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# Utilization of E-Commerce And Aspects of Legal In Business Activities In The Village Prasung, District Buduran, Sidoarjo Regency

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#### Abstract

The development of today's technology allows people to access all kinds of activities such as communication networks, online applications, transportation online, paying with a digital wallet, online banking transactions and etcetera. Prasung Village in Buduran Subdistrict, Sidoarjo Regency is one of the villages that has the potential to improve the economy of its citizens by utilizing the development of this technology as a forum for promoting the business activities of its citizens. The potential is honed by the existence of community service activities under the title Utilization of E-Commerce And Its Legal Aspects In Business Activities carried out with three stages namely the licensing stage, the socialization stage and the evaluation stage. Then use three methods in delivering the material, namely lecture method, discussion method and question and answer method. The purpose of this community service activity is to improve the economy of citizens by utilizing e-commerce as a means of promoting business activities in the Village of Prasung. Besides providing legal knowledge related to e-commerce as a form of preventive measures to avoid legal problems that might arise from activities in cyberspace. The results obtained from the implementation of community service, namely the delivery of this material can increase motivation for rural communities to be able to use e-commerce so that business activities in the village can be known to the wider community so that it impacts on improving the economy of Prasung Village residents.

Keywords: E-Commerce; Technology; Business Activities; Prasung Village.

#### I. Introduction

In the current 4.0 industrial revolution era, people in Indonesia more often take advantage of technological advances and make everything completely digital. With this progress, there are no longer any limitations in carrying out activities, especially those related to business activities, such as marketing a product or service that is owned. This digitalization affects various aspects of life, be it individual, social or related to the business world or business.

Many communication and information tools are used in business activities, such as the use of telephone, fax, sms, email, website and others. So that came the term e-commerce. E-commerce (electronic commerce) is the process of buying and selling transactions

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using electronic devices, such as telephone and internet.¹ The use of e-commerce at this time is a requirement for an organization or company, so that the company can compete globally. The use of e-commerce is a necessity in the business world, given the increasingly complex problems, increasingly mushrooming competitors and demands to always keep abreast of the global world which requires us to always act creatively. It is expected that the use of e-commerce will have an impact on the acceleration of the development of the business world both small, medium and upper class businesses. This positive impact will certainly be felt if the company can use e-commerce appropriately and adapted to the type and character of its business.²

The use of e-commerce is not only for large companies, small entrepreneurs or home industries, nowadays they have started using e-commerce in marketing their products. Not only businesses that are engaged in production, but businesses that are engaged in the tourism sector are currently using e-commerce as a form of promotion. One village that has the potential not only in the production sector but also in tourism is Prasung Village, located in Buduran District, Sidoarjo Regency.

Prasung Village is located in the north of Banjarsari Village - Duku Tengah - Damarsi Buduran sub-district, south of Siwalan Panji - Kemiri Buduran - Sidoarjo, east of Sawohan, west of Wadung Asih and is on a strategic and lanacar route for tourist traffic, and is smooth. in the wheel of the economy.

Batas	Desa/Kelurahan	Kecamatan
Sebelah utara	Banjarsari - Duku Tengah – Damarsi	Buduran
Sebelah selatan	Siwalan Panji – Kemiri	Buduran – Sidoarjo
Sebelah timur	Sawohan	Buduran
Sebelah barat	Wadung Asih	Buduran

Table 1. Boundaries of Prasung Village, Buduran District, Sidoarjo.

 $<sup>^{\</sup>rm 1}$ Siti Maryama, Penerapan e-commerce dalam meningkatkan daya saing usaha. Jurnal liquidity vol2nol hlm73-79

<sup>&</sup>lt;sup>2</sup> Ibid.

The area of Prasung Village after conversion is  $1 \, \text{Ha} = 10,000 \, \text{m}^2$  or  $1 \, \text{m}^2 = 0.001 \, \text{Ha}$ . Prasung Village is a village that has soil fertility, starting from agriculture, plantations, animal husbandry and fisheries. Therefore, encourage people who live in the area to live by maintaining rice and fish and others.

