

E-Commerce Consumer Protection Consequences of Business Actors Breaking Promises

Jhohan Adhi Ferdian

jhohan.adhi.ferdian@gmail.com

Borobudur University, Jakarta, Indonesia

Abstract. Modern society uses technology to carry out daily activities via the internet. This research aims to protect consumers who make online transactions to save costs, time and get goods as ordered. The method used is normative juridical, referring to applicable laws and regulations, and case studies as library legal research. The research results concluded that legal protection for E-commerce consumers according to Law Number 8 of 1999 concerning Consumer Protection and Law Number 7 of 2014 concerning Trade related to E-commerce states that every valid agreement is legal for the party making it. In cases of default that result in consumers experiencing disputes that require compensation claims, they can be assisted through the Consumer Dispute Resolution Agency. Consumers have the right to receive adequate consumer protection advocacy, protection and dispute resolution efforts.

Keywords: default, Consumer, E-Commerce.

1 Introduction

The rapid growth of online electronics, information systems, and transaction systems can be attributed to the advantages of technology and information. Additional advantages of information technology include the ability to expand global market share without having to visit other countries or send advertisements there. Over time, this also becomes easier and more effective. Humans can now do daily work more easily thanks to technology. For example, in global trade, buying companies do not need to meet directly with sellers as in conventional markets; instead, they can communicate with sellers via an internet connection.

There are two main models in the business world today. The first is contemporary modern business, known as "classic" or "conventional" business. The second is conventional business, which has traditional values and rules. Each corporate model has a unique set of issues, legal ramifications, and solutions.[1] One result of advances in information technology is electronic purchase and sale contracts, also known as electronic buying and selling. According to Indonesian legal sources, a sales and purchase contract must contain several written clauses that are clear, original, and in writing, both authenticated and genuine.[2]

Electronic buying and selling is actually the same as conventional trading, producers or business actors will try to seek the highest profits in accordance with the economic principles adopted, namely "the principle of seeking the highest profits through the smallest sacrifices." [3]

In order to achieve the highest profits, producers/business actors must compete among themselves with their own business behavior which can sometimes be detrimental to consumers. That's tight competition can change behavior to direction competition is not Healthy To use protect mutual interests of each collide. At the moment We use the term "E-commerce" to determine the sales process in a way electronic between two parties is perpetrator businesses and consumers. Current Sale and Purchase Agreement This goes through more processes simple and discover pattern new to it Buying and selling. Buyers can see goods from photos, models and colors only can purchase based on technology information on internet sites.[4] Parties involved in E-commerce transactions consist of business entities, customers, and facilitators. In context, this, party intermediary or facilitator is a provider service or operating web pages as a business medium internet-based, for example, Amazon, Tokopedia, Lazada, Bukalapak, Zalora, and Shopee.

However, because of convenience, a lot of parties who are not responsible answer do transactions sell or buy via the internet. Often default in transaction sells buy E-commerce, which is detrimental to Lots party. Default case transaction sells recent E-commerce purchases This widespread happening, photos and pictures type goods merchandise displayed on the platform screen is good and feasible in accordance terms, offer Cheap prices too, once ordered and carried out payment, next the goods that come No in accordance with order, very unfortunate the goods that come in the form of mineral water or coffee sachets. When the news enters social media and becomes a trading topic then There is a reply from the perpetrator business that incident the is a shipping error. Irresponsible behavior (default) regarding the products sold has injured consumers, resulting in bad value for online trading application services, especially business losses. In addition, examples relating to damages suffered by internet companies that offer customers in E-commerce due to business actors intentionally replacing goods stipulated in electronic contracts have frequently occurred recently. The people involved in the agreement must comply with about importance agreement sell buy. [5]This is in accordance with the principle of pacta sunt servanda, stated in Article 1338 paragraph (1) of the Civil Code, which stipulates that agreements must be considered binding as law. Sometimes there are parties who do not carry out their duties or obligations. This causes a situation called broken promise or default.[6]The aim of this research is to protect consumers who use the internet for transactions so they can save costs, save time, and get goods as ordered. How to protect E -e-commerce consumers and responsibilities perpetrator businesses who broke their promise (Wan Achievement)?

