

# Legal Protection for Consumers on E-Commerce Luxury Goods Transactions

Ratna Kartika Indraswari

Business Law Study Program, UPN Veteran Jakarta, RS Fatmawati Raya, Pondok Labu, Cilandak District, Depok City, 12450

Email: [ratnakartikai1995\[at\]gmail.com](mailto:ratnakartikai1995[at]gmail.com)

**Abstract:** *E-commerce is a type of trade with its own set of characteristics, such as cross-national trade, the absence of face-to-face meetings between sellers and buyers, and the use of the internet as a medium. On the one hand, this situation benefits consumers because they have more options for purchasing products and services, but on the other hand, consumer rights violations are more risky due to the specific characteristics of e-commerce. As a result, legal protection for consumers in e-commerce transactions is critical. Therefore, legal protection for consumers is very much needed in e-commerce transactions. Legal protection for consumers is regulated by Law No.8 of 1999 concerning Consumer Protection. This law is expected to guarantee legal certainty for consumers in e-commerce transactions. What problems arise in the legal protection of consumers of luxury goods in e-commerce transactions and how to overcome them. The methodology used in this study uses an empirical normative approach, because it is a legal research regarding the enforcement or implementation of normative legal provisions in action on every particular legal event that occurs in society.*

**Keywords:** Consumer protection, e-commerce transactions

## 1. Introduction

E-Commerce is one type of business transaction that has been greatly influenced by technological advancements. The concept of a typical market where merchants and buyers physically meet has been transformed into the concept of telemarketing, or distant trading over the internet, as a result of this trade transaction. Consumers' access to items has also changed as a result of e-commerce. All formalities frequently utilized in traditional transactions are eliminated by E-Commerce, and customers have the freedom to gather and compare information such as goods and services more freely across borders.<sup>1</sup>

The appeal of E-Commerce itself lies in its efficiency and effectiveness. On the efficient side, E-Commerce has advantages, where the Company can gain efficiency in terms of marketing, labor, and overhead costs. For example, they do not need to print the catalog every time and send it (faxmile) to each consumer because consumers can see directly on the website about changes in the type and price of goods every second.<sup>2</sup>

Meanwhile, in terms of efficiency, the Internet allows marketers to reach a wider and faster audience. This is due to the fact that businesses can operate a virtual store 24 hours a day, 7 days a week by presenting product information and online purchasing methods on the internet. Even with animations/videos that can be run with certain software, prospective customers can be treated with a pleasing graphic display.<sup>3</sup>

One of the E-Commerce in Indonesia is Blibli.com. Where

<sup>1</sup>DikdikArief and ElisatrisGultom, *Cyber Law Legal Aspects of Information Technology*, (Bandung: PT. RefikaAditama, 2005), p. 144.

<sup>2</sup>DidiAchjari, "Potential Benefits and Problems of E-Commerce", in *Indonesian Journal of Economics and Business*, Volume 15 No.3, August 2000, p. 389.

<sup>3</sup>Ibid

Blibli.com is an E-Commerce that offers a variety of needs for men and women who adapt to the lifestyle in Indonesia. Something interesting from Blibli.com is that the items offered are definitely Original items that are trendy at the moment so that the products offered by Blibli.com to consumers always follow the needs of an increasingly modern lifestyle, and in this case Blibli.com offers a wide variety of products such as women's clothing, men's clothing, electronic goods, household appliances, sports necessities, etc.<sup>4</sup>This has resulted in many consumers who like to make transactions on the Blibli.com marketplace<sup>5</sup>

Blibli.com is the leading E-Commerce application in Indonesia that put Customer Satisfaction First, integrating the six benefits that Blibli.com has provided to customers into one comprehensive strategy. The six benefits are free shipping, fast delivery, 100% original goods, 24 hour customer service for 7 days (24/7 Customer Care), secure payments, and a 15 day guarantee of return.<sup>6</sup>

