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Predatory Pricing in the Digital Platform Ecosystem: Challenges and Limitations of Indonesian Competition Law

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Abstract: The digital economy has transformed market structures through platform-based businesses. Aggressive pricing strategies, including subsidies and large discounts, may benefit consumers in the short term but can reduce competition by driving out small businesses and strengthening the dominance of large platforms. The digital economy relies on data and algorithms, making predatory pricing difficult to detect under conventional legal approaches. Therefore, this study examines its characteristics, identifies the limits of Indonesian competition law, and proposes a more adaptive legal approach. Moreover, Law No. 5 of 1999 does not specifically regulate algorithmic pricing, cross-subsidization, or data-driven market dominance, creating legal uncertainty in addressing predatory pricing in the digital economy. This study uses normative legal research with statutory and conceptual approaches. It examines laws on predatory pricing and analyzes the concepts of legal certainty, law enforcement, and distributive justice in competition law. This study employs normative legal research using statutory and conceptual approaches to analyze the adequacy of Indonesian competition law in addressing predatory pricing practices within digital platform markets. The findings show that current Indonesian competition law is insufficient to address below-cost pricing, algorithm-based pricing, and cross-subsidization practices used by dominant digital platform. Regulatory limitations, particularly in terms of evidence and supervision, result in suboptimal law enforcement. Furthermore, this situation demonstrates the failure to fulfill the principles of legal certainty, justice, and balance in business competition. Therefore, Indonesian competition law needs stronger digital market regulations, clearer rules for identifying predatory pricing, and greater institutional authority to supervise algorithm-driven business practices.

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INTRODUCTION

The digital revolution has had a profound impact on all aspects of life for individuals around the world, including in Indonesia. As one of the countries experiencing these effects, Indonesia must be courageous and capable of competing with other nations in confronting the various challenges of the digital era. (Indradewi & Partama Putra, 2023) Digital transformation has given rise to new business models characterized by the use of technology as the primary basis for

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carrying out economic activities. In this context, Digital platforms increasingly function not only as intermediaries in commercial transactions but also as dominant market actors capable of restructuring competition through aggressive pricing strategies, extensive promotional subsidies, and algorithm-driven market control. This phenomenon can be observed in various e-commerce and digital service markets, where dominant platforms utilize large-scale financial resources and integrated digital ecosystems to attract users rapidly while simultaneously exerting competitive pressure on smaller business actors. Such practices have raised growing concerns regarding market concentration, exclusionary conduct, and the adequacy of existing competition law frameworks in regulating digital economic activities. One widely used strategy is the provision of subsidies and large-scale discounts to consumers, which in the short term offers the benefit of lower prices but in the long term may give rise to predatory pricing practices.

Such rapid growth has created serious challenges, particularly in the area of business competition. One practice that often arises in the digital trading ecosystem is the sale of goods or services below the cost of goods sold (predatory pricing). Predatory pricing is understood as a pricing strategy deliberately set very low, even below production costs, with the aim of capturing the market, eliminating competitors, and creating barriers to entry for new market participants. Although aggressive pricing strategies initially appear beneficial to consumers through lower transaction costs and extensive promotional incentives, in the long term such practices may significantly distort market competition by eliminating smaller competitors, reducing market diversity, and increasing consumer dependency on dominant platforms. Once market concentration is achieved, dominant digital platforms may exploit their accumulated market power through price increases, reduced service quality, restrictive platform policies, and intensified control over consumer data and digital ecosystems, ultimately weakening consumer welfare and limiting fair market competition (Leeland & Ada, 2025).

Predatory pricing within digital platform ecosystems extends beyond the conventional practice of selling below production costs to eliminate competitors. In digital markets, such strategies are often integrated with network effects, user acquisition policies, algorithmic market targeting, and long-term ecosystem expansion strategies designed to create user dependency and reinforce platform dominance. Consequently, predatory pricing in the digital economy must be understood not merely as a short-term pricing tactic, but as part of a broader strategy to establish structural control over digital market ecosystems. In the context of the digital economy, this practice has become increasingly complex because it is supported by substantial capital strength and the ability of platforms to integrate various services within a single ecosystem. As a result, small and medium-sized enterprises (SMEs) that do not possess the same financial capacity find it difficult to compete on equal terms. This problem is further exacerbated by the inability of existing competition law regulations to adequately address the distinctive characteristics of digital platform markets, particularly regarding algorithm-based pricing mechanisms, cross-subsidization strategies, and data-driven market dominance. Previous legal studies have primarily focused on conventional predatory pricing practices and have not comprehensively examined the evidentiary and regulatory challenges arising within multi-sided digital markets. Consequently, there remains a significant legal and academic gap concerning how Indonesian competition law should adapt to the evolving structure of digital economic competition. Law No. 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition

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Vol. 1, No. 2 (2026): 158-169
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essentially regulates the prohibition of unfair business competition practices, but its norms have not specifically accommodated the characteristics of the digital economy. This creates difficulties in proving predatory pricing practices, particularly in determining whether a price is truly below production cost within a complex platform business model.