2 Research Method

In this research, the normative juridical method refers to applicable laws and regulations and legal research using library data. Normative juridical techniques relate to relevant laws and regulations, while normative techniques involve analysis of literature or secondary data on legal principles and general case studies, known as normative juridical research. Data collection uses library and field research. Binding legal materials such as criminal law, UUPK, and other statutory regulations related to this article

3 Discussion

3.1 E-commerce Consumer Protection Due to Business Actors Who Default

According to Hondius, an expert in consumer issues in the Netherlands, legal experts agree that consumers are the final users of goods and services. Hondius hopes to differentiate customers who are not final users (intermediary consumers) from customers who are final users. According to the UUPK, the terms "user", "user", and "utilizer" of goods and/or services are used. [7] However, the definition used is not explicit, so it is not clear who is considered a user, user, or user and thus becomes confused about how to use it. When this law was drafted, a group of experts from the House of Representatives (DPR) proposed that the term "user" should be used to describe the use of various goods, such as goods that do not have electricity or electronics, such as clothing, food, and shelter. Instead, the term "user" should be used to describe the use of items that have electricity or electronics, such as computers, televisions, and radios. The term "utilizer".[8] For the avoidance of doubt when using the term "consumer", there are several different definitions of consumer: A consumer is any individual who obtains goods and/or services for a specific purpose; Intermediary Consumers are anyone who obtains goods and/or services for trade purposes; and Final Consumer is every person who obtains goods and/or services to fulfill their food needs.[9]

E-commerce is a transaction between sellers and buyers with the aim of providing goods, services, or property rights. Contracts are carried out via electronic media without the direct participation of both parties in the transaction. These transactions occur outside territorial boundaries and national regulations, and these media are connected to a common network with an open system. The world of E-commerce has a lot of attraction for businesses because of its effective and efficient advantages. efficient in marketing and Human Resources, ease of marketing goods or services to customers anytime and anywhere, and continuous access to information about changes in product types and prices. In terms of communication effectiveness, sellers and buyers can communicate with each other whenever they can connect to the internet. Therefore, to ensure the existence of a contract and its validity, it is necessary to determine whether a mutual understanding has been reached. Consensus in a contract is essentially an expression of the intentions of two or more parties involved in the contract regarding the actions they wish to perform, the manner in which they will be executed, the time period for their performance, and the party responsible for fulfilling the agreed terms. [10]

Legislation regulating E-commerce and online transactions has existed since 2008, namely Law No. 11 of 2008 concerning electronic information and transactions (UUITE).

This was created because of economic growth and along with technological advances, we must always pay attention to changes that occur on the internet. Thus, article 1 paragraph (2) defines electronic transactions as transactions carried out using computers, computer networks, or other electronic media. General provisions of Government Regulation no. 80 concerning Trading Through Electronic Systems (PP PMSE) regulate requirements, obligations, advertisements, offers, acceptance, confirmation, contracts, payments, delivery of goods, exchange of goods in electronic system transactions, protection of personal data, and settlement of PMSE sanctions through electronic monitoring systems and trade development.

Good faith, prudence, transparency, trust, accountability, balance, and fair and healthy principles are principles that must be taken into account by business actors and consumers when carrying out electronic transactions, according to Article 3 PP PMSE. As an entrepreneur, always pay attention to the policies of these eight principles. One example is improving and updating the description column with real videos to make it easier for customers to assess and choose the items they buy.[11] Apart from that, he is always available to respond to consumer complaints. Article 26 letter a PP PMSE also provides protection to consumers who receive products other than those agreed in the online purchase contract. The article reads "Business actors must protect consumers" based on consumer protection regulations, which regulate consumer protection against legal claims and what economic actors may not do in relation to the provisions of consumer protection regulations. In addition, article 7 letter b UUPK regulates the obligations of perpetrators' business to conduct business in good faith and provide accurate, correct, clear, and honest information about the condition and guarantee of goods, as well as what is stated above in the description. In addition, business actors are obliged to provide compensation for losses or consequences of the use and utilization of goods traded by them.

