



THE MECHANISM OF ACCOMPLISHMENT OF CONSUMER COMPLAINTS IN REVIEW AND THE IMPLEMENTATION OF CIVIL LAW IN INDONESIA

Benny Djaja¹, Rizal Iskandar Soewito²

^{1,2}Tarumanagara University, Indonesia

Email: bennyd@fh.untar.ac.id, Rizalshfor99@gmail.com

Abstract

Rapid global economic development has **significantly** changed the relationship between producers and consumers. This research examines the mechanism for resolving consumer complaints in Indonesia, focusing on the Consumer Dispute Resolution Agency (BPSK) and the potential for implementing Online Dispute Resolution (ODR). Data was collected through literature study, in-depth interviews, and observation.

The research results show that despite a comprehensive legal framework, implementation is still hampered by lack of outreach, budget limitations, and legal inconsistencies. Many consumers do not know the existence of BPSK, so its accessibility is limited. The digital era and the development of e-commerce add complexity, with many platforms having internal complaint resolution systems that still need to be integrated with BPSK. Online Dispute Resolution (ODR) has excellent potential to improve efficiency and accessibility but is hampered by low digital literacy and inadequate infrastructure. In the financial sector, the Alternative Dispute Resolution Institution (LAPS) shows potential but requires improvements in socialization and standardization of procedures. Coordination between LAPS and BPSK needs to be improved to prevent overlapping jurisdictions. Indonesia can also learn from the best practices of other countries, such as Malaysia, to adopt a more integrated and technology-based dispute resolution system.

Keywords: Consumer complaint resolution, BPSK, Online Dispute Resolution, consumer protection, Indonesia

INTRODUCTION

Rapid global economic development has significantly changed the relationship between producers and consumers. As the complexity of products and services increases and consumers become increasingly critical of their rights, effective and efficient consumer complaint resolution mechanisms become increasingly essential. This issue is relevant and urgent to study in Indonesia, which has a large consumer population.

Law Number 8 of 1999 concerning Consumer Protection has become Indonesia's primary legal basis for protecting consumer rights. However, implementing this law in daily practice still needs to overcome various challenges. Shidarta (2000) states, "Consumer protection in Indonesia still faces various obstacles, especially in law enforcement and public awareness of their rights as consumers."

The conventional justice system, which often takes a long time and is expensive, has encouraged the search for more efficient alternative dispute resolution. The Consumer Dispute Resolution Agency (BPSK) was formed as a solution, but this institution also faces various challenges

in practice. Limited human resources, budget, and infrastructure are the main obstacles. This paper raises research questions about strategies that can be implemented to increase the capacity and effectiveness of BPSK.

The digital revolution has significantly changed how consumers voice their complaints. Digital platforms and social media have become consumers' main channels through which they express dissatisfaction. This phenomenon creates new challenges for companies in managing their reputation and responding to consumer complaints. However, how civil law can accommodate these changes and what the legal implications are for handling complaints via social media are still being determined. Amid globalization, there is a need to adopt international standards in handling consumer complaints. However, how to integrate these standards into the Indonesian legal context is a question that needs to be answered.

In civil law, consumer dispute resolution can be done through litigation or non-litigation. However, Susanti Adi Nugroho (2008) states, "Resolving disputes through the courts takes a long time and costs a lot of money, so more effective and efficient alternative dispute resolution is needed." One alternative regulated in the Consumer Protection Law is through the Consumer Dispute Resolution Agency (BPSK). It is hoped that this institution can be a faster, cheaper, and simpler solution for resolving consumer disputes. However, BPSK also needs help with its implementation. According to research by Kurniawan (2012), "BPSK's effectiveness in resolving consumer disputes is still hampered by various factors, including limited human resources, budget and infrastructure."

On the other hand, developments in information technology have opened up new opportunities in consumer complaint resolution mechanisms. Digital platforms and social media have become a means for consumers to voice their complaints more widely and quickly. There are new challenges for manufacturers in managing their reputation while opening up opportunities to respond more responsively to consumer complaints. As Lestari and Yelni Nasri (2019) state, "Social media has changed the landscape of handling consumer complaints, forcing companies to be more responsive and transparent in handling consumer issues."