Competition law must adapt to the emergence of non-traditional forms of dominance in digital markets, where platforms are capable of controlling market visibility, consumer preferences, and transactional behavior through sophisticated algorithmic systems and extensive user-data accumulation. Unlike conventional market structures, digital platforms may influence competition not only through pricing strategies, but also through recommendation systems, search ranking mechanisms, and personalized consumer targeting that indirectly shape market behavior and restrict competitors' visibility. These technological characteristics create substantial challenges for competition law enforcement, particularly in identifying anti-competitive intent and measuring market dominance within algorithm-driven ecosystem. In this context, market power is derived not only from market share but also from user data that can be tracked and from recommendation algorithms that determine product visibility and consumer behavior (Kristanto et al., 2022).

From a competition law perspective, predatory pricing not only harms competitors but also has the potential to injure consumers in the long term. Once competitors have been driven out of the market, the dominant business actor can easily raise prices and reduce service quality without competitive pressure. This condition is contrary to the fundamental principles of fairness, equal market opportunity, and balanced competition that form the normative foundation of modern competition law. In the context of digital markets, fairness should not only be understood as the protection of consumers from excessive pricing, but also as the preservation of equal competitive opportunities for smaller business actors that lack comparable technological infrastructure, financial resources, and access to consumer data. Therefore, the regulation of predatory pricing in digital ecosystems must be evaluated not only from the perspective of economic efficiency, but also through broader considerations of distributive justice and market equality.

METHODS

This study employs normative legal research (doctrinal research) because the primary focus of the analysis lies in evaluating the adequacy, coherence, and adaptability of existing legal norms governing predatory pricing practices within digital platform markets. A normative approach is considered appropriate since the research emphasizes the interpretation of statutory provisions, legal principles, and competition law doctrines in order to identify regulatory gaps and formulate legal reconstruction strategies. Furthermore, this approach enables a systematic examination of whether Indonesia's competition law framework remains capable of addressing emerging technological and market complexities arising from algorithm-driven and data-based digital business models, particularly those related to predatory pricing in the digital platform ecosystem. The approaches used include the statutory approach and the conceptual approach. The statutory approach is conducted by examining various relevant regulations, especially Law No. 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition as the main legal basis for regulating business competition in Indonesia, as well as regulations related to the digital economy and electronic commerce. Meanwhile, the conceptual approach is

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Journal of Multidisciplinary Law Studies
Vol. 1, No. 2 (2026): 158-169
https://journal.tirtapustaka.com/index.php/jomles/index

employed not only to examine the general concepts of predatory pricing and digital platform economies, but also to construct an analytical framework for evaluating the adequacy of Indonesian competition law in responding to contemporary digital market practices. In this regard, theories of legal certainty, law enforcement, and distributive justice are systematically utilized as normative and evaluative instruments to assess whether existing legal provisions are capable of ensuring fair competition, effective enforcement, and equal market opportunities within technology-driven business ecosystems. Through this theoretical framework, the research seeks to critically analyze both the substantive and structural limitations of current competition law regulations in the digital economy era.

The legal materials used in this research consist of primary legal materials in the form of legislation, secondary legal materials in the form of scholarly literature, legal journals, and expert opinions, as well as tertiary legal materials as supporting references such as legal dictionaries and encyclopedias. The legal materials were collected through library research, while the legal analysis was conducted qualitatively through a deductive reasoning process by systematically interpreting general legal principles and statutory provisions related to competition law and applying them to the specific characteristics of predatory pricing practices within digital platform ecosystems. The analysis also involved normative evaluation of existing legal provisions, doctrinal interpretation of competition law principles, and critical assessment of the extent to which current regulations are capable of addressing technological developments, algorithm-based pricing strategies, and market dominance in multi-sided digital markets. Through this analytical process, the research aims to formulate comprehensive legal arguments concerning the limitations of existing regulations and the need for adaptive legal reform in Indonesia's digital economy framework. Through this method, it is expected that comprehensive legal arguments can be obtained in explaining the challenges and limitations of competition law in addressing predatory pricing practices in the digital economy era.