Article 9 Law no. 11 of 2008 concerning Electronic Information and Transactions (ITE) stipulates that business actors must provide correct and complete information about contract terms, business actors, and the products offered when they offer products through electronic systems. Even though UUPK, UU ITE, and UU PP PMSE have the responsibility to regulate parties, in reality, they do not protect consumers from errors in sending goods when carrying out online buying and selling transactions. As a result, many consumers still experience undesirable things. Factors that cause business actors to send the wrong products to consumers include errors caused by situational factors, such as production conditions, production equipment, production environment, etc. Apart from that, there are individual factors, such as skills, experience, education about legal protection, and other factors. Consumers who don't skill are what causes the No thorough read specification product. When making a transaction sell buy done through electronic media, consumers are not enough educated about the procedures and possibilities that will happen. The role of the government in handling cases of selling. Buying online is detrimental to consumers, like error delivery or stuff that isn't appropriate, is Forgive customers that they must report the problem to the perpetrator business first. Otherwise, There is a deal, like If the perpetrator business does not want to return goods or their money, consumers can continue to dispute consumer (BPSK).

3.2 Completion Dispute

Consumers who are not skilled will not thoroughly read the specific product and less understand the agreements stated in the marketplace used. Error or Default committed by the perpetrator business if: a) not do what he promised to the consumer; b) Doing what it

promised, but No in accordance with the terms of the agreement sell buy; c) Doing what it promised, but late; and d) Do something prohibited by the treaty.

Settlement Body Dispute Consumers (BPSK) accept application replacements. According to Article 1 number 11 of Law Number 8 of 1999, BPSK is a responsible institution For handling and resolving disputes between companies and consumers. Formation BPSK institutions improve the settlement process of disputes quickly, easily, and cheaply for consumers. Besides, it is expected the presence of BPSK will help reduce the burden of very serious cases in court.[12] Consumers can request Completion Dispute Consumer to BPSK is good in a way oral or in writing through the Local BPSK Secretariat. Consumer applications and claims are examined in the same way as trials in general court. In essence, if a dispute arises between a business actor and a consumer due to a breach of contract (default), the party has the right to receive advocacy, protection, and appropriate dispute resolution efforts for consumer protection.[13] Protection, and efforts to resolve consumer disputes appropriately. This request must include: a) The identity of the customer, successor, or assign along with proof of identification; b) Company title and location; c) Rejected products or services; d) Proof of purchase, explanation of location, time and date of purchase of the product or service in question; e) Photos of products or activities related to the purchase of products or services.

A new national contract law system is needed because business transactions such as online buying and selling have grown. Thus, Unidroit's Principles of International Commercial Contracts and the International Sale and Purchase Convention (UNCITRAL CISG 1980) include principles that may be incorporated into national contract law in the future. Therefore, the principles stated in the provisions should be applied in the renewal of contract law. For example, the CISG establishes the right to obtain damages if a contract is breached. The injured party can only choose between monetary damages or damages. Moreover, it can be said that losses are the main reason for CISG. According to Karla C. Shippey, implementing compensation provisions is a way to control the risk of failure and the costs that arise as a result of failure.[14] If one party breaches the contract, damages can be an amount equal to the loss. in CISG, Articles 74 to 78. Damages include loss of profits of the other party due to breach of contract. Because all E-commerce transactions are carried out online, it is only natural that dispute resolution is also carried out online. This is because the parties are located in different countries, and resolving the dispute directly would be time-consuming and expensive. Sites such as Cybersettle.com, E-Resolutions.com, Courthouse, and Online Mediators emerged in the United States to solve online E-commerce problems. In terms of E-commerce dispute resolution, other countries should pay full attention to it.

Online transactions are easy, but there are also negative effects that need to be understood and taken into consideration, some of which are: 1) Delivery errors can easily occur; 2) Vulnerable to fraud; 3) The goods received may be damaged; and vulnerable to account hacking. The basic principles of online transactions are almost the same as face-to-face transactions. The law that applies to real buying and selling transactions is no different from the law that applies to online buying and selling transactions as explained previously. If the user is only different from internet users or other telecommunications facilities. [15]As a result, in the case of online buying and selling, it is difficult to carry out legal execution or action if a dispute or criminal act of fraud occurs. If a business actor or seller commits fraud or spreads false and misleading news which results in consumer losses in online buying and selling transactions, the business actor or seller will also be punished under Article 378 of the Criminal Code (KUHP) concerning fraud.

