. 464-465

¹⁷ Luthfi Mufid, "Transnational Jurisdictional Issues in E-Commerce Consumer Protection," *Journal of Law and Technology* 3, no. 1 (2023): 23.

an instrument to ensure consumer freedom in making choices.²²

This provision is further reinforced by Article 7, letter b of the Consumer Protection Law (UUPK), which obliges business actors to provide accurate, clear, and honest information regarding the condition and guarantees of goods and/or services, as well as to provide explanations concerning their use, repair, and maintenance.²³ In the context of electronic transactions, this obligation applies to information displayed via sales pages, electronic catalogs, product descriptions, prices, specifications, product conditions, warranty periods, payment procedures, delivery methods, and return policies. Such information must be provided transparently to ensure consumers do not make decisions based on misleading information. Consequently, the provisions of Articles 4 and 7 of the Consumer Protection Law (UUPK) constitute one of the most fundamental forms of preventive protection in the relationship between consumers and business actors.²⁴

In addition to the obligation to provide information, preventive protection is also achieved through prohibitions against business actors engaging in acts that could mislead consumers. The Consumer Protection Law (UUPK) regulates various prohibited acts for business actors, including a ban on trading goods and/or services that do not correspond to the condition, guarantee, special features, or efficacy stated in descriptions, advertisements, or promotions. These regulations serve a preventive function, as business actors are restricted from the outset from using information or promotions that could cause consumers to misunderstand the subject of the transaction.²⁵

Preventive protection is also linked to the obligation of business actors to act in good faith. Article 7, letter a, of the Consumer Protection Law (UUPK) explicitly stipulates that business actors are required to act in good faith when conducting their business activities. This provision demonstrates that the legal relationship between consumers and business actors is not based solely on economic gain but must also be grounded in principles of honesty and propriety. In electronic transactions, the principle of good faith is particularly significant because interactions between consumers and business actors take place via electronic systems, and the parties often do not know each other personally.

Another form of preventive protection involves providing consumers with opportunities for education and guidance. Article 4, letter f, of the Consumer Protection Law (UUPK) grants consumers the right to receive consumer guidance and education. This provision demonstrates that consumer protection is achieved not only by imposing obligations on business actors but also by enhancing consumers' ability to safeguard their own interests. Consumers who are knowledgeable about their rights and obligations, transaction risks, payment mechanisms, and complaint procedures will be better equipped to avoid potentially detrimental transactions.²⁶

In electronic transactions, consumer education is becoming increasingly important as technological advancements give rise to various new transaction models that are not always easily understood by consumers. Consumers must possess the ability to read transaction terms and conditions, verify the seller's identity, understand product specifications, pay attention to return policies, and safeguard their personal data and account credentials. Thus, consumer education can be viewed as a preventive mechanism that strengthens the consumer's bargaining position prior to the establishment of a contractual relationship.

Preventive protection in electronic transactions is also evident in the obligation of the parties to conduct transactions in good faith. Law Number 1 of 2024 the second amendment to the Law on Electronic Information and Transactions affirms in Article 17 paragraph (2) that parties engaging in Electronic Transactions must act in good faith during interactions and/or the exchange of Electronic Information and/or Electronic Documents throughout the transaction process. For high-risk electronic

¹⁸ N.H.T. Siahaan, *Consumer Law, Consumer Protection, and Product Liability*, (Jakarta: Panta Rei, 2004), p. 14.

¹⁹ I Putu Agus Dharma Wijaya & I Wayan Novy Purwanto. 2019. "Legal Protection and the Responsibilities of Parties in Electronic Business Transactions in Indonesia".

²⁰ Celina Tri Siwi Kristiyanti, *Consumer Protection Law*, 8th ed., (Jakarta: Sinar Grafika, 2019), pp. 1–22.

²¹ Law Number 8 of 1999 concerning Consumer Protection, Article 4 letter c

²² Desi Sommaliagustina. 2018. "Legal Protection for E-Commerce Consumers in Indonesia". *Journal Equitable*. P. 48.