RESULTS AND DISCUSSIONS

1. Characteristics and Issues of Predatory Pricing in the Digital Platform Ecosystem

Predatory pricing practices in the digital platform ecosystem exhibit fundamentally different characteristics from similar practices in the conventional economy. In the context of the digital economy, pricing strategies set below production costs are not aimed solely at generating short-term profit, but rather serve as instruments to expand market share, lock in users, and build dominance within an integrated digital ecosystem. Digital platforms such as Shopee and Tokopedia often leverage substantial capital support to provide price subsidies, cashback, and aggressive promotions, which in effect create an unequal competitive pressure for small and medium-sized enterprises.

In essence, competition derives from the English term "competition," which means competition itself or the act of competing, contesting, or engaging in rivalry. In management dictionaries, competition is defined as the effort of two or more companies, each striving to secure orders by offering the most favorable prices or terms. Such competition takes various forms, including price cutting, advertising and sales promotion, quality variation, packaging, design, and market segmentation (Aziz, 2008).

E-ISSN 3123-8416
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Vol. 1, No. 2 (2026): 158-169
https://journal.tirtapustaka.com/index.php/jomles/index

Predatory pricing practices in the e-commerce sector do not occur in isolation; rather, they arise due to a variety of influencing factors. Predatory pricing in the e-commerce sector is at least influenced by several interrelated factors, namely: first, the factor of capital strength and corporate dominance. Capital is one of the main factors giving rise to predatory pricing, as only companies or business actors with substantial capital are able to reduce prices drastically, even below the cost of production, for a prolonged period. This substantial capital also enables them to absorb the temporary losses they incur. (Oktaviani et al., 2025) As Areeda and Turner argue, only business actors with substantial capital are capable of engaging in predatory pricing practices. (Lubis et al., 2017) Second, innovation is another factor that can influence the occurrence of predatory pricing practices in the e-commerce sector. The innovation in question refers to business actors' ability to create better products or services. Innovation will create efficiency, and efficiency will reduce costs, enabling them to sell products at lower prices. Third, data-centricity is another supporting factor behind predatory pricing, as business actors focus on data that enables them to analyze consumer behavior, market trends, and competitive patterns. By leveraging this, business actors can identify market segmentation more accurately and adjust their pricing strategies to attract consumers from other businesses (competitors) (Prahmana & Wiradiputra, 2022).

These three factors are interrelated and influence the occurrence of predatory pricing practices in the e-commerce sector, which in turn can harm consumers and give rise to unfair business competition. This is regulated under Law No. 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition, where Although Article 20 of Law No. 5 of 1999 formally prohibits loss-selling and predatory pricing practices, its application within digital platform markets remains problematic due to ambiguities surrounding the interpretation of key legal elements such as 'selling at a loss,' 'anti-competitive intent,' and the definition of the 'relevant market.' In multi-sided digital ecosystems, pricing structures are often influenced by cross-subsidization, algorithmic market strategies, and integrated service models, making conventional interpretations of below-cost pricing increasingly inadequate for identifying anti-competitive conduct. Furthermore, under Article 47 of the Monopoly Law, business actors who violate the provisions of this law are subject to administrative sanctions in the form of a fine of at least Rp1,000,000,000 (one billion rupiah) (Oktaviani et al., 2025).

Unfair competition is also unlawful. This is because laws and legal principles provide protection for orderly conduct in the business world. (Dewi et al., 2024) Being unlawful has legal implications. Legal consequences are all effects arising from legal acts carried out by legal subjects in relation to legal objects, as well as other consequences that arise due to certain events that, under the law, are determined or deemed to be legal consequences (Putra & Widastra, 2022).

From a competition law perspective, this practice has the potential to damage market structure because it creates barriers to entry for new business actors. In the long run, such a strategy can lead to monopoly or oligopoly conditions, where dominant business actors have the power to determine prices and control the market without significant competitive pressure. This is contrary to the main objective of competition law, namely to create economic efficiency while also maintaining fairness in competition. According to Arie Siswanto, competition law is a legal instrument that determines how competition should be conducted. According to Although Richard A. Posner's monopoly theory emphasizes that free market competition encourages

E-ISSN 3123-8416
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Vol. 1, No. 2 (2026): 158-169
https://journal.tirtapustaka.com/index.php/jomles/index

efficiency, innovation, and quality improvement, the assumptions underlying this theory become increasingly problematic within digital platform ecosystems characterized by network effects, data concentration, and algorithmic market control. In digital markets, dominant platforms may deliberately sustain below-cost pricing strategies for prolonged periods in order to secure market dominance rather than achieve productive efficiency. Consequently, the efficiency-oriented perspective of conventional competition theory must be critically reassessed in light of the structural inequalities and anti-competitive risks emerging within contemporary digital economies. This is intended to attract new customers or retain existing ones by offering low-priced yet high-quality products. The theory essentially places competition as a natural mechanism that drives efficiency, innovation, and quality improvement. In a truly free and open market, companies are compelled to offer competitive prices while maintaining quality in order to attract and retain consumers.