According to Article 378 of the Criminal Code, "Anyone who, with the intention of unlawfully benefiting himself or another person, by using a false name, by deception or a series of lies, encourages another person to hand over goods according to him, or to give a debt or write off a debt, is threatened with imprisonment for a maximum of four years." However, Article 45A paragraph (1) of the Electronic Information Technology Law states, "Every person intentionally and without right spreads false and misleading news and causes consumer losses in electronic transactions." Violation of Article 28 paragraph (1) of the Electronic Information Technology Law has criminal consequences with a maximum prison sentence of 6 (six) years and/or a maximum fine of IDR 1000,000,000.00 (one billion rupiah). Therefore, consumers must be very careful when buying anything. Trust is the main factor in online transactions in Indonesia. On small to medium-scale transactions with a nominal value that is not too large (for example, buying and selling via social networks, online communication, online pick-up, and blogs). Many reports of complaints of fraud via the internet and other telecommunications media were received by the police and Communications and Information investigators. Therefore, we have to be more selective when making transactions through this media.

Law Number 8 of 1999 concerning Securing Consumer Rights, especially regarding Online Retailer Providers, regulates how business entities can include prohibited standard clauses, especially for online shop providers with the following provisions:

- a) It is prohibited for online retail providers to state that they have the authority to refuse acceptance of goods purchased by customers, which is referred to as "purchased goods cannot be returned." In cases where the product does not match the customer's requirements, buyers have the privilege of sending back the goods they have purchased from the online retail provider.
- b) Online retail providers may not represent that they have the authority to refuse refunds of funds paid by customers for goods and services they purchased. One of the responsibilities of business entities, especially online retail providers in this case, includes providing restitution and/or compensation for customer losses.

3.3 Responsibility of Business Actors to resolve problems resulting from breach of contract

First: convey correct, clear, and honest information about the condition and guarantee of goods, as stated in the marketplace terms of service, in accordance with Article 7 letter b of the Consumer Protection Law no. 8 of 1999. There are several condition marketplace services for example Amazon, Tokopedia, Lazada, Bukalapak, Zalora, and Shopee including:[16]

- 1) Seller must confirm the list of sellers filled with information actual like price and details product, quantity stock, and terms and conditions sales. They don't post information that is not accurate or misleading;

- 2) The price of goods sold by the seller must customized with its policy yourself. Price of goods and costs Send must cover all the amount that will be worn to buyers, including tax sales, tax increase value, and cost. Seller No can wear amount This in a way separated to the buyer.

Second: products and/or services produced and/or traded meet the applicable quality standards for goods and/or services. Including marketplace services Amazon, Tokopedia, Lazada, Bukalapak, Zalora, and Shopee include the rights of business actors in accordance with article 7 letter d of the Consumer Protection Law no. 8 of 1999, in terms of service, including:

- 1) All products registered by sellers for sale on the marketplace must be completely original. A „fake“ product is meant to be a product that is made to exactly imitate an existing brand in order to deceive or deceive;
- 2) Advertising regulations in accordance with applicable regulations, Terms of Service, and the Prohibited and Restricted Items Policy do not comply with the regulations applicable to items listed by sellers on the website.

Third: provide guarantees and/or warranties for products made and/or sold. In this case, the marketplace can determine the rights of business actors in accordance with Article 7 Letter E of the Consumer Protection Law No. 8 of 1999. Terms of service are as follows:

- 1) Only buyers who have paid can receive the guarantee. This is intended to protect the seller from responsibility for payment and goods purchased if things like the following happen: the goods have not been received by the buyer, the goods are damaged or do not match the agreed specifications (such as the wrong size or color), or the goods not in accordance with agreed specifications.
- 2) For example, the Shopee Guarantee 100% Original service, a program that ensures that products marked "Shopee Guarantee 100% Original" are genuine products.

