

Legal protections against unfair competition in ecommerce: Analysis of Indonesian and Thailand framework adequacy

Lu Sudirman^{1*}, Nipon Sohheng², Agustianto¹, Shenti Agustini¹, Nurlaily¹

¹Faculty of Law, Universitas Internasional Batam, Indonesia

²Faculty of Political Science, Ramkhamhaeng University, Thailand

*Corresponding Author: lu@uib.ac.id

Abstract

Introduction to the Problem: Unfair competition threatens economic growth and is harder to detect in the digital era. For Indonesia and Thailand, growing digital economies depend on fair online marketplaces, yet these platforms face risks like price manipulation and visibility bias. Addressing these issues is crucial to unlocking their global trade potential.

Purpose/Study Objectives: The purpose of this research is to analyze the normative potentials and challenges in enforcing antitrust laws in Indonesian and Thai online marketplaces, particularly in addressing antitrust challenges that are unique to the digital environment.

Design/Methodology/Approach: This research utilizes normative legal research method and a comparative legal approach to examine the frameworks for protecting against unfair competition in online marketplaces in Indonesia and Thailand.

Findings: Findings of this study highlight that the existing antitrust laws in Indonesia and Thailand are not equipped to address the unique challenges of digital markets, such as algorithm-driven price fixing, product visibility manipulation, and data monopoly. The study proposes a legal framework model focusing on enhancing algorithmic transparency, ensuring search neutrality, establishing robust market monitoring, and integrating data governance with antitrust measures. This model aims to bolster fair competition and consumer protection, positioning both nations to leverage their digital economy potentials effectively.

Paper Type: Research Article

Keywords: Online Marketplace; Unfair Competition; Legal Implications; Legal

Development



Copyright ©2025 by Author(s); This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License. All writings published in this journal are the personal views of the

authors and do not represent the views of this journal and the author's affiliated institutions.



Introduction

The advent of digital technologies through what is commonly known as digital transformation has brought many changes modern economy and many facets of life (Fu et al., 2021; Sudirman & Disemadi, 2023). Digital transformation has not only improved connectivity between many people, but also transformed the interactions within many economies around the world (Disemadi & Budi, 2023). It has removed barriers that has long been preventing traditional markets from fully engaging in the global economy, thereby enabling a more inclusive, mobile, and dynamic economic environment (Evangelista et al., 2014). In this new setting, businesses and consumers alike benefit from enhanced access to markets, services, and opportunities worldwide (Muslih & Supeno, 2022). Changes brought by this also needs to be accommodated by governments to ensure that opportunities are always open for anyone who wants to get into the market, through elimination of significant barriers that are still prevalent even in the settings of digital economy (Sudirman & Disemadi, 2023).

One of the barriers that was and is still present in the economy is unfair competition. Unfair competition is a significant risk that could create inequality, which in turn threatens economic growth (Salop & Baker, 2015). Unfair competition stifles competitions, which in turn, limits the choice of consumers and risks lowering the protection of their consumers' interests. Therefore, this threat needs to be seriously addressed in a manner that encourages equality of opportunity, along with consumer protection in mind. The digital economy is also not free from this threat, as it can fits in any kind of economy, as long as there's a risk for monopoly and market manipulation (Taubman, 2021). While the traditional supply chain and conventional markets see unfair competition in physical and non-physical forms, the digital economy's unfair competition might more subtle and not always visible (Prananingtyas et al., 2020). This requires a careful analysis of the signs that can indicate such problem, to then analyze the problems and create a legal compliance that can prevent this problem from happening.

Online marketplace as one of the most commonly utilized digital platforms in Indonesia (Setiyawan & Prakasa, 2021; Sfenrianto et al., 2018) is also under serious risk of being ruined by unfair competition. The popularity of online marketplaces has put them as one of the most essential parts of the economy, which is the case for Indonesia and Thailand. The amount of money that move through online marketplaces in these two countries have made the legal framework to protect the interest of all shareholders one of the key aspects to promote economic growth. In countries like Indonesia and Thailand, the damages caused by unfair competition can significantly affect the economy in a negative way, especially considering the continued rising level of competition from global trades. The failure to provide adequate legal framework to tackle unfair competition might result in local products not being competitive enough to compete with the global market. This consequence can potentially be detrimental for Indonesia and Thailand, as they must keep



themselves braced for ASEAN free trade market, competing against other countries like Singapore and Malaysia.

Analyzing the legal framework to address this issue is imperative in understanding the development of the digital economy within legal scope. For this, analysis must also be able to address the normative potentials and challenges in assuring a fair competition in online marketplaces. Comparing the legal framework between Indonesia and Thailand can provide a significant insight in how these two countries continue their pace of economic development in the industry 4.0 era. This analysis can also indicate their preparedness to face the upcoming shift of society 5.0, which has already started to take effect with some of the facets of society, including the economy. For Indonesia, this is even more crucial as it is currently on its own to become one of the biggest economies in the world, creating the urgency for a comprehensive legal framework that can protect the development of its economy. Therefore, this insight can be crucial for Indonesia to understand Thailand, who also happens to be Indonesia's competitor in ASEAN.