In a global context, Indonesia also needs to consider international standards when resolving consumer complaints. ISO 10002:2018, concerning quality management, provides customer satisfaction guidelines for complaint handling in organizations. It provides a framework that can be adopted to improve the complaint-handling system in Indonesia. Given the complexity of this issue, a comprehensive approach is needed that involves various stakeholders, including government, business actors, consumer organizations, and academics. As Ahmadi Miru and Sutarman Yodo (2015) state, "Consumer protection is not solely the responsibility of the government, but is a shared responsibility of all elements of society." Several previous studies have provided valuable insights to help us understand the complexity of consumer complaint resolution mechanisms in Indonesia. These studies highlight various essential aspects that need to be considered in the context of civil law and its implementation in Indonesia.

Nurbaiti (2018), in his research on the effectiveness of the Consumer Dispute Resolution Agency (BPSK), revealed that although BPSK has excellent potential as a fast and affordable alternative dispute resolution, its implementation is still hampered by various factors. Lack of outreach, budget limitations, and inconsistencies in applying the law are the main challenges that must be overcome. These findings emphasize the need for evaluation and improvement of existing mechanisms. Along with technological developments, Miru and Sutarman (2019) examine new challenges in consumer protection in the digital era. Their research emphasizes the need for legal frameworks more adaptive to digital transactions and dispute resolution mechanisms that utilize technology, in line with Yulianti's (2020) study, which analyzed the potential and challenges of implementing Online Dispute Resolution (ODR) in Indonesia. Although ODR offers efficiency and accessibility, Yulianti finds that legal and infrastructure obstacles still need to be overcome.

In the context of the financial sector, Abubakar and Handayani (2018) examined the role of Alternative Dispute Resolution Institutions (LAPS). Their study identified areas requiring improvement in the legal framework and implementation of LAPS, providing an essential perspective on dispute resolution in specific sectors. Meanwhile, Rosadi and Tahira (2019) conducted a comparative study of consumer protection for electronic transactions between Indonesia and Malaysia. Their research reveals best practices that can be adopted and legal gaps that need to be closed in the Indonesian context, providing valuable insights for improving existing systems.

These studies collectively illustrate the complex landscape of consumer complaint resolution in Indonesia. They underscored the importance of adapting the law to technological developments, improving the infrastructure and capacity of dispute resolution institutions, and the need for a more comprehensive and innovative approach. However, although these studies have made significant contributions, gaps still need to be explored further. In particular, how to integrate various dispute resolution mechanisms - both conventional and technology-based - into one coherent and effective system. In addition, it is necessary to study more deeply the impact of increasing consumer legal awareness on the effectiveness of existing dispute resolution mechanisms.

The research gap that arises from these phenomena includes several crucial aspects. First, how can civil law adapt to new complexities in consumer-producer relationships? Second, the extent to which consumer legal awareness influences the dispute resolution process. Third, what strategies can be implemented to increase the effectiveness of BPSK? Fourth, digital complaint handling should be integrated into the existing legal framework. Finally, what kind of collaboration model is most effective in dealing with consumer protection issues in Indonesia?

This research aims to examine the mechanism for resolving consumer complaints from a civil law perspective in Indonesia, analyze its implementation in practice, and identify challenges and opportunities for improvement. By understanding these dynamics, more effective policy recommendations can be formulated to protect consumer rights and create a healthy business climate

in Indonesia. Therefore, this research is a foundation laid by previous research, focusing on a comprehensive analysis of consumer complaint resolution mechanisms in civil law reviews and their implementation in Indonesia. By considering various aspects identified by prior research, this study seeks to provide a more in-depth and holistic understanding and formulate concrete recommendations for improving the existing system.

LITERATURE REVIEW

Consumer protection

Consumer protection is a fundamental basis for understanding consumer rights and the obligations of business actors. Shidarta (2000) defines consumer protection as "all efforts that ensure legal certainty to provide protection to consumers." This theory emphasizes the importance of balance between consumers and producers in economic transactions.

