

**JCBLT**

ISSN : 3031-7355

<https://doi.org/10.61796/ejcbt.v1i9.998>

## ELIGIBILITY OF TIKTOK SHOP AS A LEGITIMATE PLATFORM FOR CONDUCTING ONLINE SALES TRANSACTIONS IN INDONESIA

**Fadiana Zahra Siswapranata<sup>1</sup>, Noor Fatimah Mediawati<sup>2</sup>**

Department of Law, Universitas Muhammadiyah Sidoarjo, Indonesia

Department of Law, Universitas Muhammadiyah Sidoarjo, Indonesia

Email: [fatimah@umsida.ac.id](mailto:fatimah@umsida.ac.id)*Received: Jul 22, 2024; Accepted: Aug 29, 2024; Published: Sep 22, 2024;*

**Abstract: General Background:** The rapid evolution of digital marketplaces has transformed the landscape of online sales, particularly in emerging markets like Indonesia. **Specific Background:** TikTok Shop, a relatively new platform developed by ByteDance, leverages the popularity of social media to facilitate online transactions. Despite its growing user base, limited research has been conducted on its legal and operational viability in the Indonesian market. **Knowledge Gap:** This gap highlights the need for a comprehensive analysis of TikTok Shop within the framework of Indonesian trade regulations, particularly Law Number 7 of 2014 concerning Trade. **Aims:** This research aims to evaluate the feasibility of TikTok Shop as a marketplace for online sales transactions in Indonesia, exploring its advantages and legal implications. **Results:** Through a Normative Juridical methodology, the study identifies key benefits of TikTok Shop, including its user-friendly interface, integration with social media marketing, and the potential for enhanced consumer engagement. **Novelty:** This research contributes to the literature by providing a focused examination of a novel marketplace platform and its alignment with existing legal frameworks in Indonesia. **Implications:** The findings suggest that TikTok Shop presents a viable option for online sales, promoting innovation in e-commerce while also necessitating careful consideration of regulatory compliance to ensure sustainable growth within Indonesia's digital economy.

**Keywords:** TikTok Shop; Sales Transaction; Online; Legitimate.



This is an open-access article under the [CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/) license

### Introduction

Humans are said to be social creatures, because humans actually always want to relate to each other, so that in the life of a society, humans always intersect with other humans, including to socialize and fulfill almost all of their life interests. In fulfilling the needs of social life, daily human activities are inseparable from economic activities such as buying and selling activities. Buying and selling can be said to be a business that involves two parties trading goods or services. In the past, when technology had not yet entered human civilization which was still simple, transactions were carried out by exchanging goods or commonly referred to as barter. In this barter, parties who need a good or service meet and agree on what is exchanged without a written contract. [1] However, barter system transactions are slowly starting to be abandoned and are shifting to modern (online) transactions that involve technological innovations such as the internet as a transaction medium.

Along with the advancement and development of technology in society, the same applies to the development of social media. Social media has become one of the most important needs in human life today. The development of social media has expanded to various levels of society, from young people to some elderly people still have the motivation to keep abreast of social media developments. The expansion of technology and supported by the presence of social media to all corners of the country, requires a person to be able to compete in various things including the digital economy, where the market is not limited by place and time, and technology plays an important role in business continuity.

One of the many types of social media that is currently loved and utilized by many people is TikTok. TikTok is a social media platform from China that was launched in September 2016 [2] and has become a social media that is experiencing rapid development in the world. TikTok allows users to create short videos with various durations such as 15 seconds, 60 seconds, and 3 minutes and accompanied by songs, filters, and other features. TikTok users can also become a creator such as sharing their creativity packaged in a short video. Over time, TikTok officially launched its new feature called TikTok Shop. The feature is an innovative feature that can reach out to its users to create a positive shopping environment and provide a shopping experience that consumers can trust. Businesses can also expand their market and create new revenue streams on the platform.

Another advantage of TikTok Shop itself is that it is both a social media and a buying and selling site in one application so that TikTok users do not need to switch other applications to complete the desired product purchase transaction. However, the feasibility of TikTok Shop as a marketplace platform still needs to be questioned whether TikTok Shop has become a legitimate marketplace platform for conducting online sales transactions in Indonesia.