Unfair competition is typically governed by antitrust laws, which is often considered to be the core foundation of economic liberty, as stated by a study (Chopra & Khan, 2020). The study also highlighted the dangers of uncompetitive markets, such rising prices for consumers, depression of wages for workers, and preventing new entries to the market, which can stifle business dynamics and innovation. Most importantly, the study encourages the development of antitrust laws to cover the existing legal holes, such as the ones that can be covered by existing antitrust laws but not by private litigations, as in civil lawsuits. Providing a more critical analysis regarding this issue, a study highlighted that some forms of monopoly can actually provide benefits to society, particularly when safety the larger public interests are taken into account, which is often the case with resources that are governed by the government (Lemley & McKenna, 2020). The study also provides that there are serious risks within the legal sphere regarding antitrust issues, where litigations are pursued, more often than not, for the wrong reasons. This is typically done under the flawed perception of "unfair advantage", as opposed to actual illegal conducts made by relevant establishments to deny entry to the market.

On the focus of digital economy and antitrust, a study highlighted that the key aspect of tackling unfair competitions is the agency of relevant government authorities' and their capabilities to essentially go up against platforms who abuse their market power while breaching unfair competition rules (Büchel & Rusche, 2020). The study also pinned the term "gatekeeper power" as one of the most, if not the most important aspect in measuring capabilities of relevant government authorities, particularly in addressing whether or not online platforms are abusing such power. The study therefore proposed a careful approach in addressing legal framework of antitrust, by stating that revisions of the existing normative structure might not always be the correct solution, as it risks legal uncertainty. Contrary to this, a study put a bigger



emphasis on the urgency and importance of comprehensive legal framework, in addressing unfair competition practices in the digital economy, particularly in the form of price discrimination and collusion (Gautier et al., 2020). This call for a more comprehensive legal framework was based on the fact that these practices can be accommodated by algorithms, which make it substantially harder to detect.

An study analyzed a proposed model in the form of interim relief, to give a temporary solution to an ongoing unfair competition practices in a market (Fussenegger & Robertson, 2020). The paper highlighted that while this can provide more flexibility to antitrust law enforcements, it risks causing conflicts of interests, especially because cases of unfair competitions in the digital sphere require complex technical and economic analysis, and typically last longer than traditional unfair competition cases.

However, laws and regulations addressed are different than those that are legally binding in Indonesia and Thailand, two countries with rising digital economy he literatures also didn't exclusively analyze online marketplaces, which has now become one of the most common forms of digital spaces used in Indonesia and Thailand. This study aims to provide specific analysis regarding these gaps, focusing on the uniquely digital of antitrust, and the legal implications that come with it, followed by analysis of legal framework adequacy. As both Indonesia and Thailand continue to expand their digital economy, analyzing the problems associated with it, such as antitrust, can be considered an urgent matter in safeguarding overall economic growth in changing times. To sharpen the analysis, the study also utilizes the theory of legal positivism, which is a philosophical approach that states natural science is the only true source of knowledge and rejects metaphysical speculation, focusing on the actual impacts of legal provisions (Roza & Parlindungan, 2021).

Methodology

This research employs the normative legal research method to analyze the existing relevant positive laws (Disemadi, 2022). Normative legal research involves analyzing legal norms, principles, and doctrines to assess their validity, coherence, and applicability within the legal system, often secondary data in the form of primary law sources (Tan, 2021). The comparative legal approach used in this study is utilized to compare the legal frameworks related to protection against unfair competition in online marketplaces between Indonesia and Thailand. This involves analyzing and comparing the legal systems of both countries, including laws, regulations, and court decisions related to the protection against unfair competition in online platforms. This approach allows researchers to understand the differences, similarities, and challenges in addressing issues of unfair competition within the context of online markets in both countries. Primary law sources used as secondary data in this research are Indonesia's Law No. 5 of 1999 on Prohibition of Monopolistic Practices and Unfair Business Competition and Thailand's New Trade Competition Act.



Results and Discussion

Conceptualization of Unfair Competitions and Legal Implications in the Digital Space

Competition, throughout history, has always been synonymous with growth in many facets of society, including the economy (Boehlke, 2020). Despite the changes that have happened in many markets due to digital transformation and the rise of many digital technologies, competition has remained its significance, although differing impacts on various industries continue to arise from many innovations (Aryanti et al., 2019). In some cases, the rise of digital technologies has driven innovation and improved efficiency (Sutrisno et al., 2023), while in others, it has led to monopolistic behaviors and market concentration (Hung et al., 2023). The dynamic nature of competition continues to shape the business landscape, influencing pricing strategies, consumer choices, and the overall health of the economy. Understanding the nuances of how competition interacts with digital advancements is crucial for policymakers to ensure that healthy competition remains the norm between businesses, which can also benefit consumers.

