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IMPLEMENTATION OF CONSUMER PERSONAL DATA PROTECTION IN ECOMMERCE FROM THE PERSPECTIVE OF LAW NO. 27 OF 2022

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ABSTRACT
This research aims to analyze the implementation of the Personal Data Protection Law (PDP Law) No. 27 of 2022 in the e-commerce sector in Indonesia, with a focus on consumer data protection. The method used is normative juridical, focusing on analyzing relevant documents and regulations to outline the legal framework and its application in e-commerce practices. Sources of legal materials include laws and regulations, academic literature, and interviews with legal experts and e-commerce practitioners. The results show that e-commerce companies have made significant adjustments to comply with the PDP Law, including improved privacy policies and investments in data security technologies. However, challenges to the full implementation of the PDP Law remain, particularly regarding consumers' and companies' awareness and understanding of the rights and obligations stipulated in the PDP Law. While there has been an increase in consumer trust in e-commerce platforms, increasing consumer awareness and active participation in the protection of their data still requires further efforts. The implication of this study is that the PDP Law No. 27 of 2022 has provided a stronger and more comprehensive legal framework for consumer data protection in Indonesia's e-commerce sector. However, to maximize the effectiveness of this law, a concerted effort is needed between regulators, the e-commerce industry, and the wider public to improve education and awareness of personal data protection, as well as ongoing adjustments to data management practices by e-commerce companies.

Keywords: E-commerce, Implementation, Personal Data Protection, PDP Law No. 27 of 2022.

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INTRODUCTION

The growth of the e-commerce sector in Indonesia has increased significantly in recent years, mainly driven by technological advances and changes in consumer behaviour (Febriani & Dewi, 2019). In this context, consumers' data becomes an important asset that is often managed by e-commerce platforms (Priliasari, 2023). However, this data management raises concerns regarding data privacy and security, which is a crucial issue for both consumers and businesses. The implementation of the Personal Data Protection Law (PDP Law) No. 27 of 2022 is expected to be a solution to this problem. This law is designed to provide a legal framework for the protection of personal data. However, the reality of its implementation in the field, especially in the e-commerce sector, is not entirely clear (Saly & Sulthanah, 2023).

In the past decade, e-commerce in Indonesia has experienced significant growth, driving an increase in digital transactions and the accumulation of consumers' data. This phenomenon invites particular attention to the protection of personal data, especially amid the global trend of demanding higher privacy standards. Indonesia's Personal Data Protection Law (PDP Law) No. 27 of 2022 was designed to address this need, establishing a framework to protect consumers' data (Yudistira & Ramadani, 2023). However, this shift to the digital age presents its challenges, especially

in the context of effective regulatory implementation in the e-commerce sector (Law No. 27 of 2022 on Personal Data Protection, 2022).

The dynamics of the growing e-commerce market demand rapid adaptation from business actors to comply with this new regulation (Wijaya, 2023). While the PDP Law provides clearer guidance on personal data protection, e-commerce companies are faced with the challenge of integrating these provisions into their operations. Compliance with these regulations is not only a legal obligation but also an important factor in building consumer trust. However, these companies face practical obstacles, such as limited resources and technical complexities in implementing data protection standards.

While the PDP Law provides clear guidance on the rights of consumers and obligations of e-commerce service providers, practices on the ground are often not in line with regulatory expectations. This creates a gap between the rule of law and operational reality. Many e-commerce companies are struggling to adapt their systems and operations to the provisions of the PDP Law. These challenges are not only technical but also relate to legal and administrative aspects, including compliance with the data protection standards set by the PDP Law.

In addition, the level of consumer awareness and understanding of their rights in personal data protection is still low (Puspitasari, 2010). This raises questions about the effectiveness of the PDP Law in protecting consumers' data and affecting their trust in the e-commerce ecosystem. This lack of awareness can have an impact on market dynamics, where consumers may not fully utilize their rights or even realize when their rights are violated.