In accordance with the description above, previous research is needed which is used as a reference in the preparation of scientific articles by the author and as a differentiator between previous research and current research being conducted. The first research by Ariella Gitta Sari, Achmad Bahroni, and Harry Murty in 2020 entitled "Protection for Consumers in Electronic Sale and Purchase Transactions in Review of Positive Law" in the form of a Journal of Legal Transparency. The purpose of the study was to understand the validity of agreements in electronic sales transactions and determine customer protection in electronic marketing businesses from a Positive Law perspective. This research uses the Normative Juridical method and uses the Statue Approach. This research results in that in the agreement of sales and purchase activities through electronic media, the Electronic Information and Transaction Law has a balanced truth or legality, meaning that the choice of technology can be determined more freely, as if determining the signature used in affixing a deed or electronic letter. In the ITE Law, it is necessary to pay special attention to the Principle of Neutrality, the parties are expected to choose an electronic business that is legally binding at the time of signing. In Article 11 Paragraph 1 of the ITE Law, it has been explained that electronic signatures have strong resistance in the eyes of the law if they meet the following conditions: Data from the creation of electronic signatures only concerns the signatories; Data on the creation of electronic signatures is under the control of the signatories, if after the signing period there are some changes regarding electronic signatures or initials, then the matter can be recognized. Legal protection to customers can be a claim based on default, caused by one party feeling harmed where this legal protection is also regulated in Articles 38 and 39 of Law Number 11 of 2008 concerning Electronic Information and Transactions and Article 23 of Law Number 8 of 1999 concerning Consumer Protection. Some of the rules that have been mentioned were made for the reason of providing protection and legal certainty to the public when buying and selling activities are carried out through electronic media. [3]

The second research by Nur Sa'adah, Ari Widiarti, and H. Muhamad Rezky Pahlawan MP in 2022 entitled "The Validity of Online Buying and Selling Transactions in View of the Law of Treaties" in the form of a Community Service Journal. The purpose of the research is to share education with the public about the regulations regarding agreements in the online buying and selling business and / or legal provisions regarding these online transactions and provide knowledge to the public about legal solutions that can be done if one party experiences a loss due to transactions that run online. This research uses the method of conducting legal counseling, legal consultation, and question and answer discussion about the material. The results showed that the electronic agreement as regulated in Law Number 19 of 2016 concerning Electronic Information and Transactions (ITE) is an agreement made by the parties through an electronic system and the validity of an agreement is not assessed on the form of the agreement made, but the subject and object of the agreement that determines the validity or invalidity of the agreement. [4]

Therefore, it can be concluded that there are significant differences between previous research and this research. The subject of this research is referring to a marketplace called TikTok Shop, is TikTok Shop suitable to become a legal platform for conducting online sales transactions in Indonesia?

## Methods

The method used in this research is Normative Juridical by using a Legislation Approach (Statue Approach) and using primary legal materials Law Number 7 of 2014 concerning Trade and using secondary legal sources such as journals.

## Result and Discussion

### A. Kominfo as a Legitimate Platform Supervision Instrument in Indonesia

The Ministry of Communication and Informatics (Kominfo), formerly the Department of Information (1945-1999), Ministry of State of Communication and Information (2001-2005), Department of Communication and Information (2005-2009) is an instrument of the Government of the Republic of Indonesia. Kominfo itself is engaged in electronic systems to regulate all platforms in Indonesia and outside Indonesia whether the platform is legal and feasible to operate, and whether it has obtained certification related to the legality of a platform.

The existence of a regulation carried out by Kominfo is to ensure that the circulation of digital-based trade has national integration properly and is in accordance with the applicable laws in Indonesia, because if a platform is not registered with Kominfo, it will have a bad impact and trigger public complaints regarding violations that occur. For example, nowadays almost everything is based on the digital sector, so it is feared that there will be a platform that wants to leak personal data from consumers or misuse it because when using the platform, you will certainly be told to fill out an agreement form and it is related to personal data.

Not only related to the leakage and misuse of personal data, there are also losses that affect the state, namely the state will lose the revenue that should be obtained by the state from the results of supervision carried out by Kominfo to all platforms engaged in the digital field. The supervision carried out by Kominfo on platforms engaged in the digital field includes government services, non-government services, licensing, certification, Koten complaints, 112 emergency calls, scholarships, law.