BLIBLI.COM is the first and largest e-commerce to bring shopping experience in an online mall, offering more than 1 million original products and has been selected from 15 Categories to meet the daily needs of shoppers. Blibli.com has been trusted by more than 20, 000 brands and has been chosen as the exclusive online partner of local and global brands, such as NBA, NIKE, UMBRO, Samsung, Intel, Polytron, Bose, Bang & Oluffsen, Alleira, Musica-Trinity, Mums, Ducati, BMW, Chevrolet, Toyota, Honda, Suzuki,

<sup>4</sup>Valentin, "Descriptive Study of Hedonic Shopping Motivation in Shopee Online Store Consumers", in *EMBA Journal*, Volume 6 No.4, September 2018, p. 2243.

<sup>5</sup>Tim Kontan, "Blibli.com prints an order growth of 2.5 times", quoted from <https://www.blibli.com/page/press-release/blibli-com-print-percepatan-pemesanan-25-kali-fold-in-first-quarter-2019/> accessed 10 February 2022

<sup>6</sup>Kontan Team, "The number of transactions at Shopee is more than 28 million transactions per day", quoted from [www.kontan.co.id](http://www.kontan.co.id) accessed 10 February 2022

Vespa and many more.<sup>7</sup>

According to Law no.8 of 1999 regarding Consumer Protection, one of the basic rights of consumers that must be protected is legal certainty. There are problems with e-commerce legal certainty, such as the legitimacy of corporate transactions from a civil law perspective. Other difficulties that arise include data integrity assurance, document confidentiality, tax duties, the law to be applied in the case of a contract or agreement breach, legal jurisdiction issues, and which legal issues should be applied in the event of a dispute. To further develop customers' trust, security guarantees for e-commerce transactions are required, and it is envisaged that the amount of e-commerce transactions would expand as a result.<sup>8</sup>

Consumers as buyers can ask for compensation from business actors, if the desired goods/services are not in accordance with the sale and purchase agreement as stated in Law Number 8 of 1999 concerning Consumer Protection in Article 7 Letter g which states that: to provide compensation, redress and/or substitution if the goods and/or services received or used do not accord with the agreement."<sup>9</sup>

Meanwhile, business actors can be prosecuted if the goods/services desired by consumers are not in accordance with the sale and purchase agreement, as stated in Law no.8 of 1999 concerning Consumer Protection in Article 8 Paragraph (2) states that: "Entrepreneurs are prohibited from trading damaged, defective or used and tainted goods without providing complete and correct information."<sup>10</sup>

## 2. Theoretical Review

- a) Legal protection is to provide protection for human rights that have been harmed by others and this protection is given to the community so that they can enjoy all the rights granted by law or in other words legal protection is various legal remedies that must be provided by law enforcement officials to provide legal protection. a sense of security, both physically and mentally from interference and various threats from any customer. According to Setiono, legal protection is an action or effort to protect the public from arbitrary actions by the authorities that are not in accordance with the rule of law, to create order and peace so as to enable humans to enjoy their dignity as human beings.<sup>11</sup>
- b) Consumers are users of manufactured goods (clothing, food, and so on). What is meant by consumers can also mean as service users. While referring to Law Number 8 of 1999 concerning Consumer Protection, Consumer is each individual user goods and/or services available in society, for the benefit of them-selves, family members,

other people, and other living creatures and which are not for trading. Consumers are the last chain in the product flow after producers and distributors. Consumers are people who will only use the product without reselling it to certain parties. In simple terms, consumers are certain people or parties who pay to get services or products with the aim of meeting their needs. Another term for consumer is buyer.