The author observes that, on the one hand, price reduction practices are consistent with the spirit of competition because they provide consumers with direct benefits in the form of lower prices. However, in the digital ecosystem, low-price strategies do not always reflect healthy efficiency. Large platforms often possess structural advantages, such as access to user data, substantial capital support, and the use of algorithms that can control product visibility. This enables them to sustain prices below cost over time, something that is difficult for small or new business actors to match.

Accordingly, predatory pricing is no longer merely a common competitive strategy, but can become a tool to eliminate competitors and create market dominance. Once competitors are driven out, market conditions no longer reflect free competition as assumed in theory, but instead shift into a concentrated or even monopolistic market. At this stage, dominant business actors may raise prices, reduce quality, or restrict consumer choice. Predatory pricing on digital platforms is difficult to identify in conventional terms because of complex and non-transparent cost structures. Digital platforms frequently employ cross-subsidization mechanisms whereby financial losses incurred in one service segment are offset by profits generated from other sectors within the same ecosystem. This business structure creates substantial legal challenges in identifying predatory pricing because conventional competition law frameworks generally assess pricing practices based on isolated market transactions rather than integrated digital ecosystems. Consequently, determining whether a platform has engaged in below-cost pricing becomes increasingly difficult, particularly when the platform strategically redistributes financial resources across interconnected services to sustain anti-competitive pricing practices over an extended period. This makes it difficult for authorities to determine whether a price is truly below production cost, which is one of the main indicators used to prove predatory pricing.

In addition, from the perspective of the principle of fairness in business competition, predatory pricing creates structural inequality between large and small business actors. Small and medium-sized enterprises generally lack comparable financial resources, technological infrastructure, and access to consumer data, making them highly vulnerable to prolonged price competition initiated by dominant digital platforms. This structural inequality creates significant barriers to fair market participation because smaller business actors are unable to sustain long-term losses or compete with platform-based subsidy strategies (Hakim, 2026). As a result, predatory pricing practices within digital ecosystems may gradually eliminate market diversity, concentrate economic power in the hands of dominant platforms, and undermine the principle of equal competitive opportunity that should be protected under competition law. In this context, law should function as a corrective instrument to maintain market balance; however, in practice, legal intervention remains very limited.

Thus, it can be concluded that the characteristics of predatory pricing in the digital platform ecosystem are multidimensional and cannot be analyzed simply through conventional approaches. This calls for a more adaptive and contextual legal approach in understanding the dynamics of the digital economy.

2. Limitations of Competition Law in Addressing Predatory Pricing in the Digital Era

Although Indonesia already has a competition law framework through Law No. 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition, particularly Article 20, which states that "business actors are prohibited from supplying goods and/or services by engaging in loss-selling or by setting very low prices with the intention of eliminating or disabling their competitors in the relevant market, thereby potentially resulting in monopolistic practices and/or unfair business competition," the effectiveness of this regulation in addressing predatory pricing practices in the digital era still faces various limitations. One of the main weaknesses lies in the normative approach, which remains oriented toward conventional market structures and therefore has not been able to accommodate the complexity of digital platform business models.

This article expressly prohibits business actors from engaging in predatory pricing or loss-selling practices, namely "setting very low prices with the intention of eliminating competitors." However, this normative formulation emerged within the context of a linear conventional economy, in which market interactions are assumed to occur directly between sellers and buyers. Meanwhile, the current digital ecosystem has different characteristics, namely a multi-sided market that is far more complex (Manggo et al., 2025). A multi-sided market is a market model that connects various user groups, not only sellers and buyers as in a conventional market model, but also logistics service providers, payment system providers, investors, and other commercial partners. Each user group depends on the others, so the presence or number of users on one side affects the value for users on the other side. In this context, price structures in digital markets are determined not merely by direct buying and selling mechanisms, but also by cross-side strategies involving algorithms, cross-subsidization, and platform policies (Hanifah et al., 2024).