There are several problems faced by Prasung Village residents, including how to optimize natural products by using appropriate technology. Because the average villager of Prasung Village is a Tambak Farmer, he has abundant fish yields, which in addition to being sold are also processed into crackers, for this sale, especially in the form of crackers, residents have not tried to use other sales methods. besides conventional sales. In other sectors, Prasung Village also has tourism potential. One of them is fishing pond tourism, and this is also not optimal in terms of promotion.

From some of these problems, through community service activities with the theme of Utilizing E-Commerce and its Legal Aspects in Business Activities in the Village of Prasung, Subdistrict of Buduran, Sidoarjo Regency organized by the Faculty of Law of the East Java Veterans Development University, it is expected to provide new knowledge and skills to the community. Desa Prasung especially in utilizing technology especially e-commerce to be able to compete in global business.

#### II. Method

Community service activities are carried out with:

- 1. The lecture method, before the lecture begins, is given a pre-test to find out the understanding of the target audience.
- The method of discussion, carried out as a whole and together with regard to the use of E-Commerce and its legal aspects in business activities in the Village of Prasung
- 3. Question and answer method. Done after discussion and given a post test to find out, how to understand the target audience.

This dedication activity is carried out in 3 (three) stages, namely:

1. Licensing Stage. At this stage, observations were made to the location of the service and take care of licensing in the Village of Prasung, Subdistrict of Buduran, Sidoarjo

Regency, including preparing material, attendance list, and maturation of the place of service.

- 2. Socialization Phase, including: providing material about the use of e-commerce and its legal aspects in business activities in the village
- 3. Evaluation Stage. The evaluation phase is carried out to find out, assess, and measure the level of understanding of the target after doing service related to the use of e-commerce.

# III. Main Heading of the Analysis or Results

# A. Utilization of E-Commerce in Business activities in the Village of Prasung, District of Buduran, Sidoarjo

This Community Service activity was held on Saturday, 1 February 2020 at Prasung Village Hall, Buduran District, Sidoarjo Regency and was attended by village officials and community representatives, among others, owners of fishing grounds, pond farmers, PKK women, and 50 cadets. person. The activity starts at 10:00 WIB until 15:00 WIB. The participants seemed enthusiastic, considering that this activity was useful to encourage the progress of their business. And can be used as a good promotion tool for Prasung Village itself.

The activity begins by providing material related to E-commerce. That e-commerce currently as an online promotion media is certainly not just a *website*, there are other platforms for example utilizing social media such as Instagram, Facebook as a means of promotion, both of which previously existed with personal names or with names created specifically for trade. Besides that many marketplace platforms that have mushroomed like Tokopedia, Shopee, or Bukalapak can be used as other alternatives. It is hoped that business activities in the Village of Prasung (be it in the fields of tourism, home industry and so on) can utilize social media to trade and promote each product that is ready to sell. Even the use of social media as promotional media is also supported by the Ministry of Trade program, which places social media in the framework of two benefits / uses, namely:

"First, utilizing social media to communicate with the public in terms of socializing their policies and giving answers to their interests and public curiosity about the world of

commerce. The second role, using social media as a marketing tool to reach the public widely, has comprehensive content and high intensity of delivery, effective, and efficient."<sup>3</sup>

The difference between the process of selling and buying products on an ecommerce system with the traditional process of buying and selling products is all processes which starts from finding information about the goods or services needed, then place an order and finally the payment process is done electronically. The classification of e-commerce is generally done based on the nature of the transaction, namely:<sup>4</sup>

# 1. Business to Business (B2B)

Is a transaction in which a company or business person offers to sell or buy products and services to other corporate or business entities.

#### 2. Business to Consumer (B2C)

Is a transaction in which a company or business person offers to sell or buy products and services to customers.

# 3. Business to Government (B2G)

A transaction in which a company or business person offers to sell or buy products and services to the government.

