

Legal Education For The Community Through The Upmi Faculty of Law Seminar On Consumer Protection In Digital Transactions and The Economy

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Abstract.

The growth of digital transactions and the creative economy in Indonesia brings tremendous opportunities as well as significant legal risks. In reality, many people do not yet understand their rights as consumers and do not know what to do when they suffer losses. This situation serves as the background for the organization of the Seminar by the Faculty of Law of Universitas Pembinaan Masyarakat Indonesia (UPMI) Medan as part of its community service program. The seminar, themed Consumer Protection in Digital Transactions and the Creative Economy, was designed to provide practical understanding to the community, particularly students, regarding consumer protection regulations, legally guaranteed rights, challenges in the creative economy sector, and complaint channels available when their rights are violated. The methods employed included interactive lectures, panel discussions, and direct question-and-answer sessions with speakers competent in consumer law and the digital economy. Pre- and post-activity evaluations showed a significant increase in participants' understanding of Law No. 8 of 1999 on Consumer Protection, the Electronic Information and Transactions Law (ITE Law), the complaint mechanism through BPSK, and preventive measures in digital transactions. This activity is expected to be part of ongoing efforts to promote legal literacy in the digital era.

Keywords: Consumer Protection, Digital Transactions, Creative Economy, Legal Education and Legal Seminar.

I. INTRODUCTION

The development of digital technology has transformed the daily lives of Indonesians, including the way they conduct transactions. Online shopping, payments via digital wallets, and the consumption of app-based services are no longer unfamiliar to millions of people across all age groups. Data released by the Association of Indonesian Internet Service Providers (APJII) records that internet users in Indonesia reached 215 million in 2023, and this figure continues to grow each year. The value of e-commerce transactions in Indonesia has also surged, making Indonesia one of the largest digital markets in Southeast Asia [1]. This growth opens up remarkable economic opportunities, but at the same time gives rise to new risks that cannot be ignored, particularly for consumers who do not yet fully understand their legal rights in the digital space.

The reality on the ground paints a less encouraging picture. The National Consumer Protection Agency (BPKN) records that consumer complaints related to digital transactions continue to increase year after year. The most frequently reported cases include goods that do not match the product description or photos, fraud by sellers using false identities, convoluted refund processes, and the leakage of consumer personal data due to weak platform security systems [2]. What is particularly concerning is the fact that the majority of consumers who suffer losses take no legal action whatsoever, not because there is no legal basis, but because they do not know that there are regulations protecting them and official institutions that can help resolve such issues.

The creative economy represents another dimension that adds further complexity to this issue. Indonesia has a continuously growing creative economy ecosystem, encompassing dozens of subsectors ranging from fashion, culinary arts, music, film, animation, and graphic design to digital content. Law No. 24 of 2019 on the Creative Economy provides formal recognition of this sector as an important part of the national economy. However, in practice, many creative economy actors who market products through social media such as Instagram, TikTok, or WhatsApp are unaware that they are bound by consumer protection law. On the other hand, consumers who purchase digital creative products also frequently do not know what

they can demand when they receive a product that fails to meet what was promised, or when a service they ordered is not carried out as agreed [3].

The gap between existing law and public knowledge about that law is a serious problem. Law No. 8 of 1999 on Consumer Protection has been in existence for over two decades, yet the level of public awareness of its contents remains very low. The same applies to Law No. 19 of 2016 on Electronic Information and Transactions, which should be able to serve as a protective instrument for consumers in digital transactions [4]. Many people are not yet aware that institutions such as the Consumer Dispute Settlement Agency (BPSK) exist and can assist them free of charge when they are involved in disputes with business actors.

Universities, and specifically faculties of law, play a strategic role in closing this gap. The Tri Dharma of Higher Education requires academic institutions not only to carry out education and research, but also to actively contribute through community service. Within this framework, the Faculty of Law of Universitas Pembinaan Masyarakat Indonesia (UPMI) Medan took concrete action by organizing a seminar as an open and publicly accessible space for legal education. The seminar was designed so that the community, especially students as young active users of digital platforms, could gain practical and applicable understanding of their rights as consumers in the digital era.

This article documents the entire series of community service activities carried out by the Faculty of Law of UPMI Medan, from the background and planning, the implementation methodology, the substance of the material presented across three main discussion points, to the results and tangible impact experienced by participants. This documentation is intended to be useful not only as an academic record, but also as a reference for other higher education institutions wishing to design similar legal education programs.