Indonesia, as a state that adheres to the principle of the rule of law, requires that all regulations reflect the objectives of law. Law is a set of norms and rules that govern human behavior in society, are binding in nature, and carry sanctions for violators, in order to realize order, justice, and legal certainty (Putra, 2025). The concept of legal objectives as proposed by Gustav Radbruch, namely the balance among justice, legal certainty, and utility, remains relevant as a normative framework for assessing the success of the legal system in fulfilling its functions (Simanjuntak et al., 2026; Siregar et al, 2026). From the perspective of legal certainty theory, competition law provisions should provide clear standards regarding prohibited pricing conduct, evidentiary requirements, and market assessment criteria. However, within Indonesia's current competition law framework, the absence of specific indicators for evaluating algorithm-driven pricing systems, cross-subsidization practices, and digital market dominance creates substantial uncertainty for both enforcement institutions and business actors. This regulatory ambiguity ultimately weakens the effectiveness of law enforcement and complicates efforts to establish

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Vol. 1, No. 2 (2026): 158-169
https://journal.tirtapustaka.com/index.php/jomles/index

consistent legal standards in addressing predatory pricing within digital platform ecosystems. Gustav Radbruch explained that in the legal certainty theory he proposed, there are four fundamental matters that are closely related to the meaning of legal certainty itself, namely as follows:

a. Law is positive law, meaning that positive law refers to legislation.
b. Law is based on facts, meaning that law is made on the basis of reality.
c. The facts contained or stated in law must be formulated clearly, so as to avoid misunderstanding in interpretation and to ensure that they can be easily implemented.
d. Positive law must not be easily changed (Rahardjo, 2014).

Gustav Radbruch's view on legal certainty is based on his perspective that legal certainty is, in essence, the certainty of law itself. Gustav Radbruch stated that legal certainty is one of the products of law, or more specifically, a product of legislation (Rahardjo, 2014; Wambrauw et al, 2025)). However, in the context of digital predatory pricing, there is ambiguity in the assessment parameters, particularly regarding the definition of production costs and the price threshold considered harmful. This lack of clarity makes proof in law enforcement difficult, so many predatory pricing cases cannot be addressed optimally. In addition, based on law enforcement theory, the effectiveness of a rule is determined not only by legal substance but also by legal structure and legal culture. Satjipto Rahardjo expressed the view that law enforcement is the concrete implementation of law in social life. After law is formulated, it must be concretely implemented in the daily life of society; this is law enforcement. In another sense, it is often referred to as the application of law, or in foreign legal terminology as *rechtstoepassing* and *rechtshandhaving* (Dutch), and law enforcement and application (American) (Saito et al, 2025).

In this regard, competition supervisory institutions still face limitations in terms of resources, technology, and access to data owned by digital platforms. As a result, oversight of predatory pricing practices becomes less effective and tends to be reactive. Policy-oriented legal theory is a theory that requires the structuring and formulation of legal norms or legal provisions based on the context in which the law will be applied (Sulistyoko, 2014). Furthermore, when analyzed through John Rawls's theory of distributive justice, Rawls sought to formulate two principles of justice, namely as follows: first, the "greatest equal liberty principle", whereby every person should have an equal right to the most extensive basic liberties, compatible with the same liberties for all others. This is the most fundamental matter (human rights) that must be possessed by everyone. In other words, justice will be realized only through the guarantee of equal liberty for all people (the principle of equal rights) (Taufik, 2013). Competition law should function not only as an instrument for maintaining market efficiency, but also as a mechanism for ensuring fair distribution of economic opportunities among all business actors. Within digital platform ecosystems, disparities in capital ownership, technological capability, and access to consumer data create structural inequalities that significantly disadvantage smaller competitors. Therefore, the application of distributive justice principles in competition law requires regulatory mechanisms capable of preventing excessive market concentration and ensuring that digital economic participation remains accessible to both large and small business actors. However, in practice, the dominance of digital platforms has instead widened the gap between large and small business actors. This indicates that law has not fully performed its function as an instrument for creating social justice in economic activities. According to Arie Sulistyoko, the primary focus of

E-ISSN 3123-8416
Journal of Multidisciplinary Law Studies
Vol. 1, No. 2 (2026): 158-169
https://journal.tirtapustaka.com/index.php/jomles/index

competition law should be the actual or potential anticompetitive conduct of companies (Sulistyoko, 2014; Cariver, 2025).