In the marketplace platform, Kominfo has not specifically regulated the marketplace platform licensing system. However, Kominfo continues to supervise and focus on regulations related to

information and communication technology because consumer protection needs to be maintained from the use of the marketplace platform. The certification carried out by the marketplace platform is also useful to explain the specific specifications related to the business carried out by the platform clearly what fields are carried out in the marketplace platform business or other platforms.

The Electronic System Operator (PSE) permit at Kominfo for the marketplace platform is to realize electronic transactions that are safe, accountable, transparent, fast and reliable to the public, as well as to be able to provide protection to consumers that the related marketplace platform is legal and follows all applicable laws and regulations in Indonesia.

### **B. The presence of TikTok Shop as a Platform and how it works in Indonesia**

Nowadays, social networking sites are a successful way to publicize an activity. One of the many social networks that is widely loved is TikTok. The beginning of TikTok as a platform was started by a Chinese company called ByteDance by a person named Zhang Yimin in September 2016. In August 2018, before ByteDance directed TikTok in markets outside China, TikTok was known as Douyin where Douyin was designed to allow users to create short videos by facilitating features such as effects and music.

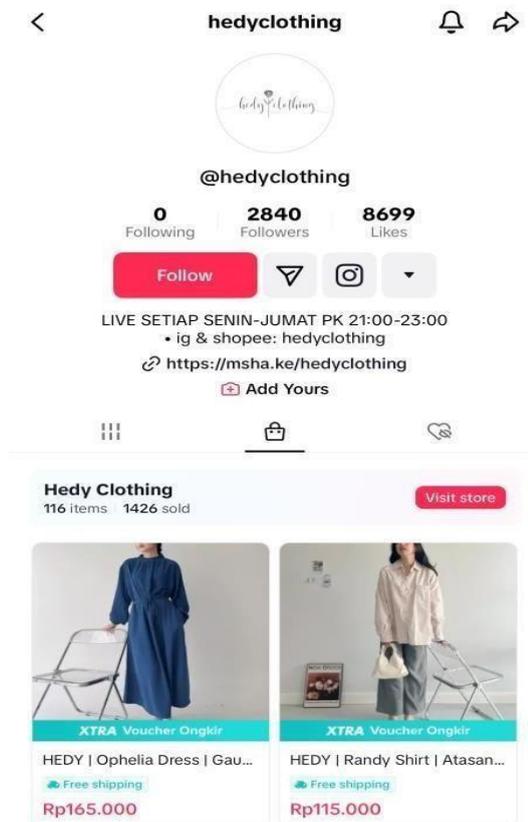
This ByteDance-made app became a highly publicized tool starting in 2021. [5] The presence of TikTok is a social network that attracts the attention of millions of people by continuing to innovate to become a platform that is fun and entertaining for many people so that its popularity explodes and continues to grow, coupled with the presence of TikTok Shop which is the latest feature of TikTok. ByteDance launched TikTok Shop in the UK last year and its first market outside Asia. [6] The feature makes it easy for businesses to sell their products and as a platform that provides an opportunity for any community to start an online business and enter the business world. [7]

In addition to providing convenience for business people, TikTok Shop also makes it easy for prospective buyers, this is evidenced by the way shopping at TikTok Shop is very practical by providing digital payment options and Cash on Delivery (COD). Prospective buyers do not need to worry and leave the house because they only need to wait for the goods to be sent by the expedition to reach the prospective buyer's address. Thus, the presence of TikTok Shop as a marketplace platform has great potential to create an attractive shopping experience for potential buyers, although it is not much different from other marketplaces, TikTok Shop can still compete seriously in the marketplace world.

