Journal Juridisch

Received: 2026-10-05
Accepted: 2026-11-03
Available: 2026-11-05
Volume 4 (3) November 2026 | e-ISSN: **2621-4105**

This work is licensed under a Creative Commons Attribution 4.0 International License

https://journals.usm.ac.id/index.php/jj/index
DOI: https://doi.org/10.26623/jj.v4i3.16173

Legal Compliance and Sustainable Retail Management in Indonesia: A Regulatory Analysis

Teguh Hadi Prayitno[1]✉, Teta Kirana Pangestika[2], Sulistyo Suharto[3]
[1] Muhammadiyah Institute of Statistics and Business Technology, Semarang, Indonesia
[2] Master of Management, Diponegoro University, Semarang, Indonesia
[3] Faculty of Economics and Business, Sultan Agung Islamic University, Semarang, Indonesia
✉ teguh.hadi@itesa.ac.id

Abstract

This study examines the impact of regulatory developments during 2025–2026 on retail management strategies in Indonesia and explores how legal compliance can be integrated into sustainable retail management. Previous studies have addressed digital retail transformation, consumer protection in the digital economy, and marketplace liability for counterfeit products. However, these studies have not sufficiently explained how overlapping legal obligations in business licensing, trade, taxation, electronic commerce, consumer protection, and corporate accountability interact within everyday retail management decisions. Moreover, existing retail management frameworks primarily emphasize marketing and operational performance. Although the inclusion of People and Process expands the managerial perspective, these dimensions do not explicitly identify applicable legal obligations, allocate compliance responsibilities, or establish preventive legal controls and continuous monitoring. This study addresses these gaps through normative legal research using statutory, conceptual, and policy approaches. Data were obtained from relevant laws and regulations, official policy reports, and academic literature, and analyzed through qualitative content analysis and legal mapping. The findings show that licensing requirements affect Place and expansion strategies; trade and import regulations influence Product and supply-chain decisions; taxation affects Price and profit margins; and electronic commerce and digital advertising regulations shape Promotion strategies. Corporate accountability further emphasizes the importance of People and Process through employee awareness, internal controls, supervision, and documentation. Based on these findings, the study proposes the 4P+2P+Legal framework and the Retail Legal Compliance Framework 2026, which integrate legal compliance into retail functions through regulatory mapping, legal-risk assessment, preventive controls, managerial oversight, and continuous monitoring. This framework provides an integrated, preventive approach to aligning legal obligations with managerial decisions and supporting business sustainability.

Keywords: *Business Law; Business Sustainability; Digital Retail; Legal Compliance; Retail Management*

1. INTRODUCTION

The Indonesian retail sector has become one of the most dynamic components of the national economy, particularly as consumer behavior, technology, and business models continue to evolve. In recent years, the development of modern retail, e-commerce, digital marketplaces, social commerce, digital payment systems, and omnichannel platforms has significantly changed the relationship between retailers and consumers. Retail businesses are increasingly able to reach consumers beyond geographical boundaries, provide personalized services, and integrate physical

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

and digital channels into a single customer experience.[1] This transformation creates substantial opportunities for business growth, market expansion, and operational efficiency. At the same time, it introduces new forms of business risk, particularly in relation to legal compliance and corporate accountability.

The growth of digital retail has resulted in a business environment that is considerably more complex than the traditional retail model.[2] In conventional retail, legal risks are commonly associated with business licensing, product standards, taxation, employment, contracts, and consumer protection. In digital and omnichannel retail, these issues are accompanied by additional concerns related to electronic transactions, digital advertising, consumer information, personal data, online marketplaces, electronic payment systems, intellectual property, and cross-border transactions. A single retail transaction may therefore involve multiple legal relationships between consumers, retailers, suppliers, marketplace operators, payment providers, and logistics companies. This complexity means that compliance affects not only the fulfillment of formal requirements but also decisions about products, pricing, distribution, promotion, and the allocation of business resources.[3]