If connected to the discussion of predatory pricing in Indonesia's digital platform ecosystem, this principle becomes highly relevant because predatory pricing practices have the potential to disrupt such equality. When large business actors use very low prices to eliminate competitors, the freedom of small business actors to compete in the market is indirectly limited. This is contrary to Rawls's idea of equal liberty for all parties. In the author's view, within a digital ecosystem that tends to be dominated by large platforms, Rawls's principle of justice shows that the state has an important role in ensuring the existence of "real freedom," not merely formal freedom. This means that, although legally all business actors have equal rights to enter the market, in practice disparities in economic and technological power may hinder that freedom. Thus, Rawls's theory helps strengthen the argument that regulation of predatory pricing is not only intended to maintain market efficiency, but also to ensure justice and equal opportunity in digital business competition, so that no party loses its economic freedom due to the dominance of large business actors.

Another limitation is the absence of specific regulations that comprehensively govern the digital economy. The existing law remains general and has not been able to reach specific aspects such as pricing algorithms, consumer data use, and service integration within a single platform. Yet these factors are key elements in predatory pricing practices in the digital era. Therefore, a reconstruction of competition law is needed, one that is not only oriented toward prohibition, but also toward strengthening supervisory mechanisms and adapting to technological developments. A principle-based regulatory approach may provide greater flexibility in responding to the rapidly evolving dynamics of digital markets; however, such an approach should be accompanied by concrete regulatory mechanisms (Kurniawan & Setyawan, 2024). Future competition law reform in Indonesia should include clearer standards for assessing digital market dominance, mandatory transparency obligations regarding algorithmic pricing systems, stronger authority for competition supervisory institutions to access platform-generated data, and specific regulatory provisions governing cross-subsidization practices within multi-sided digital ecosystems. Through these measures, competition law can become more adaptive, effective, and responsive to technological developments in the digital economy era.

CONCLUSION

This research demonstrates that predatory pricing practices within digital platform ecosystems cannot be adequately assessed using conventional competition law approaches because digital markets operate through algorithm-driven systems, cross-subsidization mechanisms, and data-based market dominance that fundamentally alter traditional market structures. Consequently, the study contributes to the development of Indonesian competition law discourse by emphasizing the need for a more contextual and technologically adaptive legal framework capable of addressing anti-competitive conduct in multi-sided digital markets. Very low pricing strategies on digital platforms are not merely aimed at obtaining short-term profits, but rather serve as instruments to build market dominance through market share expansion, user lock-in effects, and business ecosystem integration. This condition results in competitive

E-ISSN 3123-8416
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Vol. 1, No. 2 (2026): 158-169
https://journal.tirtapustaka.com/index.php/jomles/index

distortion that weakens the position of small and medium-sized enterprises and has the potential to create a monopolistic market structure in the long term.

On the other hand, the competition law framework in Indonesia, particularly as regulated in Law No. 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition, has not yet fully accommodated the complexity of predatory pricing practices in the digital economy. These limitations are reflected in the difficulty of determining production cost parameters, proving the existence of intent to exclude competitors, and the limited capacity to supervise technology- and data-based platform business models. As a result, law enforcement against predatory pricing practices within digital markets remains largely reactive and insufficiently effective, particularly due to limitations in technological capacity, evidentiary mechanisms, and access to platform-generated data. This condition not only weakens the ability of supervisory institutions to prevent anti-competitive conduct, but also increases the risk of excessive market concentration, the marginalization of small and medium-sized enterprises, and the long-term reduction of consumer welfare within Indonesia's digital economy. Furthermore, from a theoretical perspective, this ineffectiveness indicates that the principles of legal certainty, justice, and balance in business competition have not yet been realized. Law, which should function as an instrument for maintaining a healthy market structure, has not been able to provide adequate protection for weaker business actors. Therefore, Indonesia's competition law framework requires comprehensive reconstruction through the establishment of more specific digital market regulations, clearer legal standards for identifying below-cost pricing in multi-sided platform markets, and stronger institutional authority to supervise algorithm-based business practices. Legal reform should also include the development of digital evidentiary mechanisms, mandatory transparency obligations for dominant platforms, and adaptive enforcement strategies capable of responding to rapidly evolving technological and economic dynamics within digital ecosystems. Thus, this research affirms that without comprehensive legal reform, predatory pricing practices in the digital platform ecosystem will continue to have the potential to create unfairness in business competition and threaten the sustainability of a healthy economic ecosystem in Indonesia.

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Conflict of interest

The author(s) declare(s) that there is no conflict of interest concerning the publication of this article.

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