Fourth: provide compensation, compensation, or replacement if the goods and/or services received or used do not comply with the agreement/non-performance. In this case, the marketplace includes the rights of business actors in their terms of service, in accordance with Article 7 letter g of the Consumer Protection Law no. 8 of 1999. Terms service including :

- 1) Marketplace guarantees a full refund in cases where the product is not available in accordance with our 100 % Original Guarantee No product ;
- 2) If the buyer submits a refund and the goods have been approved by the marketplace and the buyer then sends the goods return to the seller, the Marketplace will return the money to the buyer after the marketplace receives confirmation from the seller that the buyer has accept goods returned by the buyer.

Every marketplace has the same rules based on UUPK. own not quite enough the same answer to the seller to protect and fulfill the right buyer as well as supervise the behavior seller. According to Paragraph 1 Article 17 of the Consumer Protection Law, business actors are prohibited from making advertisements that meet the following requirements:

1. Deceiving customers about the quality, quantity, materials, usefulness, price, and accuracy of receipt of goods and/or services, as well as;
2. Making false promises about goods or services;
3. Insert false, false, or inaccurate information about goods and services;
4. Does not contain information about risks associated with the use of goods and services;

5. Taking events and/or people without authorized permission or approval;
6. Violates ethical principles and/or laws and regulations regarding advertising

Fifth: the principle of absolute responsibility is the principle that applies in cases of default in e-commerce transactions. By weakening the consumer's position in E-commerce transactions, the company takes full responsibility. During E-commerce transactions, business actors will be fully responsible for their business activities. In E-commerce transactions, the party responsible is the party who commits the default, in this case, the business actor, as stated in Article 21 paragraph (2) letter in Law no. 11 of 2008 concerning Information and Electronic Transactions (ITE), which states that "if done alone, all legal consequences in carrying out electronic transactions are the responsibility of the parties to the transaction." The responsibility of business actors consists of compensation commensurate with the amount of loss suffered by consumers. Consumers can take legal action if business actors are not responsible for violations in e-commerce transactions.

Sixth: Because the terms and conditions of sale and purchase have been agreed upon between the buyer and seller and are legally binding, if there is a breach of promise from the business actor to the consumer it is considered a default as in Article 1338 of the Civil Code.[19] In online buying and selling transactions, a form of liability based on legal relationships that arise in practice, sellers can make mistakes when sending goods to buyers, such as errors in size, color, brand, or even the type of goods sent. If this happens, the seller will be responsible because his actions are detrimental to the buyer, and the basis that can be used is the electronic agreement made when the offer and acceptance are made on the online shop website. Any discrepancy between the goods sent and those ordered is considered a breach of contract, and the resulting liability is considered a liability based on the breach of contract. This liability aims to protect it from losses caused by default by the business actor. There are several known methods for resolving problems as a form of business actor's responsibility, namely: 1) Rescheduling, namely changing orders starting from the quantity, shape, and color or related to payment; 2) Return Requirements, namely changes to payment for new orders which aim to provide opportunities to consumers; and 3) Restructuring, is the process of changing the terms, or changing some or all of the conversion results from orders that have failed into participation in new sales and purchase contracts so that re-agreements can occur and new online trading can grow.

4 Conclusion

E-commerce consumer protection according to Law Number 8 of 1999 concerning Consumer Protection, and Law Number 7 of 2014 concerning Trade also relates to E-commerce, which states that every valid agreement is the law. for the party who created it. In the event that a breach of contract results in a consumer experiencing a dispute that requires a claim for compensation, assistance can be resolved through the Consumer Dispute Resolution Agency. Dispute resolution should be done online as well. This is if the parties are domiciled in different countries, and resolving the dispute directly will be time-consuming and expensive. Sites such as Cybersettle.com, E-Resolutions.com, Courthouse, and Online Mediators appeared in America. Furthermore, Consumers have the right to receive appropriate advocacy, protection, and efforts to resolve consumer protection disputes.