The regulatory environment during 2025–2026 has further reinforced this condition. Indonesia has continued to strengthen its regulatory framework concerning business activities, electronic commerce, taxation, consumer protection, and corporate governance.[4] Among the regulatory developments relevant to the retail sector are PP No. 3/2026, the 2026 regulatory framework governing Trade Through Electronic Systems (Perdagangan Melalui Sistem Elektronik/PMSE), PMK No. 37/2025, and the implementation of Law No. 1 of 2023 concerning the Criminal Code (KUHP), which became effective on 2 January 2026. These developments demonstrate an increasingly comprehensive regulatory approach in which businesses are expected not only to fulfill formal administrative requirements but also to establish appropriate systems for identifying, preventing, monitoring, and managing legal risks.[5]

The implementation of the new Criminal Code is particularly important from a corporate governance perspective. The increasing recognition of corporate responsibility means that legal risk may arise not only from the conduct of individual employees but also from organizational

[1] Susana C Silva, Francisca Pinto Silva, dan Joana Carmo Dias, "Exploring omnichannel strategies: a path to improve customer experiences," *International Journal of Retail & Distribution Management* 52, no. 1 (November 2026): 62–88, https://doi.org/10.1108/IJRDM-03-2023-0198.

[2] Rana Mostaghel et al., "Digitalization driven retail business model innovation: Evaluation of past and avenues for future research trends," *Journal of Business Research* 146 (2024): 134–45, https://doi.org/10.1016/j.jbusres.2022.03.072.

[3] Armando Schrödter dan Barbara E Weißenberger, "The institutionalization of digital compliance," *Management Decision*, Oktober 2024, https://doi.org/10.1108/MD-03-2024-0498.

[4] Ridwan Arifin et al., "Protecting the Consumer Rights in the Digital Economic Era: Future Challenges in Indonesia," *Jambura Law Review* 3 (April 2024): 135–60, https://doi.org/10.33756/jlr.v3i0.9635.

[5] Abelita Daud, Dolot Bakung, dan Mohammad Moha, "The Legal Liability of Marketplace Retailers for the Distribution of Counterfeit Goods in Indonesia," *Journal of Law, Human Rights, Immigration, and Corrections* 1 (Maret 2026): 17–43, https://doi.org/10.65101/lawric.v1i3.224.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

decisions, inadequate supervision, or weaknesses in internal control systems.[6] Retail companies, particularly those operating through multiple branches, warehouses, suppliers, distributors, and digital platforms, require clear mechanisms for allocating responsibility and monitoring compliance. Management must ensure that employees understand applicable rules and that business processes provide sufficient controls to prevent violations. These duties connect legal compliance with managerial accountability: compliance information should inform business decisions, while internal oversight should test whether policies are implemented and risks are addressed.[7]

The changing regulatory environment also has direct implications for the traditional functions of retail management. Decisions concerning Product are not determined solely by consumer demand and profitability but may also involve product standards, safety, labeling, warranties, consumer information, and intellectual property.[8] Price decisions may involve taxation, transparency, discount mechanisms, and promotional pricing. Place, which includes physical stores and digital distribution channels, may involve licensing, location requirements, marketplace policies, and electronic commerce regulations. Meanwhile, Promotion may create legal risks related to advertising claims, consumer information, digital marketing, and intellectual property.[9] Therefore, the traditional 4P marketing framework is increasingly influenced by legal considerations.

In addition to the traditional 4P elements, People and Process have become increasingly important in managing regulatory risk.[10] Employees represent an important component of organizational compliance because they directly implement policies and interact with consumers, suppliers, and business partners. A lack of employee awareness can result in regulatory violations even when an organization has formally established compliance policies.[11] Similarly, business processes determine whether regulatory requirements are consistently implemented. Procurement, product registration, pricing approval, promotional content, sales transactions, customer complaints, returns, tax administration, and digital transactions should therefore be supported by appropriate internal controls.