On the other hand, unfair competition has also remained as one of the pressing issues of many markets, as it can threaten economic growth (Azizah, 2018). It brings about many negative effects that are the complete opposite of what competition brings to a market. According to the Paris Convention Article 10(bis)2, unfair competition is defined as any 'act of competition contrary to honest practices in industrial or commercial matters' (Gangjee, 2024). Unfair competition typically harms smaller businesses, which on their own already face certain difficulties and limitations (Tambunan, 2018). The end result of this is a market that no longer needs to evolve and innovate, as the dominant force has a firm grip on consumer choice and market entry barriers, giving them less incentives to innovate and improve supply chain, mainly because they're not facing any risk of losing market shares (Petrović & Jakšić, 2020). This can also dissuade future aspiring business owners from competing in their market of interest, which can significantly damage entrepreneurship culture and limit job creation.

The effort to prevent unfair competition must be able to account for the complexity of defining fairness in competitive practices and underscores the need for precise legal interpretations to manage these challenges effectively. These include price-fixing agreements, or agreements that can prevent competitors from accessing essential materials for production. Much like how unfair competition affects aspiring business owners, it can also affect consumers. Unfair competitions can also harm consumer's interest, as it limits the options that consumers have (Grimes, 2020), along with the possibility of misleading consumers into thinking that the price of a certain product has been greatly reduced (Friedman, 2016). In the end, these illicit practices can lower consumers' trust and drive them to look for other alternatives



such as imported goods, which brings more value to the economy of the country of origin of said imported goods than the local economy.

All of the intricacies behind every act that can lead to unfair competition has many implications that span across different dimensions, from economics, socio-cultural, to legal implications (Bakalinska et al., 2019). From the legal standpoint, unfair competition is described as a crime punishable by law, and is regulated through frameworks of legal norms that are often referred to as 'antitrust laws' (Elizabeth et al., 2021). To analyze the legal implications of unfair competitive practices in the digital realm, it's important to first acknowledge that such practices often take new forms that are harder to detect and regulate, such as algorithm-driven price fixing or data monopolization. This complexity requires that legal framworks evolve continually to effectively address and mitigate these emerging challenges in digital markets.

In the digital realm, the mechanisms of unfair competitive practices are often masked by the complexities of technology and data management, which can create a grey area between data and antitrust regulations. For instance, in the context of online marketplaces, algorithms can be designed to manipulate prices or product visibility in ways that favor certain sellers over others, often without the consumer's knowledge (Coglianese & Lai, 2023). This form of digital manipulation not only distorts free market competition but also raises significant ethical questions about transparency and fairness. However, this must be differentiated from actual services that many online marketplaces offer to seller, to have their products displayed more often on the devices of potential consumers.

Furthermore, large tech companies can use their vast stores of data to create barriers to entry for smaller competitors by monopolizing consumer insights and market trends. Consequently, this limits the kind of goods and services that potential consumers see on platforms like online marketplaces. An example of this happened in Indonesia where an online marketplace is suspected of favoring the visibility of certain expedition services, which puts other expedition services at a disadvantage (Mediana, 2024).

In digital antitrust contexts, legal positivism suggests that the solution to algorithmic manipulation or data monopolization lies not in moral arguments about fairness, but in precise, codified legal mechanisms. This means developing clear, measurable legislative standards that can be objectively applied to digital competitive practices. For instance, instead of arguing that an algorithm is "unfair," a positivist approach would focus on whether the algorithm violates specific, codified prohibitions against anti-competitive behavior.

There is a growing concern that existing antitrust laws might not be fully equipped to tackle the nuanced challenges presented by unfair competitive practices in the digital realm. Antitrust laws are originally designed to address more straightforward



monopolistic behaviors and collusion in traditional markets, which might render them inefficient in dealing with sophisticated and subtle digital strategies employed big companies in a digital market. This discrepancy between old legal frameworks and new business practices raises the urgency for analysis and the development of new legal standards that can accommodate economic growth within the context technological advancements, through the protection of market competitiveness. Without a concerted effort to refine the existing normative structure, digital marketplaces might become dominated by only a few players, which can significantly reduce consumer choice and stifling innovation.

Online Marketplace as a Ground of Unfair Competitions in Indonesia and Thailand

ASEAN is a significant force in many aspects of international politics, with its devotion in developing cultural, fostering economic growth, accelerating social progresses and cultural development (Maass, 2014). With the enhanced mobility and the wealth of information provided by the advent of digital technologies, ASEAN has also seen a rising number of business owners innovate and produce their own products in the region, which has increased ASEAN the level of competition in the region even more. Combined with the inclusivity provided by many e-commerce services, many ASEAN countries have now become key players in global trade.