- c) Transaction refers to the act of confirming or confirming an agreement, involving two or more parties. The meaning is then narrowed down according to the corridor of needs, discipline, and the function of its application. For example, a sale and purchase transaction is an activity of exchanging goods/services between a seller and a buyer using a common payment instrument (money). While in the company, the transaction in question is a business or financial transaction. Launching the official website of the Big Indonesian Language Dictionary (KBBI), a transaction is an agreement or sale and purchase deal in trade carried out by two parties, or settlement and payment activities.
- d) Luxury Items is an item that has a relatively high price. The demand for luxury goods will increase when a person's income increases. However, if a person's income decreases, the demand for luxury goods will not decrease. As for some products which have been claimed as luxury goods, including expensive perfumes such as Yves Saint Laurent, Dior Sauvage, Hugo Boss, and many more. In addition to perfume, luxury goods also include several types, such as automotive, bags, and even food which are included in the category of luxury goods. At first, the premise of luxury goods could only be discovered in antique coins that were extremely valuable. However, as time has progressed, the term "luxury goods" has come to refer to anything of any type that has a unique manufacturing process, uses unique materials, is handcrafted, and has a distinct value when compared to other commodities.
- e) E-commerce is an abbreviation of two words, namely electronic and commerce. It literally translates to "electronic commerce." That is, the process of marketing commodities for distribution through electronic or online networks is included in all types of trade. E-commerce, to put it simply, is a type of online commerce that takes place through the use of the internet. E-commerce can be done through computers, laptops, to smartphones.

You can get many forms of services by utilizing e-commerce transactions, ranging from purchasing transportation tickets, paying bills such as electricity and water, as well as banking and investment services. E-commerce transactions can be in the form of business to business (B2B), business to consumer (B2C), consumer to consumer (C2B), and consumer to business (C2B).

## 3. Research Methods

### Data Collection method

In research, data collection techniques are an important factor for the success of research. To complete the data, this research uses several stages including:

### Observation

<sup>7</sup>Blibli.com strategy targets the market <https://www.blibli.com/page/news-events/strategi-blibli-com-sasar-pasar-offline-beauty-enthusiasm/> accessed on 10 February 2022

<sup>8</sup>BPKN team, "Study of E-Commerce Protection in Indonesia" quoted from [www.bkpn.go.id](http://www.bkpn.go.id) accessed on 10 February 2022, Pg. 2.

<sup>9</sup>Consumer Protection Law no. 8 of 1999

<sup>10</sup>Ibid

<sup>11</sup>Setiono, Supremacy of Law, (Surakarta: UNS, 2004), p. 3.

Observation is used to see and observe changes in social phenomena that grow and develop which can then be made changes to the assessment. (Margono 2007: 159)

**Interview**

Interview is a research activity that is carried out directly by using prepared questions with the aim of obtaining information from informants/users of online e-commerce transactions.

**References** is collecting data sourced from books and the internet for visualization of interactive websites.

**Data Analysis** The collection process is carried out intensively and focuses especially on software / software, so that it can be implemented according to what is needed by the user

**4. Results and Discussion**

Blibli.com is an e-commerce subsidiary company of PT. Global Digital Commerce. PT. Global Digital Niaga is a subsidiary of PT. Global Digital Prima (GDP) which is part of the largest cigarette producing company in Indonesia, namely Djarum. Blibli.com was first launched on July 25, 2011 and collaborates with world-class technology providers, logistics partners, banking partners and merchant partners with certain standards to meet the needs of Blibli.com users. The following is a list of the top 10 types of special luxury products found on blibli.com E-commerce and sales data for special products in the first quarter of 2022 on Blibli.com E-commerce.

Special Types of Products in Blibli E-Commerce		
1	Men's Watch	Brand : Rolex, Bvlgari, Hublot, Omega
2	Women's Watch	Brand : Rolex, Omega, Bvlgari, Audemars Piguet, Hublot, Longines
3	Camera	Brand : Sony, Canon
4	Computer	Brand : Apple, Dell
5	Car	Brand : Honda, Mercedes-Benz, Mazda
6	Motorcycle	Brand : Piaggio, Yamaha, Royal Alloy, Vespa, Kawasaki, Harley Davidson, KTM, Keeway
7	Bicycle	Brand : Brompton, Santa Cruz
8	Gold Jewelry	Brand : Lino & Sons, New Florens
9	Video Camera	Brand : Sony, DJI, Canon
10	Bag	Brand : Christian Dior, Chanel, Dior, Louis Vuitton, Gucci

Source: Internal data of Blibli.com analyst data employees

The following is a list of the top 25 transaction lists for special luxury products found on Blibli.com E-commerce

and sales data for special products in the 1st quarter of 2022 on Blibli.com E-commerce.