---

[6] Muhammad Asghar, "The Influence of Corporate Social Responsibility in a Legal Context," *Al-NASR*, Desember 2025, 191–204, https://doi.org/10.53762/alnasr.02.02.e12.

[7] Riccardo Stacchezzini, Francesca Rossignoli, dan Silvano Corbella, "Corporate governance in practice: the role of practitioners' understanding in implementing compliance programs," *Accounting, Auditing & Accountability Journal* 33, no. 4 (April 2024): 887–911, https://doi.org/10.1108/AAAJ-08-2016-2685.

[8] Nataliia Roskladka, Anicia Jaegler, dan Giovanni Miragliotta, "From 'right to repair' to 'willingness to repair': Exploring consumer's perspective to product lifecycle extension," *Journal of Cleaner Production* 432 (2024): 139705, https://doi.org/10.1016/j.jclepro.2023.139705.

[9] Arifin et al., "Protecting the Consumer Rights in the Digital Economic Era: Future Challenges in Indonesia."

[10] Roskladka, Jaegler, dan Miragliotta, "From 'right to repair' to 'willingness to repair': Exploring consumer's perspective to product lifecycle extension."

[11] Khando Khando et al., "Enhancing employees information security awareness in private and public organisations: A systematic literature review," *Computers & Security* 106 (2024): 102267, https://doi.org/10.1016/j.cose.2021.102267.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

This development suggests that retail management requires a broader approach in which legal compliance is embedded into the entire business process. Compliance should be incorporated before a business decision is implemented rather than used only as a corrective mechanism after a violation occurs.[12] Such an approach can be described as compliance by design, in which legal and regulatory considerations are incorporated into strategic planning, operational procedures, technology systems, and managerial decision-making. The shift toward risk-based compliance also enables organizations to prioritize resources toward activities that present the highest potential legal, financial, operational, and reputational risks. For this approach to work, responsibility for review, approval, documentation, escalation, and monitoring must be assigned within the organization rather than left to the legal function alone.

From a business sustainability perspective, regulatory compliance should not be viewed merely as a cost or burden. Effective compliance can provide strategic benefits by reducing the likelihood of sanctions, disputes, operational disruptions, and reputational damage. It can also strengthen consumer trust and business credibility.[13] In an increasingly transparent digital environment, consumers can rapidly share information about corporate behavior through social media, online reviews, and digital communities. Consequently, a regulatory violation can have consequences that extend beyond legal sanctions and directly affect brand reputation and consumer loyalty. Retail businesses with strong governance and compliance systems may therefore possess greater organizational resilience when responding to regulatory changes and market uncertainty.[14]

Nevertheless, the relationship between retail management and business law remains insufficiently integrated in existing research. Studies of retail management generally emphasize consumer behavior, marketing strategy, digital transformation, supply-chain management, store operations, and competitive advantage.[15] Meanwhile, business-law studies frequently examine licensing, taxation, consumer protection, contracts, corporate governance, and legal liability as separate issues. Although these areas are important, they do not fully explain how regulatory requirements influence day-to-day managerial decisions within modern retail organizations. This gap becomes increasingly important as Indonesian retail businesses simultaneously experience rapid digital transformation and an increasingly complex regulatory environment.

The relationship between retail management and business law remains insufficiently integrated in existing research. Studies of retail management generally emphasize consumer

[12] Shazia Sadiq dan Guido Governatori, "Managing Regulatory Compliance in Business Processes," *Handbook on Business Process Management 2: Strategic Alignment, Governance, People and Culture, Second Edition*, Januari 2025, https://doi.org/10.1007/978-3-642-01982-1_8.

[13] Adetoyese Latilo et al., "Strategies for corporate compliance and litigation avoidance in multinational enterprises," *World Journal of Advanced Science and Technology* 6 (Agustus 2024): 73–87, https://doi.org/10.53346/wjast.2024.6.1.0048.