II. COMMUNITY SERVICE METHODOLOGY

This community service activity was carried out by a team of lecturers from the Faculty of Law of Universitas Pembinaan Masyarakat Indonesia (UPMI) Medan in a half-day seminar format. The seminar took place in the UPMI Medan campus auditorium and was attended by students from various study programs, academic staff, and several members of the general public interested in the topic of digital consumer protection. Students were involved not only as participants, but also as part of the organizing committee, making this activity simultaneously a hands-on learning experience that cannot be obtained solely from the classroom.

Preparation began several weeks before the event. The service team mapped participants' information needs through preliminary discussions with student representatives and academic staff. These discussions revealed that most students had not yet understood the details of consumer protection regulations and were unaware of the steps they could take when suffering losses in digital transactions. These findings formed the basis for compiling seminar materials that were relevant to the actual needs of the participants. Resource persons were selected carefully based on their expertise in consumer law, digital law, and the creative economy, ensuring they were capable of delivering material clearly and in a manner easily understood by participants who were, for the most part, not from a pure legal background.

Institutional coordination was conducted with the leadership of the Faculty of Law and the UPMI Rectorate to obtain resource support and institutional legitimacy. Presentation materials were compiled using real-life case examples commonly encountered in everyday digital transactions, to make them more comprehensible and relevant to participants. The committee also prepared evaluation instruments in the form of questionnaires distributed before and after the seminar, with the aim of measuring changes in participants' understanding both quantitatively and qualitatively.

The seminar was divided into several sessions. The first session was opened with a welcoming speech from the Dean of the UPMI Faculty of Law, who emphasized the importance of legal literacy for younger generations in the digital era. Following the opening, the seminar continued with presentations by the resource persons in turn, using an interactive lecture method. Participants were not merely listeners, but were actively invited to raise questions, provide responses, or share personal experiences related to the topic being discussed. This approach enlivened the seminar atmosphere and allowed the material to be more readily absorbed, as it was directly connected to participants' own experiences.

The next session was a panel discussion between the resource persons and participants in an open question-and-answer format. This session drew the most enthusiastic participation, as participants could receive direct answers to the specific problems they had encountered. Several questions that arose even sparked fairly in-depth discussions about real cases in digital transactions, thereby enriching the understanding of all participants present. The seminar closed with the delivery of conclusions and recommendations from the resource persons, followed by all participants completing the evaluation questionnaire.

Evaluation was conducted in two ways. The first was an analysis of the questionnaire results before and after the seminar to observe changes in participants' level of understanding of consumer protection regulations, their awareness of complaint institutions, and their confidence in taking legal action if they suffered losses. The second was a brief discussion with participant representatives after the event concluded, to obtain direct feedback on the quality of the material, the effectiveness of the delivery method, and topics requiring further discussion. All evaluation results were analyzed descriptively as material for reflection and improvement in future community service activities.

III. RESULTS AND DISCUSSION

1. Consumer Protection in Digital Transactions

The first material presented at the seminar discussed the legal framework for consumer protection in Indonesia and how existing regulations apply in the context of digital transactions. Understanding this framework constitutes an important foundation before participants can grasp their specific rights or the legal channels available to them. Law No. 8 of 1999 on Consumer Protection is the primary regulation serving as the legal umbrella for all consumers in Indonesia. This law was born from the recognition that in every transaction, consumers are often in a weaker position than business actors, whether in terms of access to information, bargaining capacity, or access to dispute resolution mechanisms. On this basis, the state intervenes through regulations that explicitly guarantee consumers' rights and impose clear obligations on business actors [4].

This law grants eight fundamental rights to consumers. First, the right to comfort, safety, and security in consuming goods or services. Second, the right to choose and obtain goods or services in accordance with the exchange value and conditions promised. Third, the right to correct, clear, and honest information about the condition and guarantee of goods or services. Fourth, the right to have their opinions and complaints heard. Fifth, the right to advocacy, protection, and dispute resolution efforts. Sixth, the right to consumer guidance and education. Seventh, the right to be treated and served fairly and honestly without discrimination. Eighth, the right to compensation if the goods or services received do not conform to the agreement or are not as they should be [5]. These eight rights apply universally, including in transactions carried out digitally.