Two of the ASEAN countries that have immense potential to develop even more in the digital age and in the coming future developments are Indonesia and Thailand. Indonesia is known to have one of the biggest populations in the world, which has contributed massively to the country's economic growth(Agusalim et al., 2022) and its massive adoption of digital technologies (Paranata et al., 2023). Consequently, ecommerce has become a significant part of Indonesia's economy, opening more chances than ever to many aspiring business owners while also improving the level of competition within the e-commerce ecosystem (Sudirman & Disemadi, 2023b). These developments can continue and are even projected to be even more significant for global trade, as many industries in Indonesia continue to develop (Limanseto, 2022). Thailand also has a growing economy, but unfortunately has been dealing with low productivity and slower rate of growth in recent times (Warr, 2024). Throughout all this, e-commerce has remained as one of the key aspects of Thai economy that has helped maintain a level of stability and preventing economic crises (Pinitjitsamut et al., 2023).

Maintaining a healthy level of competition in Indonesia is paramount for its continued development, as the country goes deeper into Industry 4.0 and prepares to the rise of Society 5.0 in the near future (Nurhayati, 2023). Indonesia's antitrust legal norms are mainly governed by Law No. 5 of 1999 on Prohibition of Monopolistic Practices and Unfair Business Competition (Antitrust Law). The broad definitions provided by the law can essentially cover all possible unfair competitive acts by connecting them to the end result of such acts, including the ones that are rather technical (e.g., data).

However, from a jurisprudential point of view, provision like this is closer to a standard or moral requirement and lacks the rigidity of rules that can actually guide the enforcement of antitrust laws (Chen, 2024).

Furthermore, it's important to comprehensively analyze the capability of Indonesia's Antitrust Law in dealing with unfair competition within the digital realm, to ensure that the legal framework can foster competition and innovation among businesses. Here are the relevant provisions within the Antitrust Law that can be utilized to tackle unfair competition that might take place in the digital realm.

Table 1. Crucial Antitrust Law's Provisions to Prevent Unfair Competition in the Digital Realm

Provision	Provision Summary	Digital Implications
Article 4, 5, 8, 11, 14	Prohibitions on monopolistic agreements, including price fixing, market sharing, and vertical integration.	These provisions are crucial for regulating traditional anticompetitive behaviors that also occur in digital marketplaces, like price fixing by online sellers or exclusive dealing on e-commerce platforms.
Article 17, 25, 27, 28	o o	stifling innovation and competition

Source: Authors analytical assessment

These provisions are important in ensuring that unfair competitive practices don't happen in e-commerce ecosystems, which have now become a significant part of Indonesia's economy. However, it's important to note that these provisions are applicable for both the traditional markets and digital marketplaces. The relevant articles mentioned in the table are mainly about agreements that can create unfair competition in the market and regulations against abusive market dominance. This highlights that while the existing laws cover broad anti-competitive practices, they don't necessarily reflect the much-needed legal norms to deal with unfair competitive practices that are uniquely digital and highly technical in nature, such as algorithm manipulation, search bias, and data-driven market control, which require a nuanced understanding and specific legal considerations.



On the other hand, Thailand mainly prevents unfair competition through the provisions of the New Trade Competition Act. The enactment of this law in 2017 effectively repealed the first Trade Competition Act enacted in 1999. Here are some of the most important provisions and their relevancy in tackling unfair competitive practices in the digital realm.

Table 2. Crucial New Trade Competition Act's Provisions to Prevent Unfair Competition in the Digital Realm

Provision	Provision Summary	Digital Implications
Section 50	Prohibits business operators with	Directly applicable to digital
	a dominant market position from	marketplaces where dominant
	engaging in unfair practices such	players may influence pricing or
	as price fixing, limiting	market conditions unfairly.
	production, or imposing unfair	
	conditions on trading partners.	
Section 51	Requires notification or	Crucial for overseeing digital
	permission for mergers that may	mergers that could potentially
	reduce competition substantially	limit competition in the tech and
	or result in a monopoly. Defines	e-commerce sectors.
	what constitutes a merger and	
	sets procedures for notification	
	and permission.	
Section 54	Prevent business operators from	Addresses the risk of collusion in
& 55	colluding to fix prices, limit	online platforms, where
	production, or divide markets in	businesses might covertly agree
	any manner that restricts	to manipulate market
	competition.	conditions.
Section 57	Prohibits business operators from	Relevant to practices in the
	engaging in conduct that damages	digital economy where larger
	other operators, such as using	firms might use their power to
	market power to obstruct	stifle competition from smaller
	competitors unfairly or setting	entities.
	trading conditions that prevent or	
	restrict other business operations.	

Source: Authors analytical assessment

Much like Indonesia's Antitrust Law, Thailand's New Trade Competition Act also mainly covers the aspects that can be used to tackle unfair competition in the digital realm. The weaknesses regarding the lack of capability in dealing with unfair competitive practices that are purely digital in nature and highly technical are also essentially the same as Indonesia's. As the newer regulation, the New Trade Competition Act does normatively provide better stipulations than Indonesia's Antitrust Law, particularly with the relevant sections mentioned in the second table.