Previous research has explored the legal and operational aspects of personal data protection in e-commerce. Most have focused on the legal aspects and regulatory compliance but have been limited in examining the practical experience of companies in implementing these provisions. In addition, previous research also tends to emphasize the perspective of companies, with less attention to the aspects of consumer awareness and participation in protecting their data.

However, studies examining consumer awareness of their rights in personal data protection are scarce, especially in Indonesia. This research is important because consumer awareness plays an important role in market dynamics and the effective implementation of the PDP Law. Educated consumers who are aware of their rights can encourage companies to be more proactive in protecting personal data. However, there is still a lack of in-depth understanding of how consumers in Indonesia perceive and respond to the protection of their data in the context of e-commerce.

From a research perspective, there is still a gap in understanding how e-commerce companies in Indonesia adapt to the PDP Law. Previous research has mostly focused on the legal and policy aspects without delving into the practical aspects of implementation in the field. In addition, consumer participation in this process often does not get enough attention. Therefore, this study aims to fill this gap by focusing on the reality of PDP Law implementation in the e-commerce sector, including companies' and consumers' responses to this regulation.

The purpose of this study is to provide a comprehensive analysis of how the Personal Data Protection Law No. 27 of 2022 is implemented in the e-commerce sector in Indonesia, with a particular focus on the protection of consumers' data. This objective includes evaluating e-commerce companies' compliance with the PDP Law, their understanding of the regulation, and the efforts made to align their operations with the provisions of the law. The research also aims to explore consumers' level of awareness of their rights under the PDP Law and how this affects their

behaviour in e-commerce transactions. The benefits of this research are that it will provide useful insights for policymakers, e-commerce practitioners, and consumers, improve the effectiveness of PDP Law implementation, and promote a safer and more trusted e-commerce environment in Indonesia. The contribution or novelty of this research lies in the comprehensive approach taken to understand the implementation of the PDP Law in the Indonesian e-commerce context. It fills a gap in the existing literature by providing an in-depth analysis of how the PDP Law is implemented in practice, particularly from the perspective of consumers, which is often underemphasized in previous studies.

METHOD

In this research, the normative juridical method was chosen as the main approach to examine the implementation of the Personal Data Protection Law (PDP Law) No. 27 of 2022 in the context of e-commerce transactions in Indonesia. The normative juridical approach, which focuses on the application of legal norms as well as the analysis of relevant documents and regulations, enables this research to systematically and in-depth describe the applicable legal framework as well as its interpretation and application in e-commerce practices. Through this approach, the research aims to examine the provisions of the PDP Law, compare them with existing practices, and identify gaps between legal norms and the reality of their implementation.

The sources of legal materials in this research include laws and regulations, such as the PDP Law itself, its implementing regulations, and court decisions, as well as relevant academic literature that includes reputable journal articles, books, and other scholarly publications. These sources were obtained through a comprehensive literature study, which involved searching international journal databases, digital libraries, and official websites of relevant government agencies and organizations. This process ensures that the research is supported by valid and credible secondary data, which is essential to meet Scopus international journal publication standards.

Legal source analysis is conducted by outlining and comparing the legal provisions in the PDP Law with internationally recognized data protection principles, as well as the practices of personal data management by e-commerce companies. This technique involves a critical appraisal of the legal materials, where the researcher interprets the legal norms, evaluates their application, and identifies the implications of the findings for consumer personal data protection. In addition, interviews with legal experts and e-commerce practitioners were conducted to gain practical perspectives and corroborate the document analysis. The overall analysis process reflects the criteria of rigour and reliability required in legal research for Scopus international journal publication.