From the perspective of business actors, this law imposes significant obligations. Business actors must act in good faith in carrying out their business, provide accurate and non-misleading information, guarantee the quality of goods or services traded in accordance with applicable standards, and provide compensation if consumers suffer losses as a result of using their products or services. Sanctions for business actors who violate these provisions may be administrative, civil, or criminal in nature, depending on the type and severity of the violation committed [5].

In the realm of digital transactions, Law No. 19 of 2016 on the Amendment to Law No. 11 of 2008 on Electronic Information and Transactions (ITE Law) serves as an additional legal foundation that complements consumer protection law. Article 17 of the ITE Law explicitly states that the conduct of electronic transactions must be carried out in good faith. This means that the digital space is not a law-free zone, and all forms of electronically conducted transactions remain subject to applicable legal norms. Government Regulation No. 71 of 2019 on the Administration of Electronic Systems and Transactions also obliges every electronic system provider, including marketplace platforms, to maintain the security and confidentiality of their users' data [6].

Although the existing regulations are fairly comprehensive, the implementation of consumer protection in the digital world faces real challenges. One of the greatest challenges is the difficulty of verifying seller identities in online transactions. Unlike shopping at a physical store where face-to-face interaction is possible, online buyers often cannot ascertain who is actually selling goods to them. Unverified accounts or those using false identities make it difficult for consumers to seek accountability when problems arise. This underscores the importance of marketplace platforms having a rigorous seller identity verification system as part of their responsibility toward consumers [6].

Another challenge arises from the discrepancy between products as promoted and as received by consumers. In online transactions, purchasing decisions rely heavily on product photos, written descriptions, and reviews from previous buyers. When photos or descriptions do not reflect the actual condition of the goods, consumers are harmed. Some sellers even use fake reviews to build an artificial reputation. Such behavior is clearly contrary to consumers' right to correct and honest information as guaranteed by consumer protection law [6].

Personal data security is also an equally serious issue. Every time someone conducts an online transaction, they entrust various sensitive data such as their name, address, phone number, and payment information to the platform. If the platform does not adequately protect this data, consumers risk experiencing data breaches that can be exploited for fraud, identity theft, or other digital crimes. Data breach incidents affecting several major platforms in Indonesia in recent years demonstrate that this risk is very real and has not yet been fully resolved [2].

When this material was presented at the seminar, many participants admitted they had only just realized they possess rights explicitly guaranteed by law. Prior to the seminar, most participants were unaware of the detailed contents of the Consumer Protection Law and did not realize that such regulations also apply to transactions they conduct on marketplaces or social media. The ensuing discussion also revealed that many participants had previously experienced losses in online transactions, ranging from goods that did not match their orders to outright fraud, yet took no action because they assumed nothing could be done. Understanding this legal framework became an important starting point for participants to proceed further in grasping their specific rights and available resolution mechanisms.

2. Consumer Rights in the Creative Economy Sector

The next material session discussed the position of consumers within the creative economy ecosystem, a sector that is growing very rapidly yet still presents many unresolved issues from the perspective of legal protection. Law No. 24 of 2019 on the Creative Economy defines the creative economy as the manifestation of added value derived from intellectual property originating from human creativity based on cultural heritage, knowledge, and technology. The government designates 17 subsectors within the creative economy, including architecture, interior design, visual communication design, product design, fashion, animated film and video, photography, crafts, culinary arts, music, application and game development, publishing, advertising, performing arts, fine arts, television and radio, and video and animation [3].

All actors in these subsectors, regardless of the scale of their business, are subject to consumer protection law. This is an understanding that small- and medium-scale creative economy actors frequently lack. Those who sell artisan cakes through Instagram, offer graphic design services via WhatsApp, or provide paid creative content through digital platforms often assume that, because they are individuals or small businesses, consumer protection law does not apply to them. This understanding is mistaken. As long as a person carries out economic activities involving consumers with the aim of obtaining benefit, including financial profit, consumer protection law applies in full [7].

During this seminar session, resource persons explained the various types of disputes that commonly arise in the creative economy sector. The most frequently encountered are cases where products do not match the promotional content on social media, with the uploaded photos differing significantly from the product actually received by the buyer. In the culinary sector, problems frequently involve sizes or ingredients that do not conform to what was promised. In the fashion sector, complaints about fabric quality or cuts that do not match the photos have become very common. In creative service sectors such as design or content

creation, frequent issues involve final outputs that fall far short of the expectations agreed upon at the outset, or service providers who fail to complete work after receiving payment [7].