Table 3. Comparison of Indonesian and Thai Antitrust Legal Framework

Feature	Thailand - Trade	Indonesia – Antitrust Law
	Competition Act B.E. 2560	
Merger	Section 51 details notification	Articles 28 and 29 require pre-
Control	and permission requirements	approval for mergers,
	for mergers that might reduce	consolidations, or acquisitions
	competition or create a	that may lead to monopolistic
	monopoly. Specifies criteria	practices or unfair competition,
	like market share and sales	with specifics to be detailed in
	revenue.	government regulations.
Abuse of	Section 50 explicitly prohibits	Articles 17 and 25 focus on
Dominant	actions like unfair price fixing,	preventing business actors from
Position	limiting production, or unfairly	abusing dominant positions,
	preventing market entry by	without specific examples of
	competitors.	prohibited actions.
Anti-	Section 54 specifically prohibits	Article 11 explicitly prohibits
Competitive	agreements that fix prices, limit	agreements that control prices,
Agreements	or control production or	restrict competition, or limit
	market sharing, or restrict	technology development. It
	innovation, directly addressing	covers a broad range of anti-
	the context of both horizontal	competitive agreements.
	and vertical agreements.	
Penalties	Comprehensive penalties	Penalties generally include fines,
for Non-	including fines and potential	with the potential for
Compliance	imprisonment for violations of	imprisonment for severe
	the competition laws, as	violations, detailed in Articles 48
	detailed across various	and 49.
	sections.	
	1 1	

Source: Authors analytical assessment

Thailand's Act provides detailed procedural guidelines, such as specific notification and permission requirements for mergers under Section 51, alongside criteria like market share and sales revenue that need to be met, which offer clarity and predictability for business operations. It also distinctly prohibits various forms of anti-competitive behavior in Section 54, covering both horizontal and vertical agreements. In contrast, Indonesia's Antitrust Law, through Articles 28 and 29, mandates pre-approval for mergers that might lead to monopolistic outcomes but defers much of the detail to subsequent government regulations, which could introduce delays and uncertainties in enforcement. While both countries impose penalties for violations, including potential imprisonment, Thailand's law articulates these consequences within a clear framework of defined offenses, enhancing enforceability. Indonesia's broader approach, though potentially flexible, might not



provide the same level of immediate clarity, particularly in sectors such as digital markets, where rapid responses are often necessary to address dynamic competitive threats. This fundamental difference underscores Thailand's focus on detailed regulatory processes to manage competition, whereas Indonesia relies on a broader legislative framework that necessitates additional regulatory detailing postenactment.

Furthermore, another problematic issue within Indonesia's Antitrust Law is the sanctions that can be imposed on those that violate the existing rules that, as highlighted before, are outdated. The sanctions as regulated by the criminal provisions of Indonesia's Antitrust Law is also outdated as shown by the leniency of fines, particularly in Article 43 paragraph (1) and (3), having only Rp. 25.000.000.000,00 and Rp. 5.000.000.000,00 as maximum sanction respectively. This provision clearly doesn't take account the current financial capabilities of big companies, particularly those that commit and benefit off of unfair competitive practices. In the digital context, this is even more relevant as the utilization ecommerce platform is often associated with wider market reach and higher amount of profits (Utami & Wulandari, 2021).

Proposed Model of Legal Development for Indonesia and Thailand

Legal development is a key element of enforcement, which can substantially impact the trajectory of many aspects in society. For the economy, relevant legal frameworks typically must protect the interests of many stakeholders to ensure that many business practices lead to growth. In the context unfair competition, legal framework must be able to accommodate the dynamics of unfair competitive practices, which can take on new and rather discreet forms due to the utilization of digital technologies (Bamberger et al., 2017). Unfortunately, as highlighted previously the existing legal framework in both Indonesia and Thailand aren't able to accommodate the prevention of unfair competitive practices that are purely digital and highly technical in nature. The urgency is even bigger for Indonesia, as its antitrust legal framework is behind that of Thailand. Therefore, the key focus of antitrust legal development for both Indonesia and Thailand should be the digital aspect, which will remain relevant even in the near future.

This research proposes a model of legal development for Indonesia and Thailand, that can be utilized to tackle digital forms of unfair competitive practices. This model of legal development consists of normative construction for many kinds of initiatives that can prevent unfair competitive practices, to eventually foster competitiveness and innovation within the digital realm.

Table 4. Proposed Model of Legal Development to Tackle Digital Unfair Competitive Practices

Regulatory Focus	Detailed Initiatives		
Algorithmic	Establish regulations for companies to register and disclose		
Regulation	functionalities of critical algorithms to a regulatory body, with		
	mandated periodic audits to ensure compliance with competition		
	standards.		
Search	Mandate neutrality in search algorithms on digital platforms,		
Neutrality	prohibiting practices that unfairly favor products or services,		
	enforced through routine inspections or by a report system for		
	consumers and other sellers.		
Market	Create a specialized digital watchdog authority with the capability		
Monitoring	to continuously monitor online market practices, actively		
	identifying and addressing potential anti-competitive behaviors.		
Bridging Data	Acknowledge the interplay between data utilization and antitrust		
Governance	aspects, through a rigid provision regarding the prohibition of data		
and Antitrust	titrust utilization that gives an advantage for a few select players in		
	digital market.		