As a relatively new marketplace platform, the way TikTok Shop works is not much different from other marketplace platforms such as Lazada, Shopee, Tokopedia, and so on. However, there are still slight differences between them. To become a business on TikTok Shop, the following steps are required:

- a. The seller: Sellers (sellers) register themselves first in the following way:
  - Open the TikTok application via the site <https://seller.id.Tiktok.com/account/welcome>
  - Sign up first if you don't have an account
  - Then the authorization page appears and read carefully, if you agree with the terms and conditions given, please click authorize.
  - Continue with email verification
  - If the account is complete, it's time to learn the TikTok account
  - Do some basic things such as editing the profile, adding products to be sold, and so on
  - When finished, you can start selling online through this feature. [8]

Creating a TikTok Shop account is considered successful if the TikTok profile account has a basket icon as below:



**Figure 1. Example of a Successful Tik Tok Shop Account Appearance**

After the account creation is complete, the seller can promote their products by focusing on creating content by utilizing TikTok features such as filters and music to make promotions unique, live streaming, registering TikTok Ads, and using the appropriate hashtags in each content upload. If there are buyers who checkout goods at the seller's store and are waiting to be processed, the seller can immediately process the order by clicking prepare shipment, where the seller can choose pick up (the package is picked up by the expedition at the seller's place) or drop off (the package is delivered by the seller to the expedition) and a receipt number will appear.

Then, if the seller (seller) wants to cash out the balance, the seller (seller) can enter the TikTok Seller then click finance. There will be displayed the amount of the seller's balance on the sales results. The money that goes into the seller's balance will be received approximately 6 days after the package is received by the buyer. Money can be disbursed by withdrawing to the seller's account.

b. Buyers: The buyer can shop on TikTok in various ways, namely:

- Through the search field: Prospective buyers can search for products they want to buy through the search field by clicking shop first and later a wide selection of products from different stores will appear along with product descriptions. If they have found a product that they feel is suitable, buyers can immediately add the product to the cart and click checkout. Then on the order summary page, prospective buyers are invited to fill in their name, telephone number, and address. To get free shipping, prospective buyers can claim a voucher first and can proceed to the payment process. Payment methods offered by TikTok include bank transfer, DANA, GoPay, OVO, ShopeePay, and Cash on Delivery (COD). After that,

buyers are welcome to click create order and wait for the goods to be packaged and sent by the seller.

- Through live streaming: On the TikTok homepage, shoppers can click the live icon in the top left corner and shoppers will be connected to several stores that are live streaming. Shoppers can freely choose which stores they want to view. If the potential buyer has joined the live stream of one of the stores, then the buyer can click on the yellow basket and will see the products sold by that store. Prospective buyers can choose which products they want to buy. If you have found a product that you feel is suitable, prospective buyers can immediately add the product to the cart and make a transaction to wait for the product to be packaged and shipped. Speaking of the yellow cart, yellow is a feature containing links to products sold by someone. The presence of the yellow cart makes it easier for prospective buyers to shop for items that are being promoted by sellers or TikTok creators through their uploads. [9]
  - Through TikTok creators/Affiliates: Not much different from how to buy via live streaming, prospective buyers can click on the yellow basket in the uploads of TikTok creators/Affiliates and make transactions until waiting for the order to be packaged and sent by the seller. In their uploads, TikTok creators/Affiliates are tasked with promoting products or brands from a store.
- c. Affiliate parties: The affiliate uses a digital marketing method where he promotes a product or brand through content creation or live streaming by including a product link and will get a commission if someone buys a product through the link until a transaction occurs. The affiliate program has several advantages such as relatively cheaper capital because there is no need to make products, no need to think about where to sell, so it does not require large expenses. [10]

### **C. Conformity between TikTok Shop and Law No. 7 of 2014 concerning Trade**

The buying and selling process is a process where the seller and buyer carry out an exchange agreement that is equally beneficial to both and has been agreed upon by both parties with the standard process of buying and selling rules carried out in general. So in online buying and selling ecommers there are standards that are determined in online buying and selling in accordance with the provisions. This standard is determined as for the protection of consumers who will have a settlement scheme in the event of a dispute between the seller and the buyer, as well as to prevent crime in online buying and selling. [11]

In Indonesia, online buying and selling standards are generally carried out electronically, there is a platform, there are goods to be sold, there is a specified price, there is a provision for payment procedures, there is a transparent process stage for goods that are being processed until delivery, there are provisions for responsibility if there is a problem that results in the goods being damaged or lost. And the online buying and selling process has also been regulated in Law Number 7 of 2014.

The online buying and selling process in Law Number 7 of 2014 includes:

- a. Business actors who trade each of their goods and services must use an electronic system and business actors are required to provide complete and correct information.
- b. Every business actor is prohibited from trading goods or services that are not in accordance with the provisions with data and information as in point (a).
- c. The use of electronic system trading must be in accordance with the provisions of the Law on Electronic Transactions and Systems.