Special Product Sales Data in 1st Quarter of 2022 in Blibli E-Commerce					
Category	Brand	Unique Item Sold	Price	Quantity Sold	Total Sales
Men's Watch	Rolex	5	IDR 348,596,667	12	IDR 4,183,160,000
Men's Watch	Bvlgari	7	IDR 117,651,846	13	IDR 1,529,474,000
Men's Watch	Hublot	1	IDR 306,000,000	4	IDR 1,224,000,000
Men's Watch	Omega	6	IDR 127,652,222	9	IDR 1,148,870,000
Women's Watch	Rolex	4	IDR 234,023,000	8	IDR 1,872,184,000
Women's Watch	Omega	16	IDR 77,897,727	22	IDR 1,713,750,000
Women's Watch	Bvlgari	10	IDR 98,446,118	17	IDR 1,673,584,000
Women's Watch	Audemars Piguet	1	IDR 348,000,000	2	IDR 696,000,000
Women's Watch	Hublot	1	IDR 306,000,000	2	IDR 612,000,000
Women's Watch	Longines	2	IDR 50,450,000	4	IDR 201,800,000
Camera	Sony	2	IDR 51,065,232	7	IDR 357,456,627
Camera	Canon	1	IDR 78,500,000	1	IDR 78,500,000
Computer	Apple	2	IDR 59,864,667	3	IDR 179,594,000
Computer	Dell	1	IDR 64,260,000	1	IDR 64,260,000
Car	Honda	28	IDR 318,621,613	28	IDR 8,921,405,160
Car	Mercedes-Benz	1	IDR 955,000,000	1	IDR 955,000,000
Car	Mazda	2	IDR 302,900,000	2	IDR 605,800,000
Motorcycle	Piaggio	1	IDR 40,166,667	12	IDR 482,000,000
Motorcycle	Yamaha	6	IDR 56,535,000	8	IDR 452,280,000
Motorcycle	Royal Alloy	1	IDR 32,774,207	9	IDR 294,967,865
Motorcycle	Vespa	4	IDR 61,946,000	4	IDR 247,784,000
Motorcycle	Kawasaki	1	IDR 116,000,000	1	IDR 116,000,000
Motorcycle	Harley Davidson	1	IDR 95,000,000	1	IDR 95,000,000
Motorcycle	KTM	1	IDR 67,000,000	1	IDR 67,000,000
Motorcycle	Keeway	1	IDR 57,800,000	1	IDR 57,800,000

Source: Internal data of Blibli.com analyst data employees

## 5. Conclusion

Consumer Protection No.8 of 1999 is able to protect consumers. Transactions through e-commerce today and especially in the jurisdiction of the Indonesian state have grown rapidly. Indonesia already has a legal basis regarding consumer protection, namely Law Number 8 of 1999 concerning Consumer Protection in addition to other laws and regulations governing the same thing. Consumers in this case must be given various special protections which are very vulnerable with various possibilities that will harm the consumers themselves from business actors who do not have good intentions in conducting online buying and selling transactions. Online transactions for both business actors and consumers must have good faith from the start.