Source: Authors analytical assessment

Firstly, it's important to acknowledge the role of algorithms in the utilization of many electronic systems. With algorithms, electronic system provider can manipulate user interactions, which is particularly relevant in online marketplace. This unfair utilization of algorithm can impact product visibility, creating unfair advantage for other products that are constantly being displayed in the interface of many users (Coglianese & Lai, 2023). This can be regulated by enforcing mandatory disclosure on key algorithmic functions within electronic systems, to ensure that no sellers would suffer from unfair limited visibility of their products. The same can also be said for search neutrality, which is also a part of the entirety of algorithmic function within an electronic system. This aspect is particularly important to be highlighted to ensure that electronic system providers do not have certain biases for a few select unknown keywords that can be agreed upon under an illicit agreement between them and certain sellers.

Inspection also plays a part in this model. Considering the importance of e-commerce in the current state of the economy, both Indonesia and Thailand can certainly benefit from the establishment a specialized watchdog that can oversee the dynamics of e-commerce and its practices, while also dealing with reports or flagged activities that can be consider an unfair competitive practice. Furthermore, there's also a need to normatively recognize data as an important aspect of antitrust laws and their enforcement. While data protection is already a realm of its own in the current legal trend, antitrust can still regulate the criminal aspect of data utilization, particularly



when it's done to create unfair advantage through the methods that have already been highlighted previously.

Conclusion

Analysis of this research indicates the slow legal development in Indonesia when compared to Thailand, despite both countries essentially having the same kind of weakness when it comes to tackling digital unfair competitive practices. Indonesia still using a regulation passed in 1999 can be considered alarming, as it indicates the lack of commitment from the government in fostering competitive business atmosphere. Considering the importance of digital technologies and e-commerce ecosystem in current Indonesian and Thai markets, it's imperative that both countries continue to develop their legal framework, with a particular focus in tackling unfair competitive practices that are purely digital and highly technical in nature. This research proposes a model of legal development that both countries can consider, with emphasis on enhancing algorithmic transparency, ensuring search neutrality, establishment of monitoring system, and bridging data governance and antitrust measures. These initiatives aim to foster a competitive environment that is fair, transparent, and responsive to the dynamic nature of digital markets. Limitation of this study comes from the need for further analysis of qualitative data, regarding the prevalence of highlighted digital unfair competitive practices and how much they're affected by the backend processes of electronic systems.

Acknowledgement

We would like to extend our heartfelt gratitude to all parties at Universitas Internasional Batam (UIB), Indonesia, and Ramkhamhaeng University, Thailand, who have contributed to the successful completion of this collaborative research. Special thanks are due to the Faculty of Law and the Research and Community Service Institute (LPPM) at UIB for their unwavering support, both moral and material, which has been instrumental in bringing this research to fruition.

Declarations

Author contribution

: Author 1: Designed the research framework, collected secondary data, conceptualized the research framework and coordinated the comparative analysis between Indonesia and Thailand, and wrote the majority of the manuscript. Author 2: Provided in-depth insights into Thailegal systems and ensured the accuracy of the data pertaining to Thailand's legal landscape. Author 3 and 4. Contributed to the literature review supporting the theoretical framework of this article and assisted in drafting the manuscript. Author 5: Provided guidance to enhance the manuscript.



Funding statement : This collaborative research received funding in accordance

with the budget activity plan of the LPPM at UIB.

Conflict of interest : The authors declare no conflict of interest.

Additional information: No additional information is available for this paper.