- d. Law on Electronic Transactions and Systems
- e. Data and information in the provisions of Law No. 7 of 2014 which includes Identity and legality as a business actor as a producer or distribution business actor; Technical requirements for the goods offered;
- f. Technical requirements and qualifications of goods or services offered; Price and method of payment for goods or services; Have procedures related to the delivery of goods.
- g. In the event of a dispute between the seller and the buyer, it must be resolved in court and other settlement methods based on the provisions in question.
- h. Actors are required to provide complete and correct information and data, if incomplete and incorrect data is found, administrative sanctions will be imposed in the form of license revocation.

In the provisions of the Law, the next process to be able to find out that the Tiktok Shop marketplace platform is a legitimate platform in online buying and selling in Indonesia, there is testing related to legal comparisons. The following table will prove that Tiktok Shop is legal and in accordance with existing provisions in Indonesia.

**Table 1. Comparison between TikTok Shop and Law No. 7 Year 2014 on Trade**

Online Sales Transaction Standards in Indonesia	Terms of TikTok Shop	Compliant	Not Met
Every Business Actor who trades Goods and/or Services using an electronic system is obliged to provide complete and correct data and/or information.	Product listing information, including text, videos, and images, must show a true description of the main characteristics of the product and include all relevant information required by applicable laws. The following information must be provided when listing products on TikTok Shop.	√	
Every Business Actor is prohibited from trading Goods and/or Services by using an electronic system that is not in accordance with the data and/or information as referred to in paragraph (1).	<ul style="list-style-type: none"> <li>• All product descriptions must not be misleading either through statements or omissions of information.</li> <li>• Sellers are prohibited from displaying misleading information, such as incorrect prices or discounts, images, brand names, descriptions, attributes, models, sales attributes, product warranties, or guarantees.</li> <li>• All product attributes provided by the seller must be</li> </ul>	√	

complete, accurate, and in accordance with the

- product descriptions, names, and images on the TikTok Shop listing page. All product descriptions and attributes must also match the products that customers will receive.
- Sellers must not display false information regarding services that facilitate product sales (including, but not limited to, shipping and logistics services, return and refund services, and customer service).
- Sellers must not display misleading information regarding themselves (e.g., Seller characteristics or ownership of intellectual property rights).

The data and/or information as referred to in paragraph (1) at least contains:

- a. the identity and legality of Business Actors as producers or Distribution Business Actors;
- b. technical requirements of the Goods offered;
- c. technical requirements or qualifications of the Services offered;
- d. price and method of payment for Goods and/or Services; and
- e. method of delivery of goods

Point a): Applicants must provide accurate details about their legal name, address, phone number, email address, and any other information related to their business that we may request (e.g. information to identify the beneficial owners of the business).

- One verified business entity may register up to five (5) seller accounts on TikTok Shop.
- Applicants should follow the on-screen instructions when completing the registration.
- During the application review process, we may also ask the applicant to submit additional documents for a second inspection before providing a result.
- Applicants must have reached the minimum age to enter into a contract (18 years old) in accordance

---

with Indonesian law.

- For business entity applicants, TikTok Shop only allows entities incorporated in Indonesia to register as a business entity seller.
- TikTok Shop requires all business entity applicants to submit a business license, registration, or similar official document supporting their eligibility to sell products/services under applicable law. The following requirements must be met when a business entity applicant submits an application to us: The business scope and validity period of the applicant's operations must match the information contained in each business license or certificate submitted, if applicable. All business licenses and certificates must be genuine and issued by the Indonesian Ministry of Investment. - Business Entity License For business entity applicants, the applicant must provide a Business Identification Number (NIB) document In addition, all companies/business entities may be required to submit government-issued identity documents (i.e. passport/KTP) for legal representatives, company directors, or persons having significant control.

---

Point b): The products offered can be done by live streaming and through a tiktok creator who displays a yellow basket where, the yellow basket contains a link that leads to a product.

Point c): The types of goods sold at TikTok Shop include electronics, cosmetics, household appliances, stationery, and almost all goods can be sold at TikTok Shop except dangerous products such as weapons, alcoholic beverages, and products prohibited by applicable laws or regulations in Indonesia.