Ahmadi Miru and Sutarman Yodo (2015) further explained: "Consumer protection is a matter of human interest; therefore, it is a hope for all nations in the world to be able to make it happen. Realizing consumer protection is realizing the relationship between various dimensions which are interconnected and interdependent. between consumers, entrepreneurs and government."

Alternative Dispute Resolution

It focuses on more efficient and effective out-of-court dispute resolution mechanisms. Susanti Adi Nugroho (2008) states, "Alternative dispute resolution is a method of resolving disputes that is carried out outside of court. Its implementation is left entirely to the parties, and the parties can choose which dispute resolution to use."

In the Indonesian context, the Consumer Dispute Resolution Agency (BPSK) is one form of implementation of this theory. Kurniawan (2012) observed: "BPSK as an institution for resolving consumer disputes outside the court has its own characteristics and advantages compared to similar bodies that have existed before, namely fast, easy and cheap dispute resolution."

Restorative Justice in Consumer Dispute Resolution

Restorative justice emphasizes the importance of restoring the rights of consumers who have been harmed, not just the punitive aspect. In resolving consumer complaints, it encourages a collaborative approach and solutions. Consumers and businesses work together to find a resolution that satisfies all parties, ensuring recovery of losses and preventing similar problems in the future. This approach creates better relationships and trust between consumers and businesses.

Rachmadi Usman (2013) explains: "Restorative justice is an approach to justice that focuses on the needs of victims and perpetrators, involves community participation, and does not fulfill legal provisions or impose criminal penalties. In consumer protection, "This approach can be applied to recover consumer losses while encouraging improvements in business practices of business actors."

These three concepts provide a comprehensive conceptual framework for understanding and analyzing consumer complaint resolution mechanisms in Indonesia's civil law context. These theories emphasize formal legal aspects but also consider aspects of justice, efficiency, and restoration of consumer rights.

METHOD

Research method for the research title "Consumer Complaint Resolution Mechanism in Review of Civil Law and Its Implementation in Indonesia":

Research design

This research uses a qualitative approach with normative and empirical juridical research methods. According to Soerjono Soekanto (2006), "Normative legal research is legal research carried out by examining library materials or secondary data alone." Meanwhile, Bambang Sunggono (2015) explains empirical juridical research "is legal research regarding the application or implementation of normative legal provisions in action in every particular legal event that occurs in society."

Data collection technique

Data collection is carried out through several methods:

1. Literature Study

Reviewing various legal literature, statutory regulations, scientific journals, and official documents related to consumer protection and dispute resolution mechanisms involves in-depth analysis of policies, regulations, and best practices. The goal is to understand the existing legal framework, identify weaknesses, and propose more effective and fair improvements for consumers.

2. Deep interview

Conduct interviews with related parties such as BPSK officials, legal practitioners, and representatives of consumer organizations. Burhan Bungin (2007) states, "In-depth interviews are the process of obtaining information for research purposes by means of face-to-face questions and answers between the interviewer and the informant or interviewee, with or without using an interview guide."

3. Observation

Direct observations of the process of resolving consumer complaints at BPSK or other related institutions involve monitoring procedures, interactions, and results of dispute resolution. The aim is to understand the effectiveness of existing mechanisms, identify obstacles, and propose improvements to increase consumer protection and fairness in dispute resolution.

Data analysis technique

Data analysis in this research uses qualitative descriptive analysis methods. According to Miles and Huberman (1994), qualitative data analysis simultaneously includes data reduction, data presentation, and conclusion drawing/verification. This process aims to organize data to make it more meaningful and easily understood. Lexy J. Moleong (2017) explains that qualitative data analysis is an effort carried out by working with data, organizing data, sorting it into manageable units, synthesizing it, looking for and finding patterns, finding what is essential and what to learn, and decide what to tell others.

In this research, analysis will be carried out by:

1. Reducing data obtained from literature studies, interviews, and observations.
2. Presenting data in the form of descriptive descriptions.
3. Interpret and compare with applicable theories and regulations.
4. Conclude and provide recommendations for improving the mechanism for resolving consumer complaints in Indonesia.