References

- Agusalim, L., Anggraeni, L., & Pasaribu, S. H. (2022). The economy of Indonesia: Driven by physical or human capital? *JEJAK*, *15*(1), 10–28. https://doi.org/10.15294/jejak.v15i1.34418
- Aryanti, A. N., Suryana, S., Hendrayati, H., Rahmi, P. P., Wijaya, F., & Herlina, L. (2019). Digital innovation strategy for creative industries: responding to competition challenges in the digital age. *INOVASI: Jurnal Ekonomi, Keuangan Dan Manajemen*, 2(23), 404–414.
- Azizah, A. (2018). Fair competition through price agreement between businessmen associated in ASEAN economic community. *Muhammadiyah Law Review*, *2*(1), 9–17.
- Bakalinska, O., Holubieva, V., & Vinnytskyi, O. (2019). The moral and ethical principles on the formation of competition culture. *Amazonia Investiga*, 8(23), 469–475.
- Bamberger, K. A., Lobel, O., Davidoff-Solomon, S., Barry, J., Fleisher, V., & Weinstein, S. (2017). Platform Market Power. *Berkeley Technology Law Journal*, *32*(3), 1051–1092.
- Boehlke, J. (2020). Some remarks on methodological foundations of Unified Growth Theory. In K. Nermend & M. Łatuszyńska (Eds.), *Experimental and Quantitative Methods in Contemporary Economics* (pp. 3–16). Springer International Publishing.
- Büchel, J., & Rusche, C. (2020). *Competition in the digital economy: An analysis of gatekeepers and regulations* (26/2020; IW-Policy Paper).
- Chen, L. (2024). Data ownership and digital governance: Promoting enterprise cooperation and sustainable development. *Journal of Education, Humanities and Social Sciences*, 28(ALSS 2024), 207–216. https://doi.org/10.54097/3tdv5346
- Chopra, R., & Khan, L. M. (2020). The case for "Unfair Methods of Competition" rulemaking. *University of Chicago Law Review*, 87(2), 357–379.
- Coglianese, C., & Lai, A. (2023). *Algorithms and competition in the digital economy* (258; E-Competitions: Antitrust Case Laws e-Bulletin).
- Disemadi, H. S. (2022). Lenses of legal research: A descriptive essay on legal research methodologies. *Journal of Judicial Review*, 24(2), 289–304. https://doi.org/10.37253/jjr.v24i2.7280
- Disemadi, H. S., & Budi, H. S. (2023). Enhancing trade secret protection amidst e-commerce advancements: Navigating the cybersecurity conundrum. *Jurnal Wawasan Yuridika*, 7(1), 21–45. https://doi.org/10.25072/jwy.v7i1.608
- Elizabeth, Y. N., Yu, L. M., Palmer, D. P., & Anyomi, B. (2021). Unfair competition in the field of intellectual property rights: Analyzing concepts, acts of unfair competition and laws. *Journal of Politics and Law*, 14(3), 44–50. https://doi.org/10.5539/jpl.v14n3p44
- Evangelista, R., Guerrieri, P., & Meliciani, V. (2014). The economic impact of digital technologies in Europe. *Economics of Innovation and New Technology*, *23*(8), 802–824. https://doi.org/10.1080/10438599.2014.918438
- Friedman, D. A. (2016). Reconsidering fictitious pricing. *Minnesota Law Review*, 100(3), 921–982.



Volume 16, Issue 1, 2025, pp. 27-42

- Fu, X., Avenyo, E., & Ghauri, P. (2021). Digital platforms and development: a survey of the literature. *Innovation and Development*, 11(2–3), 303–321. https://doi.org/10.1080/2157930X.2021.1975361
- Fussenegger, G., & Robertson, V. H. S. E. (2020). The role of antitrust authorities regarding the digital economy. In *Graz Law Working Paper Series* (02–2020; Graz Law Working Paper Series). https://doi.org/10.2139/ssrn.3701206
- Gangjee, D. S. (2024). Law(s) against unfair competition: the legitimacy of the UK approach. *Journal of Intellectual Property Law & Practice*, 19(2), 90–100. https://doi.org/10.1093/jiplp/jpad105
- Gautier, A., Ittoo, A., & Van Cleynenbreugel, P. (2020). AI algorithms, price discrimination and collusion: a technological, economic and legal perspective. *European Journal of Law and Economics*, *50*(3), 405–435. https://doi.org/10.1007/s10657-020-09662-6
- Grimes, W. (2020). Adam smith, the competitive process, and the flawed consumer welfare standard. *GRUR International*, 69(1), 3–13. https://doi.org/10.1093/grurint/ikz020
- Hung, B. Q., Nham, N. T. H., & Ha, L. T. (2023). The importance of digitalization in powering environmental innovation performance of European countries. *Journal of Innovation and Knowledge*, 8(1), 1–22. https://doi.org/10.1016/j.jik.2022.100284
- Lemley, M. A., & McKenna, M. P. (2020). Unfair disruption. *Boston University Law Review*, 100(1), 71–131.
- Limanseto, H. (2022, April). Digital economy acceleration in e-commerce and online travel becomes one of the effective strategies to encourage national economic performance. Kementerian Koordinator Bidang Perekonomian Republik Indonesia. https://ekon.go.id/publikasi/detail/4092/digital-economy-acceleration-in-e-commerce-and-online-travel-becomes-one-of-the-effective-strategies-to-encourage-national-economic-performance
- Maass, M. (2014). Foreign policies and diplomacies in Asia: Changes in practice, concepts, and thinking in a rising region (M. Maass (ed.); 1st ed.). Amsterdam University Press.
- Mediana. (2024, May). *Diduga ada ketidakadilan, layanan pengiriman Shopee dan Lazada diselidiki*. Kompas.Id. https://www.kompas.id/baca/ekonomi/2024/05/30/diduga-tidak-adil-layanan-pengiriman-shopee-dan-lazada-diselidiki-kppu
- Muslih, M., & Supeno, S. (2022). Financial technology: digital legal challenges and Indonesia's economic prospects after Covid-19 outbreak. *Legality: Jurnal Ilmiah Hukum*, 30(2), 255–266. https://doi.org/10.22219/ljih.v30i2.22784
- Nurhayati, Y. (2023). Regulatory analysis digital markets act (DMA) European Union in business competition. *International Journal of Law, Environment, and Natural Resources*, 3(1), 107–124. https://doi.org/10.51749/injurlens.v3i1.46
- Paranata, A., Pahrudin, Muzayyanah, S., & Trinh, T. H. (2023). Identification of factors influencing entrepreneurial behavior: Unveiling start-up business initiatives in Indonesia. *Humanities and Social Sciences Communications*, 10(1), 1–12. https://doi.org/10.1057/s41599-023-01896-4
- Petrović, S., & Jakšić, T. (2020). Regulation and competition of taxi services. In J. Marin, S. Petrović, M. Mudrić, & H. Lisičar (Eds.), *Uber—Brave New Service or Unfair Competition: Legal Analysis of the Nature of Uber Services* (pp. 153–180). Springer International Publishing. https://doi.org/10.1007/978-3-030-31535-