²³ Irlan Anugrah, Ichwan Setiawan. 2022. "Legal Protection for Consumers and Business Actors in Online Goods Sales Transactions". *Journall Kewarganegaraan* Vol. 6 No. 2. P. 2615.

²⁴ Aan Handriani, "Consumer Protection in Online Sales and Purchase Transaction Agreements," *Pamulang Law Review*, Vol. 3, No. 2 (2020), p. 132.

²⁵ Zainudin Hasan & Hengki Irawan, 2024. "The Impact of Technology on Litigation Strategies and Legal Aid: Trends and Innovations in the Digital Era". *Innovative: Journal of Social Science Research*. p. 4612.

²⁶ Abdul Halim Barkatullah, "*Electronic Transaction Law in Indonesia: A Guide to Navigating the Digital Era of E-Commerce Business in Indonesia*" (Bandung: Nusa Media, 2017), p. 67.

Legal Protection for Consumers in Electronic Transactions Under the Electronic Information and Transactions Law

transactions, Article 17 paragraph (2a) further mandates the use of Electronic Signatures secured by Electronic Certificates. These provisions demonstrate that consumer protection in the digital realm does not rely solely on the Consumer Protection Law but is also reinforced by the legal framework governing electronic transactions.

Furthermore, preventive protection can be achieved through legal certainty regarding the identity, information, and liability of business operators in electronic transactions. Consumers must be able to know with whom the transaction is being conducted, the goods or services being contracted for, the price to be paid, the payment and delivery mechanisms, and the procedures for cancellation or return should the goods and/or services fail to conform to the agreement. Such transparency is crucial because electronic transactions inherently limit the consumer's opportunity to physically inspect the subject of the transaction. Therefore, the electronic information provided by business operators must serve as the basis for consumers to give informed consent.

Thus, preventive legal protection for consumers in electronic transactions can be categorized into several primary forms:

(1) the right to obtain accurate, clear, and honest information; (2) the obligation of business actors to provide information and act in good faith; (3) prohibitions against misleading trade and promotional practices; (4) the consumer's right to education and guidance; and (5) regulations governing the execution of electronic transactions in good faith and the use of electronic security measures for high-risk transactions. All these mechanisms serve the same function: preventing consumer loss either prior to or at the time the transaction takes place.

Preventive protection is crucial because dispute resolution following a consumer's loss is essentially a form of remedial (repressive) protection. Ideally, protection should prioritize prevention through information transparency, business compliance with obligations, and the enhancement of consumer understanding regarding rights and transaction risks. With this approach, the law functions not merely as a means to provide compensation after a violation occurs, but also as an instrument to establish electronic transaction relationships that are fair, balanced, and secure, while providing legal certainty for consumers. This aligns with the objectives of the Consumer Protection Law (UUPK), which include creating a consumer protection system characterized by legal certainty, information openness, and access to information.

Furthermore, repressive legal protection refers to legal measures provided after a consumer has suffered a loss due to a violation of rights by a business operator. In electronic transactions, this protection is crucial because disputes can arise from goods or services that do not match the provided information, breaches of contract, or actions by business operators that disadvantage the consumer. Repressive protection aims to restore rights through dispute resolution mechanisms and the provision of compensation to the consumer.²⁷

Law Number 8 of 1999 concerning Consumer Protection provides two avenues for dispute resolution: out-of-court and through the courts. Under Article 45 paragraph (1), aggrieved consumers may bring a claim against a business actor through a consumer dispute resolution body or the general courts. Out-of-court resolution may be pursued via the Consumer Dispute Resolution Body (BPSK) through mediation, conciliation, or arbitration mechanisms. These mechanisms offer a simpler alternative for resolution, helping consumers achieve a settlement without having to immediately resort to litigation.²⁸