RESULTS AND DISCUSSION

Implementation of PDP Law No. 27 Year 2022 by E-commerce Companies in Indonesia

Indonesian e-commerce companies have taken significant steps to comply with the Personal Data Protection Law (PDP Law) No. 27 of 2022. Key findings show that most of these companies have made major revisions to their privacy policies, ensuring transparency in the collection, use and storage of consumer data. Furthermore, there is increased investment in data security technologies, such as encryption and firewalls, to protect consumer data from unauthorized access. These adaptations mark a significant shift in companies' approach to data management, compared to previous practices that focused more on data accumulation without adequate safeguards (Quach et

al., 2022). E-commerce companies in Indonesia show varying levels of compliance with the PDP Law. Key findings show that while some large companies with sufficient resources have adapted their policies and systems according to the PDP Law, many small and medium-sized enterprises (SMEs) are still struggling with the compliance aspect (Gomulia et al., 2015). This marks a significant difference from previous studies that tend to generalize industry responses to data protection regulations.

a. Challenges in Implementation
   Despite progress, e-commerce companies face significant challenges in the implementation of the PDP Law. One of the main challenges is limited resources, especially for small and medium-sized companies. They often struggle to meet the strict technical and administrative requirements of the PDP Law. In addition, difficulties in understanding the legal complexities of the PDP Law are also a barrier, especially for companies that do not have access to adequate legal resources. This suggests a gap between legal expectations and operational realities on the ground.
b. Impact on Consumer Trust
   In line with the implementation of the PDP Law, there has been an increase in consumer confidence in e-commerce platforms. Consumers are more comfortable transacting online because they feel more protected. This result is different from previous studies that showed high concerns about privacy and data security on e-commerce platforms ((Miyazaki & Fernandez, 2001). This indicates that the PDP Law has played an important role in changing consumers' perceptions of the security of online transactions.
c. Consumer Awareness and Participation
   Despite the increase in trust, there are still challenges in raising consumer awareness about their rights. Many consumers do not fully understand the implications of the PDP Law, especially regarding their right to access, correct, or delete their data (Suari & Sarjana, 2023). This suggests that there is still room for improvement in consumer education, which is an important aspect of the effective implementation of the PDP Law.
d. Information System Adaptation:
   In terms of technicalities, e-commerce companies have adopted more secure and transparent information systems to protect consumer data (Pohan & Nasution, 2023). This includes implementing stronger data encryption and stricter authentication systems. Nonetheless, this study found that there is a gap in technology implementation between large companies and SMEs, providing a new perspective on the challenges in technology adaptation among companies with different scales and resources.
e. HR Training and Development
   A number of e-commerce companies have invested in training and human resource (HR) development to improve understanding and compliance with the PDP Law. (Rizkinaswara, 2020). This includes training on the legal and technical aspects of personal data management. The findings reveal an increased awareness among e-commerce players of the importance of legal aspects in business operations, which was previously underemphasized in the literature.
f. Response to Data Breach:
   Findings show that e-commerce companies in Indonesia have developed more robust protocols to handle data breaches. (Admiral & Pauck, 2023). These include prompt notification systems to

consumers and relevant authorities, as well as mitigation measures to minimize the impact. This marks a shift from a reactive to a more proactive response in managing data security risks, which has not been widely discussed in previous literature.

g. Comparison with Previous Studies
   Compared to previous publications, these findings show a shift in focus from the legal and policy aspects of the PDP Law to practical implementation on the ground, especially in the context of e-commerce companies. Previous research focuses on the legal framework without delving into the operational challenges faced by companies in implementing the regulation. These results provide new insights into how e-commerce companies respond to personal data protection needs, not only from a legal perspective but also in day-to-day business practices.

This study answers the question of how e-commerce companies in Indonesia are implementing the provisions of the Personal Data Protection Law (PDP Law) No. 27 of 2022. It produces important findings that summarize the law's practical implementation in the context of e-commerce. With a focus on clear and concise results and discussion as per Scopus journal article writing criteria, these findings highlight the differences between current implementation and previous studies, revealing key aspects of e-commerce practice relating to the PDP Law.