Hoped that a comprehensive understanding of the mechanism for resolving consumer complaints in reviewing civil law and its implementation in Indonesia can be obtained, as well as opportunities for improving the existing system.

RESEARCH RESULTS AND DISCUSSION

Research result

1. Effectiveness of Consumer Complaint Resolution Mechanisms in Indonesia

The research results show that even though Indonesia has a comprehensive legal framework for consumer protection, implementing complaint resolution mechanisms still needs to be revised. The Consumer Dispute Resolution Agency (BPSK), as the main institution for resolving consumer disputes outside of court, still needs to be optimal in carrying out its functions. In line with the findings of Nurbaiti (2018), who stated: "BPSK's effectiveness in resolving consumer disputes is still hampered by various factors such as lack of outreach, budget limitations, and inconsistencies in the application of the law."

This research found that many consumers are still unaware of the existence and function of the Consumer Dispute Resolution Agency (BPSK), thereby reducing its accessibility. This ignorance means consumers often do not utilize BPSK services to solve their problems. Therefore, broader and more effective outreach is needed about the role and benefits of BPSK so that consumers can more easily access their rights.

2. Challenges of Resolving Consumer Complaints in the Digital Era

Developing e-commerce and digital transactions has created new challenges in resolving consumer complaints. This research identifies that the existing legal framework must fully accommodate the complexity of digital transactions. In their study, Miru and Sutarman (2019)

emphasized: "A legal framework that is more adaptive to digital transactions and a dispute resolution mechanism that utilizes technology is needed."

This finding is reinforced by the observation that many e-commerce platforms have developed internal complaint resolution systems. However, integrating these systems with formal dispute-resolution mechanisms still needs to be improved. As a result, consumers use these internal mechanisms without being aware of more formal and potentially more profitable dispute resolution options at BPSK. Efforts are needed to integrate the internal e-commerce system with BPSK so consumers can access more comprehensive dispute resolution.

3. The potential of Online Dispute Resolution (ODR) in Indonesia

This research identifies significant potential in implementing Online Dispute Resolution (ODR) as a solution to increase the efficiency and accessibility of resolving consumer complaints. However, its implementation is still hampered by various factors. Yulianti (2020), in her study of ODR in Indonesia, concluded: "Even though ODR offers efficiency and accessibility, there are still legal and infrastructure obstacles that need to be overcome for effective implementation in Indonesia."

This research found that the need for digital literacy among consumers and business actors and limited technological infrastructure in several regions are the main obstacles to the widespread implementation of Online Dispute Resolution (ODR). Many consumers and business actors need an adequate understanding of the use of digital technology for dispute resolution. In addition, inadequate technological infrastructure in some regions makes access to ODR difficult, hampering the effectiveness and reach of this mechanism in resolving consumer disputes.

4. The Role of Alternative Dispute Resolution Institutions in the Financial Sector

This research finds that Alternative Dispute Resolution Institutions (LAPS) have demonstrated some success in the financial services sector but still need improvement. Abubakar and Handayani (2018) revealed in their study that "LAPS has great potential in resolving disputes in the financial services sector, but there are still areas that require improvement, especially in terms of socialization and standardization of procedures."

This research confirms these findings and further identifies that coordination between the Alternative Dispute Resolution Agency (LAPS) and the Consumer Dispute Resolution Agency (BPSK) needs to be improved to prevent jurisdictional overlap. Lack of coordination leads to inefficiencies in dispute handling, with consumers often needing clarification about which route to take. By improving coordination and building a clear framework between LAPS and BPSK, dispute resolution will likely become more structured and effective and reduce consumer confusion.

5. Comparative Perspectives: Lessons from Other Countries

This research reveals that Indonesia can learn from other countries' best practices in resolving consumer complaints. In their study comparing Indonesia and Malaysia, Rosadi and Tahira (2019)

stated: "Malaysia has developed a consumer dispute resolution system that is more integrated and utilizes technology, which can be a model for Indonesia."