Participants were also introduced to aspects of intellectual property rights that directly intersect with consumer protection in the creative economy sector. Law No. 28 of 2014 on Copyright grants automatic protection to works of art, literature, and science as soon as such works are expressed in a tangible form, without the need for a registration process. This means that every creative work marketed, whether in the form of music, graphic design, photography, writing, or video content, is legally protected from the moment it is first created and published [8].

There are two important consequences of these provisions that both consumers and creative business actors need to understand. From the consumer's perspective, purchasing or downloading a digital creative product does not automatically confer the right to distribute it commercially. When someone buys digital music, for example, they obtain only a license for personal use, not the right to reproduce or distribute it without the copyright holder's permission. Violating this provision can result in civil or criminal legal action. From the perspective of creative business actors, selling works that are not one's own creation or that plagiarize the works of others constitutes a serious violation that can lead to lawsuits from the original rights holder and simultaneously defrauds consumers [8].

The resource persons also discussed a phenomenon that has become increasingly widespread in recent times, namely the sale of digital artworks in the form of NFTs (Non-Fungible Tokens) and artificial intelligence-based products. Although specific regulations governing this in Indonesia are still in the process of being formulated, the fundamental principles of consumer protection law and copyright law continue to apply. Consumers who purchase digital assets are entitled to receive clear and accurate information about what they are buying, what rights they acquire, and how to access them. Business actors who sell digital products with excessive or misleading claims can still be held accountable under existing law [7].

One of the points that most enlivened the discussion was when participants shared firsthand experiences of transactions in the creative economy sector that they had personally experienced or witnessed. One participant recounted ordering a birthday cake with a specific design, only to find the result was very different from the photos used in promotion. Another had paid for a logo design service but the service provider disappeared after receiving a down payment. Yet another had purchased paid photo presets on social media only to discover that the same presets were freely available on the internet. Real-life experiences such as these helped participants understand that consumer law issues in the creative economy sector are not mere theory, but something very close to their everyday lives.

Good understanding on both sides, both consumers and creative business actors, is the key to building a healthy ecosystem. Consumers need to know that they are entitled to products or services that match what was promoted and are commensurate with the price paid. Creative business actors need to understand that maintaining quality and honesty in promotion is not merely a matter of business ethics, but also a legal obligation whose violation can result in serious sanctions. This seminar served as the right venue for building shared awareness of these matters [8].

3. Complaint Channels and the Educational Impact on Participants

The final and most attention-grabbing session for participants was the discussion on consumer complaint mechanisms and dispute resolution. This session was highly practical in nature, as it directly addressed the question most frequently raised by participants, namely: 'If you have already suffered a loss, what do you do and where do you go to complain?' The resource persons opened the session by explaining that the Indonesian legal system has in fact already provided several fairly comprehensive resolution channels, ranging from informal channels within platforms, official out-of-court channels, to litigation through the courts [9].

The first channel recommended as an initial step is to utilize the internal complaint mechanism provided by the marketplace platform or digital service being used. Major platforms such as Shopee, Tokopedia, and Lazada have complaint submission features and internal dispute handling systems that buyers can access directly. This step is important to try first because it is faster and does not require lengthy administrative processes. However, the primary condition for such complaints to succeed is complete

documentation, including proof of transaction, proof of payment, screenshots of communications with the seller, and photographs of the condition of goods received if there is a problem with a physical product [9].

If resolution through the platform proves unsuccessful or unsatisfactory, the next step is to file a complaint with the Consumer Dispute Settlement Agency (BPSK). BPSK is an official institution established under the Consumer Protection Law and tasked with handling disputes between consumers and business actors outside of court. The primary advantages of BPSK are its free services for consumers and its relatively faster process compared to the court route. BPSK is available in many regencies and cities throughout Indonesia, making it accessible to consumers across various regions [9].

The dispute resolution mechanisms at BPSK encompass three approaches. Conciliation is an approach in which the consumer and the business actor are brought together and facilitated by BPSK to find a voluntarily agreed resolution, without any decision being imposed by any party. Mediation is an approach in which BPSK plays a more active role in helping to formulate resolution options and encouraging both parties to reach an agreement, though the final decision remains in the hands of the parties themselves. Arbitration is an approach in which both parties agree to submit the resolution of the dispute to BPSK, and BPSK's decision is binding and final. All three approaches can be chosen according to the situation and willingness of both parties [9].