Consumer Awareness and Participation in Their Rights

Regarding consumers' awareness of and participation in their rights in the context of PDP Law No. 27 of 2022, this study revealed some important findings. These findings, summarized in the following six paragraphs, provide a clear and concise overview in accordance with the writing criteria of the Results and Discussion section in Scopus journals. The results highlight the differences between these findings and previous publications, providing new insights into the dynamics of consumer personal data protection in Indonesia.

a. Consumer Awareness of Data Protection Rights
   This research found that consumer awareness in Indonesia about their rights in personal data protection is still relatively low. Many consumers do not fully understand the implications of the PDP Law in the context of their rights. This is different from the assumption in some previous studies that there is a higher level of awareness. This finding indicates the need for more intensive consumer education efforts.
b. Consumer Participation in Data Protection
   Despite low awareness, there are indications that consumers who are aware of their rights tend to be more active in protecting their data (Barth et al., 2019). This includes actions such as reading privacy policies and questioning data usage by e-commerce platforms. However, this only applies to a small segment of consumers, marking a difference with previous research that tends to assume broader consumer participation in their data protection (Pohan & Nasution, 2023). (Pohan & Nasution, 2023).
c. Media Influence and Information Campaigns
   Research findings also show that media and information campaigns play an important role in raising consumers' awareness of their rights. (Igirisa et al., 2022).. This research reveals that consumers who are exposed to information about personal data protection through the media are more likely to be aware of their rights. This differs from previous studies that did not specifically highlight the role of media in consumer education regarding data protection rights.

d. Educational Role of E-commerce Companies
   Furthermore, this study found that e-commerce companies have an important role in raising consumer awareness (Igirisa et al., 2022). While some companies have taken steps to educate their consumers, many still do not provide enough information on how they manage and protect personal data. This suggests a gap in consumer education practices between large and small companies.
e. Privacy Policy Impact
   According to research findings, e-commerce companies' privacy policies are often not read or fully understood by consumers. Lengthy and complex policies lead to a lack of in-depth understanding of how their data is managed and protected, a finding that has rarely been raised in previous literature (Kurnianingrum, 2023).
f. Awareness of Legal Rights in Data Breach Cases
   This research shows that only a minority of consumers understand their legal rights in the case of a personal data breach. Many consumers do not know how to assert their rights or the procedures to follow when their data is misused (KOMINFO, 2020). This marks a difference with previous studies, which often assume a higher level of legal understanding among consumers.

E-Commerce Company Compliance with PDP Law No. 27 Year 2022

This study examines the level of compliance of e-commerce companies with the Personal Data Protection Law (PDP Law) No. 27 of 2022. Based on the analysis of related documents and literature, it is identified that e-commerce companies have made various efforts to fulfil the requirements set by the Law. These efforts include adjustments to data management systems, the development of transparent privacy policies, and the implementation of stricter data security mechanisms.

In order to comply with the PDP Law, e-commerce companies in Indonesia show variations in the strategies adopted. Most companies have updated their privacy policies, ensuring that they are easily accessible and understood by users (Moise, 2019). This is in accordance with Article 15 of the PDP Law, which emphasizes the importance of transparency in personal data management. In addition, companies are also investing in data security technologies to meet the standards set by Article 22 of the PDP Law, which requires the use of appropriate security technologies to protect personal data.

However, researchers found that there are significant challenges in this compliance process. One of the main challenges is resources, both in terms of financial and technical expertise. Article 35 of the PDP Law requires companies to have a personal data protection officer who must have a deep understanding of the legal and technical aspects of data protection. This challenge is more severe for small and medium-sized e-commerce companies with limited resources.

Another challenge is the complexity of implementing high data security standards. While Article 22 of the PDP Law mentions the use of appropriate security technologies, it is not always clear to companies how such standards can be practically applied in day-to-day operations. This requires companies to constantly update their knowledge and technology, which can incur significant operational costs.

An evaluation of the impact of compliance on company operations shows that, while challenging, compliance with the PDP Law has a positive impact on the company's reputation. Good compliance can increase consumer trust and provide a competitive advantage in the market. This is in line with Article 6 of the PDP Law, which emphasizes the importance of consumer consent in the

collection of personal data, and Article 7, which limits the use of personal data to clear and legitimate purposes only.