This research finds that adopting a more integrated and technology-based dispute resolution system implemented in Malaysia can increase the effectiveness of resolving consumer complaints in Indonesia. This system allows for a faster, more transparent, and easily accessible process for all parties. Additionally, technology enables better data collection and analysis, helping to identify patterns and trends in consumer disputes. By adopting this approach, Indonesia can strengthen consumer protection, reduce BPSK's workload, and increase consumer confidence in dispute resolution mechanisms, creating a fairer and more efficient environment.

Discussion

This research reveals the complexity and challenges in the mechanism for resolving consumer complaints in Indonesia. Although a comprehensive legal framework exists, its implementation still faces various obstacles. As the leading institution, the Consumer Dispute Resolution Agency (BPSK) needs to be more optimal in carrying out its functions due to a lack of outreach, budget limitations, and inconsistencies in applying the law.

The digital era adds complexity with the emergence of e-commerce, demanding the adaptation of legal frameworks and dispute resolution mechanisms more responsive to digital transactions. Online Dispute Resolution (ODR) can improve efficiency and accessibility, but the lack of digital literacy and infrastructure limitations hamper implementation.

In the financial sector, Alternative Dispute Resolution Institutions (LAPS) show significant potential but still require improvements in socialization and standardization of procedures. Many consumers still need to be made aware of the existence and benefits of LAPS, so more effective outreach is required. In addition, the standardization of dispute resolution procedures in various LAPS must be strengthened to ensure consistency and fairness when handling cases. Coordination between LAPS and the Consumer Dispute Resolution Agency (BPSK) must also be improved to avoid overlapping jurisdictions and ensure more efficient and integrated dispute resolution, thereby providing optimal protection for consumers.

This research shows that Indonesia can learn from the best practices of other countries, such as Malaysia, which has developed a more integrated and technology-based consumer dispute resolution system. Adopting a similar approach could increase the effectiveness of consumer complaint resolution in Indonesia. Therefore, comprehensive efforts are needed to increase the effectiveness of existing mechanisms, embrace technology in dispute resolution, strengthen coordination between institutions, and increase consumer literacy to improve Indonesia's consumer complaint resolution system.

CONCLUSION

This research reveals various challenges in the mechanism for resolving consumer complaints in Indonesia. Although the legal framework for consumer protection is quite comprehensive, its implementation must overcome many obstacles. The Consumer Dispute Resolution Agency (BPSK) needs to be more optimal in its functions, hampered by a lack of outreach, budget limitations, and inconsistencies in applying the law. Many consumers are unaware of the existence and function of BPSK, thereby reducing the accessibility of this dispute-resolution mechanism. Broader and more effective socialization is needed so consumers can access their rights more easily.

The digital era adds complexity to resolving consumer complaints, especially with the development of e-commerce. The existing legal framework only partially accommodates digital transactions. This research found that many e-commerce platforms have developed internal complaint resolution systems, but their integration with formal dispute resolution mechanisms still needs to be improved. Better integration between internal e-commerce systems and BPSK is required to provide more comprehensive dispute resolution. This research also highlights the significant potential of Online Dispute Resolution (ODR) to improve the efficiency and accessibility of consumer complaint resolution. However, implementation is hampered by a lack of digital literacy and limited technological infrastructure in several areas. Better digital literacy and improved technological infrastructure are needed to support the widespread adoption of ODR.

In the financial sector, Alternative Dispute Resolution Institutions (LAPS) show potential but require improvements in socialization and standardization of procedures. Coordination between LAPS and BPSK needs to be improved to avoid overlapping jurisdictions and ensure more efficient and integrated dispute resolution. More effective outreach about the role and benefits of LAPS is necessary so that consumers can take better advantage of it. This research also highlights that Indonesia can learn from best practices in other countries, such as Malaysia, which has developed a more integrated and technology-based consumer dispute resolution system. Adopting a similar approach in Indonesia could increase the effectiveness of resolving consumer complaints, strengthen consumer protection, reduce BPSK's workload, and increase consumer confidence in dispute resolution mechanisms.