If an out-of-court settlement fails to yield an agreement, the consumer may pursue legal action through the courts. Furthermore, a form of repressive protection is implemented through the business actor's obligation to provide compensation for losses suffered by the consumer, as stipulated in Article 19 of the Consumer Protection Law (UUPK). Such compensation may take the form of a refund, the replacement of goods and/or services with items of a similar type or equivalent value, medical care, and/or the provision of indemnity in accordance with applicable regulations.²⁹

Repressive legal protection provides consumers with instruments to uphold their rights after a loss has occurred. The existence of the Consumer Dispute Resolution Body (BPSK) and the courts offers a choice of dispute resolution mechanisms, while provisions regarding compensation guarantee redress for consumer losses. According to Susanti Adi Nugroho, consumer dispute resolution is a crucial component of the consumer protection system, as the existence of consumer rights must be accompanied by mechanisms that enable those rights to be enforced in the event of a violation.³⁰

C. Forms of Business Actor Liability and Consumer Legal Remedies in Electronic Transactions

In electronic transactions, business operators are responsible for ensuring that the goods and/or services offered to consumers align with the provided information, agreements, and applicable statutory regulations. This responsibility is fundamentally a consequence of the legal relationship between the business operator and the consumer; consequently, if a consumer suffers a loss due to the traded goods and/or services, the business operator cannot simply evade liability. From the perspective of consumer

²⁷ Ahmadi Miru and Sutarman Yodo, *Consumer Protection Law*, Jakarta: RajaGrafindo Persada, 2004, pp. 1–10.

²⁸ Haryono, Troeboes Soeprijanto, dan Lathifatu Khoirun Nisa, "Legal Protection for Consumers in E-Commerce Transactions in Cases of Breach of Contract," *Journal Inovasi Pembelajaran di Sekolah*, 2023, p. 210.

Legal Protection for Consumers in Electronic Transactions Under the Electronic Information and Transactions Law

protection, holding business operators accountable is essential to establishing a balance of standing between consumers and business operators parties who, in practice, often differ significantly in terms of access to information and economic capacity.³¹

Law Number 8 of 1999 concerning Consumer Protection explicitly stipulates the liability of business actors in Article 19. This provision requires business actors to provide compensation for damage, pollution, and/or losses suffered by consumers as a result of consuming goods and/or services produced or traded by them. Such compensation may take the form of a refund, the replacement of goods and/or services with items of a similar type or equivalent value, medical treatment, and/or the provision of financial indemnity.³² In electronic transactions, these provisions apply when the goods received by the consumer do not match the description or agreement, are damaged, differ in quantity or specifications, or when the services provided do not correspond to what was offered.

The responsibility of business operators also encompasses the obligation to provide accurate, clear, and honest information to consumers. Such information is crucial in electronic transactions because consumers generally cannot inspect goods in person prior to making a payment. If a business operator provides incorrect or misleading information, consumers may make decisions based on circumstances that do not reflect reality. Therefore, the obligation to provide information and the prohibition against misleading promotional or trading practices are integral parts of a business operator's responsibility in digital transactions.³³ Research on e-commerce transactions also indicates that the responsibility of business operators is a crucial aspect in providing legal certainty to consumers when losses arise from electronic transactions.

In addition to the Consumer Protection Law (UUPK), liability in electronic transactions is further reinforced by the Electronic Information and Transactions Law (UU ITE). Provisions governing the conduct of electronic transactions designate business operators as the parties responsible for legal consequences arising from the transactions they execute. Consequently, the use of electronic media does not absolve business operators of their obligation to fulfill their contractual duties and provide redress should consumers suffer losses. Analyses of consumer protection in digital transactions indicate that the UUPK and the UU ITE collectively provide a legal framework for dispute resolution and liability regarding electronic transactions.³⁴

If a business operator fails to fulfill its obligations and a consumer suffers a loss, the consumer has several legal avenues available. The first step involves lodging a complaint or making a direct demand to the business operator to secure a resolution such as a refund, product replacement, or fulfillment of the agreed-upon obligation. If a direct resolution is not reached, the consumer may utilize an out-of-court dispute resolution mechanism through the Consumer Dispute Resolution Agency (BPSK). Under the Consumer Protection Law (UUPK), out-of-court dispute resolution may be pursued to reach an agreement regarding the form and amount of compensation and/or specific measures to prevent the recurrence of consumer losses.³⁵