[14] Idrovo Hurel et al., "Organizational resilience and agility in SMEs: a systematic review with global perspectives for emerging economies," *Journal of Organizational Change Management* 39, no. 3 (Maret 2026): 652–74, https://doi.org/10.1108/JOCM-06-2025-0580.

[15] Naveed Muhammad et al., "Smart Strategies for the Future: Aligning Digital Marketing Trends, Consumer Behavior, and Supply Chain Management," *European Journal of Management, Economics and Business* 2 (Juli 2025): 74–88, https://doi.org/10.59324/ejmeb.2025.2(4).06.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

behavior, marketing strategy, digital transformation, supply-chain management, store operations, and competitive advantage. Business-law studies frequently examine licensing, taxation, consumer protection, contracts, corporate governance, and legal liability as separate issues. These approaches help explain individual commercial or legal issues, but they provide less guidance on how several regulatory obligations interact within routine retail decisions and internal management processes. This limitation is increasingly significant for Indonesian retailers operating across physical stores and digital channels while facing overlapping requirements in trade, taxation, electronic commerce, consumer protection, and corporate accountability.[16]

An integrated analytical framework is therefore needed to connect these regulatory obligations with the actual functions through which retail businesses make and implement decisions. The traditional 4P framework explains Product, Price, Place, and Promotion, but it does not by itself address the role of employees, internal procedures, managerial oversight, and legal accountability in implementing compliance. Adding People and Process makes it possible to examine how responsibilities and controls operate across retail activities, while Legal Compliance provides the regulatory perspective against which those activities are assessed. This 4P+2P+Legal approach is intended not to replace existing retail-management models, but to show how legal requirements can be mapped to business functions and translated into preventive controls and continuing oversight. Such integration allows compliance to be considered alongside business performance and sustainability rather than as a separate corrective task.

Mostaghel (2024) provides a strong foundation for understanding the transformation of retail business models through digitalization. Based on a systematic review of 170 articles, the study maps how digitalization changes value creation, value delivery, and value capture and identifies several areas that remain underdeveloped, including security in digitalized retail business models. Its main strength lies in its broad and systematic mapping of the retail literature, which helps explain why digitalization has altered the structure and operation of contemporary retail. However, its analysis is primarily oriented toward business-model innovation and does not examine the legal and regulatory dimensions of retail management in Indonesia. Consequently, the study does not formulate a legal-compliance framework that connects regulatory obligations with day-to-day retail management decisions.[17]

Arifin (2024) examines consumer protection in Indonesia within the digital economic era and emphasizes that the development of e-commerce requires adaptation of legal policy, stronger supervision, and more effective law enforcement. The study is valuable because it demonstrates that existing sectoral regulations do not automatically provide adequate protection when digital transactions cross conventional boundaries, and it highlights the continuing need for more detailed

[16] Muriani Emelda Isharyani et al., "Retail technology adaptation in traditional retailers: A technology-to-performance chain perspective," *Journal of Open Innovation: Technology, Market, and Complexity* 10, no. 1 (2024): 100204, https://doi.org/10.1016/j.joitmc.2023.100204.

[17] Mostaghel et al., "Digitalization driven retail business model innovation: Evaluation of past and avenues for future research trends."

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

legal and regulatory responses. Nevertheless, the discussion remains focused on consumer rights and digital-economy policy at a general level. It does not specifically analyze how legal compliance should be integrated into the managerial functions of retail businesses, nor does it connect regulatory requirements with Product, Price, Place, Promotion, People, and Process.[18]

Daud (2026) specifically addresses the legal liability of marketplace retailers for the distribution of counterfeit goods and finds that retailers may face civil, administrative, and contractual liability. The study also identifies weaknesses in the existing regulatory framework and recommends stronger product verification and preventive oversight involving the state and marketplace platforms. This is a significant contribution because it moves beyond general consumer protection toward concrete accountability of digital retailers. Its limitation, however, is the narrow focus on counterfeit products and marketplace transactions, so it does not comprehensively explain how the broader and continuously changing regulatory environment should be embedded into retail management and business sustainability. The study therefore leaves room for a more integrated legal-business analysis of retail management in Indonesia.[19]