## References

- [1] Kompas Techno Team, "Internet Penetration in Indonesia Reaches 64 Percent", quoted from [www.teknokompas.com](http://www.teknokompas.com)
- [2] Sirclo Team, "Observing Indonesia's E-Commerce Development Trends in 2020", quoted from [www.sirclo.com](http://www.sirclo.com)
- [3] Mudakir Iskandar, Digital Era Online Business Law, (Jakarta: CV. Cam Libraries, 2018),
- [4] man Sjahputra, Consumer Protection in Electronic Transactions, (Bandung: Alumni, 2010)
- [5] The Marketeers Team, "Ease of Online Transactions for Automotive Needs", quoted from [www.marketeers.com](http://www.marketeers.com)
- [6] Sirclo Team, "Observing Indonesia's E-Commerce Development Trends in 2020", quoted from [www.sirclo.com](http://www.sirclo.com)
- [7] Dikdik Arief and Elisatris Gultom, Cyber Law Legal Aspects of Information Technology, (Bandung: PT. Refika Aditama, 2005)
- [8] Didi Achjari, "Potential Benefits and Problems of E-Commerce", in Indonesian Journal of Economics and Business, Volume 15 No.3, August 2000
- [9] Tim Kontan, "Blibli.com prints an order growth of 2.5 times", quoted from <https://www.Blibli.com/page/press-release/blibli-com-print-percepatan-pemesanan-25-kali-fold-in-first-quarter-2019/> accessed 10 February 2022
- [10] Kontan Team, "The number of transactions at Shopee is more than 28 million transactions per day", quoted from [www.kontan.co.id](http://www.kontan.co.id) accessed 10 February 2022
- [11] 'Blibli.com strategy targets the market <https://www.Blibli.com/page/news-events/strategi-blibli-com-sasar-pasar-offline-beauty-enthusiasm/> accessed on 10 February 2022
- [12] Blibli becomes an official partner <https://www.Blibli.com/page/news-events/blibli-com-re-jadi-mitra-resmi-e-commerce-di-iims-2017-ready-given-kecepatan-transaksi-online-bagi-auto-lovers/>
- [13] Subekti, Covenant Law, (Jakarta: Intermedia, 2004),
- [14] BPKN team, "Study of E-Commerce Protection in Indonesia" quoted from [www.bkpn.go.id](http://www.bkpn.go.id) accessed on 10 February 2022,
- [15] Consumer Protection Law no.8 of 1999
- [16] Uber Silalahi, Research Methods and Methodology. Bandung: Cultural Development.1999.
- [17] Abdulkadir Muhammad, 2004, Law and Legal Research, PT. Citra Aditya Bakti, Bandung
- [18] Riduan Syahrani, Summary of the Essence of Legal Studies, Citra Aditya, Bandung, 1999,
- [19] Barkatullah, Abdul Halim.2008. Consumer Protection Law. Bandung: Nusa Media
- [20] Cst Kansil, Dictionary of Legal Terms, Gramedia Pustaka, Jakarta, 2009
- [21] Jimly Asshiddiqie, Idea of the Indonesian State of Law, National Legal Midwifery Agency, National Law Magazine, 2011,
- [22] Sudikno Mertokusumo, 2007, Knowing the Law of an Introduction, Liberty, Yogyakarta,
- [23] Fernando M Manulang, 2007, Law in Certainty, Initiative, Bandung,
- [24] Tata Wijayanta, Principles of Legal Certainty, justice and expediency in relation to commercial court bankruptcy decisions, Journal of Legal Dynamics, Vol.12, FH Unsoed, Purwokerto, 2014,
- [25] Az. Nasution, 2003, Consumer Protection Law, First Printing, PT. Raja Grafindo Persada, Jakarta,
- [26] Erman Rajagukguk et al, Consumer Protection law, Bandung: MandarMaju, 2000,
- [27] Surojo Wigjojodiputro, Introduction to Law, Alumni, Bandung, 1974,
- [28] Ruslan, Rosdy. Public Research Methods. PT Raja Grafindo Persada, Surabaya, 2003,
- [29] Peter Mahmud Marzuki, legal research, (Jakarta: Kencana Prenada Media Group, 2016),
- [30] Peter Mahmud Marzuki, Legal Research Revised Edition, 12th Printing (Jakarta: Kencana Prenadamedia Group, 2016)