In addition to BPSK, there are several other institutions that consumers can turn to for complaints. The Directorate General of Consumer Protection and Trade Compliance (Ditjen PKTN) of the Ministry of Trade provides a complaint service accessible both online and in person. For disputes relating to financial services, digital banking, or fintech, consumers can report to the Financial Services Authority (OJK) through its official consumer service. Meanwhile, for matters concerning personal data or the security of electronic systems, consumers can file complaints with the Ministry of Communication and Information Technology (Kominfo), which has supervisory authority over electronic system providers [2].

The resource persons also explained that if all out-of-court resolution channels fail to deliver justice, consumers can still pursue litigation by filing a civil lawsuit in the District Court. The Consumer Protection Law explicitly grants this right to consumers harmed by business actors. For disputes involving relatively small amounts of loss, a simplified claim mechanism is now available, with a process that is far faster and costs that are more affordable than standard litigation. If the business actor's conduct contains criminal elements such as deliberate fraud, consumers may also report the perpetrator to the police under the provisions of the Criminal Code or the ITE Law [9].

The resource persons closed the session by emphasizing the importance of preventive measures that consumers can take before problems arise. Among the recommended steps were: always reading the terms and conditions before shopping on a new platform; ensuring the seller has a good reputation based on previous buyers' reviews; keeping all transaction evidence in the form of screenshots or digital documents; using payment methods that offer protection, such as escrow accounts facilitated by the marketplace; and avoiding direct transfers to the personal bank accounts of unknown sellers, as it becomes very difficult to seek accountability should problems occur [10].

The evaluation results from questionnaires distributed before and after the seminar showed fairly significant changes in participants' understanding. Before the seminar, nearly 80 percent of participants admitted they were unaware of the existence of BPSK and did not understand the available complaint channels. After the seminar, almost all participants stated that they now understood at least one complaint channel they could pursue if they suffered losses in digital transactions. Understanding of fundamental consumer rights under law also increased significantly. More importantly, many participants stated that they now feel more confident in taking action should they suffer losses as consumers in the future [10].

During the panel discussion session, a number of participants openly shared experiences of having been victims of fraud or suffering losses in digital transactions. One participant recounted having transferred money to a seller of counterfeit imported bags who claimed to be selling genuine items, only for the seller to disappear immediately after the transfer. They took no action at the time because they did not know where to file a complaint. Another participant shared the experience of ordering food through an online motorcycle-taxi application that never arrived, even though the delivery status in the app showed it as delivered. Yet

another told of subscribing to a paid streaming service only to find the account was being shared with dozens of other users, making it frequently unusable. Having received explanations during the seminar, these participants stated they now know the concrete steps they should have taken. The transformation from ignorance to the courage to act is the most tangible and valuable impact of this kind of legal education activity [10].

Students' involvement as the seminar's organizing committee also provided additional value. They did not merely absorb material about consumer protection law as participants, but also developed practical skills in event management, team coordination, and public communication. This experience is part of a learning process that cannot be obtained solely through regular coursework. Students are also expected to become agents of legal information dissemination within their immediate communities, given their close relationship with technology and their ability to use digital platforms to spread knowledge to a wider audience.



Fig 1. Group Photo of Resource Persons, and Lecturers of the UPMI Medan Faculty of Law

IV. CONCLUSION

The UPMI Medan Faculty of Law Seminar on Consumer Protection in Digital Transactions and the Creative Economy was successfully held and produced tangible impacts for participants. The discussion across three main points, beginning with the regulatory framework for consumer protection in the digital era, moving to consumer rights in the creative economy sector, and concluding with available complaint mechanisms, succeeded in providing participants who previously had very limited knowledge of these matters with a more complete and practical understanding.

Evaluation results indicate a significant improvement in participants' understanding of Law No. 8 of 1999 on Consumer Protection, the ITE Law, the existence of BPSK, and the steps that can be taken when their rights as consumers are violated. Equally important, this activity also succeeded in transforming participants' attitudes, from initially being uninformed and tending toward passive acceptance, to being more knowledgeable and courageous in taking appropriate legal action.

This activity affirms that legal education should not be confined to the classroom alone. Universities, particularly faculties of law, bear the responsibility of bringing legal knowledge out of the academic sphere and making it something directly usable by the community. In this rapidly evolving digital era, legal literacy is an increasingly urgent necessity. The UPMI Medan Faculty of Law is committed to continuing to develop similar programs in more diverse formats, reaching a wider target audience, and addressing other legal topics relevant to the needs of today's society.

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