The BPSK has the authority to resolve consumer disputes through mediation, conciliation, or arbitration mechanisms. The existence of these mechanisms offers consumers an alternative means of resolution that is simpler than the judicial process. Susanti Adi Nugroho explains that consumer dispute resolution is a crucial component of the consumer protection system, as the existence of consumer rights must be accompanied by mechanisms that allow those rights to be enforced in the event of a violation.³⁶ Therefore, BPSK has a strategic position as an instrument of repressive protection, especially for consumers who experience losses in transactions with business actors.

In addition to the BPSK, consumers may file a lawsuit through the courts. Article 45 paragraph (1) of the Consumer Protection Law grants aggrieved consumers the right to sue business actors either through a body tasked with resolving disputes between consumers and business actors or through the general court system. Litigation may be pursued if an out-of-court settlement fails to yield an agreement or if the consumer elects to resolve the matter through the courts. In such proceedings, electronic transaction evidence such as proof of payment, conversations, invoices, electronic documents, product descriptions, and transaction records may be used to establish the existence of a legal relationship and the losses suffered by the consumer.

Thus, the liability of business actors and consumer legal remedies are interconnected elements within the framework of repressive legal protection. Business actor liability serves as the basis for consumers to claim redress for losses suffered, while

²⁹ Law Number 8 of 1999 concerning Consumer Protection, Article 19 paragraphs (1) and (2).

³⁰ Ria Sintha Devi & Feryanti Simarsoit. 2020. "Legal Protection for E-Commerce Consumers under Law No. 8 of 1999 concerning Consumer Protection". *Journal Rectum*, Volume 2, Number 2, pp. 120-121.

³¹ Ahmadi Miru and Sutarman Yodo, *Consumer Protection Law*, Jakarta: RajaGrafindo Persada, 2004, p. 77.

³² Law Number 8 of 1999 concerning Consumer Protection, Article 19 paragraphs (1) and (2).

³³ Didik Kusuma Yadi, Muhammad Sood, & Dwi Martini. 2022. "Legal Protection for Parties in E-Commerce Transactions under the Indonesian Legal System". *Juournal Commerce Law*. P. 143.

Legal Protection for Consumers in Electronic Transactions Under the Electronic Information and Transactions Law

dispute resolution mechanisms provide the means for consumers to enforce those rights. In electronic transactions, the Consumer Protection Law (UUPK) and the Electronic Information and Transactions Law (UU ITE) serve as crucial foundations for ensuring legal certainty, given that the evolution of digital commerce has given rise to new forms of legal relationships and risks. Research on consumer protection in digital transactions also indicates that dispute resolution mechanisms whether through litigation or non-litigation channels remain essential to safeguard consumer rights in the event of a violation.³⁷

IV. CONCLUSIONS

Based on the research findings, it can be concluded that legal protection for consumers in electronic transactions in Indonesia rests on a sufficiently comprehensive legal foundation, comprising the ITE Law, the Consumer Protection Law, Government Regulation Number 80 of 2019, and Law Number 27 of 2022 concerning Personal Data Protection. This protection encompasses both preventive measures such as the obligation to provide accurate information and safeguard consumer data and repressive measures, including complaint procedures, dispute resolution, compensation, and law enforcement. Business actors bear responsibility for the accuracy of information, fulfillment of agreements, transaction security, and the protection of consumer data. Aggrieved consumers may pursue dispute resolution through formal complaints, consumer dispute resolution mechanisms, or litigation utilizing electronic evidence. Consequently, the effectiveness of consumer protection in electronic transactions requires the integrated application of regulations, government oversight, business compliance, and heightened consumer legal awareness to ensure that electronic transactions are safe, fair, and provide legal certainty.

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