Point d): TikTok Shop payment method can be done by using bank transfer, DANA, GoPay, OVO, ShoopePay, and pay on the spot or cash on delivery.

Point e): Since the buyer has successfully placed an order on TikTok Shop, the seller will process the order and arrange delivery. The seller can choose to deliver the package to the expedition or wait for the expedition to pick up the package to the seller. From there, the buyer's order status waits to be updated until the expedition sends the package to the buyer's address.

---

---

In the event of a dispute related to a trade transaction through an electronic system, the person or business entity experiencing the dispute may resolve the dispute through the court or through other dispute resolution mechanisms.

In the event of a dispute related to a trade transaction through an electronic system, the person or business entity experiencing the dispute may resolve the dispute through the court or through other dispute resolution mechanisms.

√

---

After the acceptance period, all disputes will be handled and resolved between the seller and the customer, unless otherwise required by applicable law, TikTok Shop will not be involved except to facilitate communication between the two parties.

---

Every Business Actor trading Goods and/or Services using an electronic system that does not provide complete and correct data and/or as referred to in paragraph (1) is subject to administrative sanctions in the form of license revocation.

TikTok Shop can take firm action against sellers who violate TikTok Shop policies in the form of:

- Promotional actions that do things that are contrary to applicable law.
- Intellectual Property violations.
- Subject to accumulated sanctions on the evaluation of the TikTok seller policy of 48 points, it will be permanently removed from the list of sellers on TikTok Shop.

√

626	TIKTOK	tiktok.com; play.google.com/store/apps/details? id=com.zhiliaoapp.musically&hl=en_SG&gl=US; apps.apple.com/us/app/tiktok/id835599320	Sektor Teknologi Informasi dan Komunikasi	TIKTOK PTE. LTD.	2022-05- 24	<a href="#">detail</a>
627	TIKTOK SHOP	shop.tiktok.com/merchant/id; seller.tiktokglobalshop.com/business/id; seller-id.tiktok.com; seller.tiktok.com/; developers.tiktok-shops.com/; pearl.bytedance.net/data/basic/shop? oec_region=ID	Sektor Perdagangan	TIKTOK PTE. LTD.	2022-05- 24	<a href="#">detail</a>

Showing 1 to 5 of 5 entries (filtered from 742 total entries) Previous  Next

**Figure 2. TikTok Shop is listed by Kominfo**

#### **D. Closure of Tiktok Shop based on Regulation of the Minister of Trade Number 31 of 2023 concerning Business Licensing, Advertising, Development and Supervision of Business Actors in Trading Through Electronic Systems (Comparison with other E-Commerce)**

Tiktok Shop was originally an E-Commerce that was directly connected to Tiktok social media, the use of Tiktok Shop was able to bring significant benefits to those who used it, these benefits occurred due to the increasing popularity of non-cash transactions in Indonesia and the ease of transactions through content uploaded by creators. However, the significant economic growth due to Tiktok Shop turned out to raise concerns which eventually made Tiktok Shop officially closed in Indonesia.

In addition to differences in the use of Tiktok Shop services with other E-Commerce, the reason why Tiktok Shop was closed was due to several things such as regulations on product taxation, consumer protection, and privacy data protection.

Referring to the Regulation of the Minister of Trade (Permendag) No.31 of 2023 concerning Business License Arrangements Using Electronic Systems, it can be seen that the reason for the closure of Tiktok Shop is because it violates trade regulations through electronic systems on digital service platforms. Namely in several articles such as Article 21 paragraph (2) and paragraph (3) which states that social media platforms are prohibited from acting as E-Commerce or conducting buying and selling transactions and as producers. Then article 3 paragraphs (1) and (2) where business actors are required to have business licenses when conducting business activities, and arrangements related to the prohibition of goods from abroad entering Indonesia.[12]