#### 4. Consumer to Business (C2B)

Is a transaction where a customer offers to sell or buy products and services to a company or businessman.

#### 5. Consumer to Consumer (C2C) This

is a transaction where a customer offers to sell products and services directly to other customers.

#### 6. Consumer to Government (C2G)

<sup>&</sup>lt;sup>3</sup> Kemendag, 2014, "Role Model" Pemanfaatan Media Sosial, Kemendag, dilihat 07 Maret 2019, <a href="http://www.kemendag.go.id/files/pdf/2014/12/19/role-model-pemanfaatan-media-sosial-id0-1418983674.pdf">http://www.kemendag.go.id/files/pdf/2014/12/19/role-model-pemanfaatan-media-sosial-id0-1418983674.pdf</a>, hlm. 1.

<sup>&</sup>lt;sup>4</sup> Aprilia Dian Evasar, et al. 2019. Pelatihan Dan Pemanfaatan E-Commerce Sebagai Media Pemasaran Produk UMKM Di Desa Tales Kecamatan Ngadiluwih,Kabupaten Kediri. Cendekia: Jurnal Pengabdian Masyarakat. Vol 1 no 2. Hlm 75-84.

Is a transaction where a customer offers to sell or buy products and services to the government.

# 7. Government to Business (G2B)

Is a transaction where the government offers to sell or buy products and services to companies or business people.

# 8. Government to Consumer (G2C)

Is a transaction where the government offers to sell or buy products and services to customers.

#### 9. Government to Government (G2G)

Is a transaction where the government offers to sell or buy products and services to other government entities.

The type of e-commerce services referred to in this community service activity is Business to Customer (B2C) because its business activities (in this case are a number of business activities carried out by Prasung Village residents) sell their products to customers online with the internet through internet media through e-commerce service providers.

In this community service activity in addition to an explanation related to the type of e-commerce services, it also explained the benefits and advantages of using e-commerce. There are several benefits of e-commerce, namely:

- a. Facilitating communication between producers and consumers.
- b. Facilitate the marketing and promotion of goods or services.
- c. Expanding the reach of potential customers with a broad market.
- d. Simplify the process of selling and buying.
- e. Simplify payments because it can be done online.
- f. Facilitate the dissemination of information.

There are also many advantages that can be obtained from e-commerce. One of them is selling products or services online without having to set up a shop or large office as practiced by offline businesses as a place of business. Only by utilizing the internet network, people can already market their products or services to consumers anytime and

anywhere. Another advantage is the ease of communication between seller and buyer. In terms of marketing goods, it is also far more profitable because people do not need to pay high costs to carry out promotions. Only by using the internet network, it can market products or services widely to the public.

After the presentation of the material, this dedication activity continued with a discussion and question and answer session. The people of Prasung Village are very enthusiastic to participate in this session, in this session we also provide assistance for people who are still confused and struggling to create an account specifically for buying and selling on social media or the marketplace. We also provide some input in writing content on social media and the marketplace to make it interesting, also provide input on websites that are already owned by Prasung Village so that it looks more attractive and can invite many viewers to visit.

#### B. Legal Aspects of E-Commerce

The existence of electronic transaction media must be accompanied by an increase in understanding related to the Law on Information and Electronic Transactions, including providing an understanding of the legality of business contracts, which should be understood and obeyed by businesses even though the business of buying and selling through online (online shop). Likewise, the Dedication Team of the Faculty of Law of UPN Veteran of East Java conveyed, not only the provision of material related to how the use of e-commerce to boost the community's economy but also explained the legal aspects that exist in e-commerce. Addition of insights about Buying and Selling Online Systems According to Positive Legal Views is expected to more or less provide insights and insights that are sufficient for the public to have stock in the online system of buying and selling activities that are increasingly widespread can be done well

Undang-Undang Number 11 of 2008 concerning Information and Electronic Transactions (ITE Law) is Indonesia's first cyber law. According to the provisions of Law Number 11 of 2008 Regarding Information and Electronic Transactions Article 1 General Provisions, number 2 states that Electronic Transactions are legal acts carried out using Computers, Computer networks, and / or other electronic media.