To improve the consumer complaint resolution system in Indonesia, comprehensive efforts are needed. These include increasing the effectiveness of existing mechanisms, adopting technology in dispute resolution, strengthening coordination between institutions, and increasing consumer literacy. In this way, Indonesia can create a dispute resolution environment that is fairer, more efficient, and responsive to digital developments.

REFERENCES

- Abubakar, L., & Handayani, T. (2018). The Role of Alternative Dispute Resolution Institutions in the Financial Services Sector in Indonesia. *Journal of Civil Procedure Law*, 4(1), 1-19. DOI:<https://doi.org/10.25216/jhap.4.1.2018.1-19>
- Bungin, B. (2007). *Qualitative Research: Communication, Economics, Public Policy, and Other Social Sciences*. Jakarta: Kencana. ISBN: 979-3925-47-4
- Kurniawan. (2012). Problems and Obstacles in Resolving Consumer Disputes through the Consumer Dispute Resolution Agency (BPSK). *Journal of Legal Dynamics*, 12(1), 160-172. DOI:<http://dx.doi.org/10.20884/1.jdh.2012.12.1.119>
- Lestari, ED, & Nasri, Y. (2019). Use of Social Media in Handling Customer Complaints to Maintain Company Image. *Journal of Professional Communication*, 3(1), 1-12. DOI:<https://doi.org/10.25139/jkp.v3i1.1532>
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative Data Analysis: An Expanded Sourcebook*. Thousand Oaks, CA: Sage Publications. ISBN: 978-0803955400
- Miru, A., & Sutarman, Y. (2019). Consumer Protection in the Digital Era: Challenges and Dispute Resolution Strategies. *Bonum Commune Business Law Journal*, 2(1), 23-42. DOI:<http://dx.doi.org/10.30996/jhbbc.v2i1.2315>
- Miru, A., & Yodo, S. (2015). *Consumer Protection Law*. Jakarta: Rajawali Press. ISBN: 978-979-769-444-5
- Moleong, L. J. (2017). *Qualitative Research Methodology (Revised Edition)*. Bandung: PT Teen Rosdakarya. ISBN: 979-514-051-5
- Nugroho, SA (2008). *Consumer Dispute Resolution Process Viewed from Procedural Law and Implementation Obstacles*. Jakarta: Kencana. ISBN: 978-979-1486-49-3
- Nurbaiti, S. (2018). Effectiveness of Consumer Dispute Resolution through Indonesia's Consumer Dispute Resolution Agency (BPSK). *Journal of Law & Development*, 48(3), 614-635. DOI:<http://dx.doi.org/10.21143/jhp.vol48.no3.1750>
- Rosadi, SD, & Tahira, Z. (2019). Consumer Protection in Electronic Transactions: A Comparative Study of Indonesian and Malaysian Laws. *Udayana Master of Law Journal*, 8(3), 421-442. DOI:<https://doi.org/10.24843/JMHU.2019.v08.i03.p10>
- Rosadi, SD, & Tahira, Z. (2019). Consumer Protection in Electronic Transactions: A Comparative Study of Indonesian and Malaysian Laws. *Udayana Master of Law Journal*, 8(3), 421-442. DOI:<https://doi.org/10.24843/JMHU.2019.v08.i03.p10>
- Shidarta. (2000). *Indonesian Consumer Protection Law*. Jakarta: Grasindo. ISBN: 979-669-768-4
- Soekanto, S. (2006). *Introduction to Legal Research*. Jakarta: UI Press. ISBN: 979-456-146-X
- Sunggono, B. (2015). *Legal Research Methodology*. Jakarta: Rajawali Press. ISBN: 979-421-488-4
- Usman, R. (2013). *Out-of-Court Dispute Resolution Options*. Bandung: Citra Aditya Bakti. ISBN: 978-979-414-996-0
- Yulianti, R. (2020). Juridical Analysis of Consumer Dispute Resolution Through Online Dispute Resolution (ODR) in Indonesia. *Journal of Law & Justice*, 9(2), 295-317. DOI:<http://dx.doi.org/10.25216/jhp.9.2.2020.295-317>