If you pay attention to the consideration section of Law No.5 of 1999, TikTok Shop activities can have implications for predatory pricing which leads to unfair competition because content creators can move directly as producers who sell directly so that producers are able to provide product prices that are too low and damage market prices to make unfair competition, especially for domestic traders. Then if referring to the Consumer Protection Law, the closure of TikTok Shop can protect consumers from the products offered if they do not match the conditions offered, and if referring to Law No.11 of 2008 related to ITE, this can be a preventive measure to secure personal data from the risk of personal data leakage when Tiktok Shop itself is directly connected to Tiktok social media. Then if you refer to the consideration of Law No.20 of 2008 concerning MSMEs, it is clear that the closure of Tiktok Shop is able to support and encourage MSMEs in Indonesia again, considering that sometimes Tiktok Shop offers content personalization for large accounts that are direct producers. That is the reason why Tiktok Shop is closed from its activities in Indonesia. The closure of Tiktok Shop itself certainly creates problems where there are pros and cons. However, if we examine the existing considerations, the closure of Tiktok Shop is actually Indonesia's step in making regulations that protect competition in Indonesia and protect the interests of many people, especially UMKM.[13]

## E. Regulation of TikTok Shop's eligibility as a platform to create a new phenomenon and how it differs from other E-Commerce

The closure of Tiktok Shop as E-Commerce is because Tiktok Shop doubles as social commerce which is a new phenomenon. Based on Permendag No.31 of 2023 concerning Business Licensing in Article 1 paragraph (17) states that “Social-Commerce is a social media provider that provides certain features, menus, and / or facilities that allow Merchants to place offers of Goods and / or Services”.[14] Social-commerce itself combines the concept of Social Media and Marketplace in 1 application. When referring to Article 1 paragraph (18) Social media is a page or application that allows users to create and share content or engage in social networking while Article 1 paragraph (13) says that a Marketplace is a provider of transaction process facilities in commercial electronic systems, both in the form of pages and applications and containers for merchants. So Social-e-commerce here is a multifunctional application that combines social media and e-commerce.[15]

TikTok Shop carries the concept of all transaction activities carried out in 1 application. Starting from product introduction, product selection, transaction process, communication with the seller, delivery and product assessment are done directly on the TikTok application. This feature is different from Instagram Shopping and Facebook Shop which were originally both social media where the platform still directs users to the seller's site for transactions, not to mention, the product introduction process carried out at Tiktok Shop is directly connected to the content uploaded on Tiktok social media, In other marketplaces such as Shopee, Tokopedia and Lazada, the product introduction process is not connected to the user's social media account so that the ui and ux design owned by other E-Commerce only offers seller accounts to the E-Commerce platform and does not have a TikTok-like algorithm that can personalize content (For Your Page). Shopee, Lazada and Tokopedia are only a place where buyers need to first search for the desired item and then make a transaction. Even Tiktok Shop also has a live streaming feature.

## Conclusions

This research can be concluded that TikTok Shop as a marketplace platform can be declared legal and has been eligible to operate in Indonesia as evidenced by the registration of TikTok Shop at Kominfo. The provisions regulated by TikTok Shop do not contradict the provisions of Law Number 7 of 2014 concerning Trade. TikTok Shop itself arguably has great potential to conduct online sales transactions in Indonesia, this can be seen by how TikTok Shop overcomes a challenge that exists and still complies with applicable regulations in Indonesia, and can make a positive contribution to electronic commerce. However, as of October 4, 2023, TikTok Shop was officially closed. The closure of TikTok Shop was due to taxation, consumer protection, and data privacy issues, as well as differences in its use with other E-Commerce.

## References

- [1] S. N. A. K. F. I. Prastya, N. K. S. Adnyani, “Tinjauan Yuridis Tentang Pelaksanaan Perjanjian Jual Beli Online Melalui E-Commerce Menurut Pasal 1320 Kuhperdata Dan Undang-Undang Nomer 19 Tahun 2016 Tentang Informasi Dan Transaksi Elektronik,” *J. Komunitas Yust.*, vol. 4, no. 2, pp. 617–625, 2021, doi: <https://doi.org/10.23887/jatayu.v4i2.38157>.
- [2] R. Rosmiati, “DARI VIDEO KE TOKO: BUDAYA KONSUMEN MELALUI MEDIA