References

- [1] M. T. Febriyantoro and D. Arisandi, "Pemanfaatan Digital Marketing Bagi Usaha Mikro, Kecil Dan Menengah Pada Era Masyarakat Ekonomi Asean," *JMD J. Ris. Manaj. Bisnis Dewantara*, vol. 1, no. 2, pp. 61–76, 2018, doi: 10.26533/jmd.v1i2.175.
- [2] G. Bagaskara and G. Kurniati, "Perlindungan Konsumen Atas Kesalahan Pengiriman Barang Dalam Transaksi Jual Beli Online Pada Shopee (Hukum Perdata)," *J. Ilm. Wahana Pendidik.*, vol. 9, no. 5, pp. 236–244, 2023.
- [3] Janus, *Consumer Protection Law in Indonesia*. Bandung: Citra Aditya Bakti.
- [4] A. H. Barkatullah, "Urgensi Perlindungan Hak-hak Konsumen Dalam Transaksi Di E-Commerce," *J. Huk. IUS QUIA IUSTUM*, vol. 14, no. 2, pp. 247–270, 2007, doi: 10.20885/iustum.vol14.iss2.art8.
- [5] S. H. Sulis and Husni Syawali, "Perlindungan Hukum bagi Konsumen Akibat Terjadinya Wanprestasi dalam Perjanjian Jual Beli Unit Apartemen yang Dilakukan oleh Pelaku Usaha," *Bandung Conf. Ser. Law Stud.*, vol. 3, no. 1, pp. 489–495, 2023, doi: 10.29313/bcsls.v3i1.5021.
- [6] D. Karim, A. A., & Hartati, "Peristiwa Literasi dalam Novel Di Tanah Lada Karya Ziggy Zezsyazeoviennazabrizkie dan Merakit Kapal Karya Shion Miura," *Diglosia J. Kaji. Bahasa, Sastra, dan Pengajarannya*, vol. 5, no. 4, pp. 949–966, 2022.
- [7] A. Ardiyanto and A. Saputra, "Perlindungan Konsumen Dalam Jual Beli Online Shopee," *Meta Yuridis*, no. 2, pp. 93–104, 2022.
- [8] C. M. Purwanti and Z. Zulham, "Perlindungan terhadap Lembaga Consumer Finance atas Wanprestasi yang Dilakukan oleh Konsumen," *AL-MANHAJ J. Huk. dan Pranata Sos. Islam*, vol. 5, no. 1, pp. 649–658, 2023, doi: 10.37680/almanhaj.v5i1.2643.
- [9] M. K. Ratna, SKM., S.Kep. et al., *Falsafah Dan Teori Dalam Keperawatan*. 2023.
- [10] R. A. S. Perwira and A. F. Rosando, "Perlindungan Hukum Bagi Kurir Saat Pembeli Tidak Melakukan Pembayaran Pada Sistem COD (Cash On Delivery Order)," *J. Sos.*, vol. 1, no. 1, pp. 22–37, 2022.
- [11] H. Khatimah, "Perlindungan Hukum Terhadap Konsumen Dalam Transaksi Jual Beli Online Di Aplikasi Lazada Dan Shopee," *Lex LATA*, vol. 4, no. 3, pp. 384–404, 2023, doi: 10.28946/lexl.v4i3.1757.
- [12] A. Rahim, "Overview of Consumer Protection Laws Against Electronic Transactions on the Marketplace | rahim | International Journal of Artificial Intelligence Research," vol. 0, no. 01, 2021, doi: 10.29099/ijair.v6i1.404.
- [13] F. Redjeki and A. Affandi, "Utilization of Digital Marketing for MSME Players as Value Creation for Customers during the COVID-19 Pandemic," *Int. J. Sci. Soc.*, vol. 3, no. 1, pp. 40–55, 2021, doi: 10.54783/ijssoc.v3i1.264.
- [14] K. Shandy, "Legal Protection of Flat Buyers Whose Land is Actually Being Secured with Hak Tanggungan," *Norma*, vol. 18, no. 1, p. 47, 2021, doi: 10.30742/nlj.v18i1.1287.
- [15] Subekti, *Contract Law*. Jakarta, 2005.
- [16] A. Wijaya, "ANALISIS PENYELESAIAN SENGKETA FINTECH MENGGUNAKAN BPSK DAN LAPS DI INDONESIA," vol. 5, no. 0, pp. 1–23, 2016.