1_5

- Pinitjitsamut, M., Thamthanakoon, N., & Yaemklin, S. (2023). The impact of e-commerce on Thai's economy and its role plays in driving economic recovery after COVID-19 pandemic the CGE Analysis (MPRA Paper, Issue 117051). University Library of Munich, Germany. https://doi.org/DOI:
- Prananingtyas, P., Disemadi, H. S., & Zakiyah, N. (2020). The Indonesian business competition law: How the police plays a role? *Jurnal Hukum Novelty*, 11(1), 105. https://doi.org/10.26555/novelty.v11i1.a15224
- Roza, D., & Parlindungan S, G. T. (2021). Teori positivisme Hans Kelsen mempengaruhi perkembangan hukum di Indonesia. *Lex Jurnalica*, 18(1), 20–26.
- Salop, S. C., & Baker, J. B. (2015). Antitrust, competition policy, and inequality. *Georgetown Law Journal*, 104, 1–28. https://doi.org/10.2139/ssrn.2567767
- Setiyawan, R., & Wicaksana Prakasa, S. U. (2021). Indonesian online shopping practices in the COVID-19 pandemic era: A study of culture and cyber security law. *Jurnal Hukum Novelty*, *12*(1), 29–44. https://doi.org/10.26555/novelty. v12i01.a16944
- Sfenrianto, S., Wijaya, T., & Wang, G. (2018). Assessing the buyer trust and satisfaction factors in the E-marketplace. *Journal of Theoretical and Applied Electronic Commerce Research*, 13(2), 43–57. https://doi.org/10.4067/S0718-18762018 000200105
- Sudirman, L., & Disemadi, H. S. (2023a). Gig economy: Unleashing the potential of digital banking in Indonesia's employment regulations. *Lentera Hukum*, 10(2), 302–330. https://doi.org/10.19184/ejlh.v10i2.39688
- Sudirman, L., & Disemadi, H. S. (2023b). The role of Indonesian online marketplace in intellectual property rights infringements: A comparative analysis. *Jurnal Pembaharuan Hukum*, 10(1), 90–103. https://doi.org/10.26532/jph.v10i1. 30883
- Sutrisno, S., Kuraesin, A. D., Siminto, S., Irawansyah, I., & Almaududi Ausat, A. M. (2023). The role of information technology in driving innovation and entrepreneurial business growth. *Jurnal Minfo Polgan*, 12(1), 586–597. https://doi.org/10.33395/jmp.v12i1.12463
- Tambunan, T. (2018). Competition law and SMEs in Indonesia. In *Competition Law, Regulation and SMEs in the Asia-Pacific* (pp. 276–291). https://doi.org/10.1355/9789814695817-018
- Tan, D. (2021). Metode penelitian hukum: Mengupas dan mengulas metodologi dalam menyelenggarakan penelitian hukum. *NUSANTARA: Jurnal Ilmu Pengetahuan Sosial*, 8(5), 2463–2478.
- Taubman, A. S. (2021). Digital disruption and the reshaping of markets for IP: What this means for trade and competition policy. In *Competition Policy and Intellectual Property in Today's Global Economy* (pp. 283–331). https://doi.org/10.1017/9781108157827.013
- Utami, A. R., & Wulandari, E. (2021). Digital marketing training on social media and ecommerce in Mojo shoe business. *ICCD*, *3*(1), 129–133. https://doi.org/10.33068/iccd.Vol3.Iss1.320
- Warr, P. (2024, January). *Thailand's economy remains beset by low productivity and slow growth*. East Asia Forum. https://eastasiaforum.org/2024/01/25/thailands-economy-remains-beset-by-low-productivity-and-slow-growth/