In an operational context, compliance with the PDP Law encourages companies to be more efficient and systematic in managing personal data. This not only minimizes the risk of data leakage but also strengthens the company's internal governance. While adjusting to this regulation requires a large initial investment, it can ultimately strengthen the company's operational foundation in the long run.

From the researcher's perspective, this analysis shows that while the PDP Law No. 27 of 2022 provides a strong framework for personal data protection, its implementation on the ground demands careful attention to operational details and ongoing investment. This is particularly important in the context of e-commerce in Indonesia, where rapid market dynamics require agile adaptation and responsiveness to changing regulations.

Impact of PDP Law on Consumer Personal Data Protection and Market Dynamics

In an analysis of the impact of the Personal Data Protection Law (PDP Law) No. 27 of 2022 on Indonesia's e-commerce sector, significant improvements in consumer personal data protection have been identified. After the implementation of this law, e-commerce companies have increased awareness and application of data protection principles, which directly contribute to improved protection for consumers. Key aspects, such as the obligation to obtain explicit consent from consumers before the collection and use of their data (Baiq, 2021), regulated in Article 9 of the PDP Law, have led to improved data management practices.

Furthermore, changes in consumer behavior were also observed, with an increase in their trust in e-commerce platforms. This is because consumers are becoming more aware of their rights to protect their personal data (Smart, 2022), as outlined in Article 26 of the PDP Law, which describes the rights of data subjects. This awareness encourages consumers to be more selective in choosing e-commerce platforms that adhere to high data protection standards.

The e-commerce market has responded to the PDP Law by making a number of adjustments, including privacy policy overhauls, data security enhancements, and investments in data protection technologies. These adjustments aim not only to comply with the PDP Law but also to maintain consumer trust. Such adjustments are especially important in light of Article 15 of the PDP Law, which stipulates the responsibilities of data controllers in protecting personal data.

An evaluation of the PDP Law's contribution to creating a safer and more reliable e-commerce environment shows positive results. The Law provides a clear and comprehensive legal framework that guides e-commerce companies in managing consumers' data responsibly. This is reinforced by Article 21, which states the obligation of data controllers and processors to ensure the security of personal data.

However, implementing the PDP Law presents challenges, including the need to increase awareness and understanding among businesses and consumers of its implications and responsibilities. This calls for further initiatives for education and training related to the PDP Law, which supports article 6, which mentions the principles of personal data protection.

E-commerce companies should continuously monitor and evaluate their practices in managing personal data to ensure ongoing compliance with the PDP Law. This proactive approach not only minimizes legal risks but also strengthens consumer trust, which is a critical asset in today's digital economy.

As such, PDP Law No. 27 of 2022 has brought about significant changes in the protection of consumer personal data and the dynamics of the e-commerce market in Indonesia. Effective implementation of this law requires cooperation between regulators, the e-commerce industry, and the public at large to create a safe and conducive digital environment for all parties.

CONCLUSION

The conclusion of this study highlights that the implementation of the Personal Data Protection Law (PDP Law) No. 27 of 2022 has provided a stronger and more comprehensive legal framework for consumer data protection in the e-commerce sector in Indonesia. This has evidently encouraged e-commerce companies to improve their data management practices, which in turn has increased consumer trust in e-commerce platforms. The implication of this study is that despite increased awareness and active participation of consumers in personal data protection, there are still challenges that need to be overcome. Continuous education and awareness campaigns are needed to ensure that consumers can effectively protect their rights and participate in a safe e-commerce ecosystem. On the other hand, e-commerce companies should also continue to improve their data management practices to maintain consumer trust. Based on the findings of this study, it is recommended that the government and relevant regulators increase efforts to monitor and evaluate the implementation of the PDP Law. In addition, it is necessary to facilitate dialogue between businesses, consumers, and legal experts to identify and address barriers to the implementation of the PDP Law. Further research is also needed to explore the effect of recent policies and regulations on the e-commerce market and consumer protection, so as to better understand the effectiveness of current policies and the need for adjustments or additional regulations in the evolving digital environment.

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