- SOSIAL TIKTOK SHOP,” *Saskara Indones. J. Soc. Stud.*, vol. 2, no. 2, pp. 1–16, 2022, doi: 10.21009/Saskara.022.01.
- [3] A. G. Sari, A. Bahroni, and H. Murty, “PERLINDUNGAN BAGI KONSUMEN PADA TRANSAKSI JUAL BELI SECARA ELEKTRONIK DITINJAU DARI HUKUM POSITIF,” *Transparansi Huk.*, vol. 3, no. 1, 2020, doi: 10.30737/transparansi.v3i1.665.
- [4] M. R. P. M. N. Sa’adah, A. Widiarti, “Keabsahan Transaksi Jual Beli Online Ditinjau Dari Hukum Perjanjian,” *J. Pengabd. Masy.*, vol. 3, no. 3, 2022.
- [5] A. B. H. Y. S. Mulyani, T. Wibisono, “Pemanfaatan Media Sosial Tiktok Untuk Pemasaran Bisnis Digital Sebagai Media Promosi,” *J. Ilm. Hosp.*, vol. 11, no. 1, pp. 291–296, 2022, doi: <https://doi.org/10.47492/jih.v11i1.1612>.
- [6] A. W. T. A. Supriyanto, I. F. Chikmah, K. Salma, “Penjualan Melalui Tiktok Shop dan Shopee: Menguntungkan yang Mana?,” *Bus. Sci. J. Bus. Entrep.*, vol. 1, no. 1, pp. 1–16, 2023.
- [7] A. M. N. and Z. M. N. Elihami, “Pemanfaatan Sosial Media Tiktok sebagai Strategi Promosi dalam Berwirausaha Persfektif Ekonomi Islam,” *Jikem J. Ilmu Komputer, Ekon. Dan Manaj.*, vol. 2, no. 2, pp. 3155–3163, 2022.
- [8] A. N. Meci Nilam Sari, Rika Septrizarty, Wila Farlina, Azmen Kahar, “Analisis Strategi Bisnis UMKM melalui Pemanfaatan Media Sosial Tiktok Shop,” *J. Econ. Manag. Sci.*, pp. 160–168, 2023, doi: 10.37034/jems.v5i3.18.
- [9] S. N. and R. I. Rizky, “TIKTOK MENJADI TREND 2022 DI PLATFORM SOSIAL MEDIA,” *J. Soc. Polit. Sci.*, vol. 3, no. 1, pp. 101–114, 2023.
- [10] D. A. Nabela Dwi Karina, Darmansyah, “Pengaruh Affiliate Marketing Dalam Peningkatan Penjualan Pada Belanja Online Terhadap Perilaku Konsumen,” *Pros. Semin. Nas. Inov. dan Adopsi Teknol.*, vol. 3, no. 1, pp. 80–89, 2023, doi: 10.35969/inotek.v3i1.304.
- [11] I. Atikah, “PENGATURAN HUKUM TRANSAKSI JUAL BELI ONLINE (E-COMMERCE) DI ERA TEKNOLOGI,” *MUAMALATUN*, vol. 10, no. 2, 2019, doi: 10.37035/mua.v10i2.1811.
- [12] M. H. S. Zahra Afina Mahran, “Pengaruh Peraturan Menteri Perdagangan (PERMENDAG) Nomor 31 Tahun 2023 terhadap Perkembangan E-commerce di Indonesia,” *Hakim J. Ilmu Huk. dan Sosia*, vol. 1, no. 4, pp. 51–67, 2023, doi: 10.51903/hakim.v1i4.1440.
- [13] M. P. R. Indonesia, “PERATURAN MENTERI PERDAGANGAN REPUBLIK INDONESIA NOMOR 31 TAHUN 2023 TENTANG PERIZINAN BERUSAHA, PERIKLANAN, PEMBINAAN, DAN PENGAWASAN PELAKU USAHA DALAM PERDAGANGAN MELALUI SISTEM ELEKTRONIK,” no. 3, 2023, pp. 1–29.
- [14] F. Yolandha, “Ini Aturan Utama dalam Permendag Nomor 31 Tahun 2023,” *Republika Online*. Accessed: Mar. 03, 2024. [Online]. Available: <https://visual.republika.co.id/berita/s1nif1370/ini-aturan-utama-dalam-permendag-nomor-31-tahun-2023>
- [15] S. W. and E. Lestari, “TINJAUAN YURIDIS PERMENDAG NOMOR 31 TAHUN 2023,” *J. Legis.*, vol. 7, no. 1, 2023.