Munir Fuady stated that what is meant by *e*-commerce is a business process using electronic technology that connects companies, consumers and the public in the form of

electronic transactions, and the exchange / sale of goods, services, and information electronically. Thus, in principle business with e-commerce is activity (paperless trading).<sup>5</sup>

From these two definitions, it can be explained that what is meant by e-commerce is a legal relationship in the form of exchange of goods and services between sellers and buyers who have a common transaction with conventional transactions. it's just that the implementation of the exchange through intangible media or cyberspace so that the seller and buyer do not physically face to face

Electronic commerce (e-commerce) has a legal basis for conventional trading, it is necessary to examine the provisions contained in conventional buying and selling As an example of this is the conventional sale and purchase regulated in Article 1457 of the Civil Code up to Article 1540 of the Civil Code Based on these provisions it can be seen that:

- 1. Buying and selling through electronic (e-commerce) is an agreement so that the terms of the engagement in Book III of the Civil Codeapply
- 2. Purchase through electronic (e-commerce) is a consensual agreement, which has been formed since the agreement on the goods and the price of
- 3. The rights and obligations of the parties has occurred since the agreement even though the price has not been paid and the goods have not been delivered.<sup>6</sup>

The Characteristics of electronic agreements are as follows:

#### 1. How to communicate

Both parties must pay attention to the website to provide information for inappropriate things (illegal). Agreement with the Internet Service Provider or in the standard agreement there is a clause for clients not to use sites that violate public order (openbare orders), violations of works that are protected by the Intellectual Property Rights Act, make misleading announcements, distribute prohibited documents, act against the law.

<sup>&</sup>lt;sup>5</sup> Munir Fuady, *Pengantar Hukum Bisnis*, *Menata Bisnis Modern di Era Global*, PT. Citra Aditya Bakti, Bandung, 2008, hlm. 407

<sup>&</sup>lt;sup>6</sup> Sukarmi, Kontrak Elektronik Dalam Bayang-Bayang Pelaku Usaha, (Bandung: Pustaka Sutra, 2008), hlm 118

#### 2. Guarantees and Vrijwaring

That in the contract it must be stated a guarantee made by the website developer for the work made and must be free from plagiarism, pay attention to intellectual rights, and do not violate existing provisions.

#### 3. Costs

The parties may enter into an agreement that the obligation to pay compensation is carried out by risk sharing.

#### 4. Payment

Concerning the price and method of payment whether payment is at the same time, credit, or payment based on a certain amount of tasks that have been completed.

### 5. Confidentiality

This needs to be made to ensure that developers are bound to maintain the confidentiality of information contained in the contract.<sup>7</sup>

In addition to the material, the regulations relating to online trade sanctions are also regulated in the ITE Law, as well as an explanation of the types of violations in online trading. Also explained about the things that can and should not be done in online trading, one of which uses product photos by taking other people's photos without permission. This material was given bearing in mind that there are many business people who trade online, but many do not understand the regulations or rules applied online. So that this material is delivered as a form of knowledge transfer so that people not only have the skills in conducting online trade but the public also understands how the legal rules apply in online trading. With this provision, people can be careful and apply business ethics in accordance with the rules that apply in online trading.

#### IV. Conclusion

The activity went well followed by the enthusiasm of the participants who were present during the activity. This can be seen from the activeness and role of participants in trying to use and create accounts on social media and the marketplace and actively giving questions to the service team until the end of the activity. Then the people of Prasung

<sup>&</sup>lt;sup>7</sup> Ibid., hlm. 67-68

Village who participated in this activity also gained new insights related to the legal aspects that exist in e-commerce, so that the public can know what are the things that are allowed and prohibited in online trading.

The suggestions that can be delivered in this community service activity are the role of the local government in empowering the potential of villages, one of which is by conducting socialization activities related to the advancement of marketing technology, also intensifying business activities in these villages.

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