The present study addresses this gap by integrating legal compliance directly into retail management rather than treating it as a separate corrective function. Unlike Mostaghel's focus on digital transformation and business-model innovation, the present analysis examines the legal implications of retail decisions in Indonesia. It also extends beyond Arifin's general discussion of consumer protection policy and Daud's focus on counterfeit goods and marketplace liability. The study's contribution lies in examining the 2025–2026 Indonesian regulatory environment through an integrated 4P+2P+Legal perspective covering Product, Price, Place, Promotion, People, Process, and Legal Compliance. The framework links regulatory requirements to managerial functions and organizational controls, providing a preventive, risk-based approach to regulatory mapping, legal-risk assessment, managerial oversight, and continuous monitoring in support of organizational resilience, consumer trust, and long-term business sustainability.

Based on this context, this study aims to analyze the impact of the 2025–2026 regulatory environment on retail management strategies in Indonesia and to examine how legal compliance can be integrated into retail business decision-making. The study uses an expanded 4P+2P perspective, consisting of Product, Price, Place, Promotion, People, and Process, to connect retail-management functions with regulatory compliance. It also proposes the Retail Legal Compliance Framework 2026 as an integrated conceptual framework for mapping regulatory requirements, assessing legal risks, establishing preventive controls, and supporting managerial oversight and continuous monitoring. Through this approach, the study seeks to contribute to business-law and retail-management literature by positioning legal compliance as a strategic governance and risk-management capability, rather than merely an administrative requirement.

[18] Arifin et al., "Protecting the Consumer Rights in the Digital Economic Era: Future Challenges in Indonesia."
[19] Daud, Bakung, dan Moha, "The Legal Liability of Marketplace Retailers for the Distribution of Counterfeit Goods in Indonesia."

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

2. RESEARCH METHODS

This study employs a normative legal research design with a qualitative analytical approach to examine legal norms, regulations, and government policies affecting Indonesian retail businesses during 2025–2026. The study uses statutory, conceptual, and policy approaches to analyze regulations related to business licensing, electronic commerce (PMSE), taxation, consumer protection, trade, and corporate accountability. Secondary data are obtained from relevant laws and regulations, official policy documents from government institutions such as BKPM, the Ministry of Trade, and the Ministry of Finance, as well as 23 peer-reviewed Scopus-indexed journal articles**,** primarily Q1–Q2 publications from 2020–2025.

Data are analyzed using qualitative content analysis and legal mapping to identify regulatory requirements, legal obligations, compliance risks, and their implications for retail management.[20] The analysis involves identifying and classifying regulations, mapping regulatory requirements to retail functions, assessing managerial implications, and synthesizing the findings into the Retail Legal Compliance Framework 2026**.** The framework integrates seven retail management dimensions Product, Price, Place, Promotion, People, Process, and Legal Compliance with five regulatory clusters covering business licensing and trade, PMSE, taxation, consumer protection, and corporate governance.

3. RESULTS AND DISCUSSION

3.1 Regulatory Impacts on Retail Management Strategies

Retail management has traditionally been understood as the coordination of activities required to deliver products and services to consumers effectively and efficiently.[21] describe retail management as a comprehensive process involving merchandising, store operations, and customer relationship management (CRM). From this perspective, retail performance is determined by the organization's ability to coordinate merchandise planning, operational activities, customer service, and market responsiveness. From a legal perspective, these activities are also subject to statutory duties. For example, Articles 7 and 8 of Law No. 8 of 1999 on Consumer Protection require business actors to provide correct information and prohibit the circulation of goods that do not meet applicable requirements. A breach may lead to compensation and other consequences under the applicable provisions, including Article 19 of the same Law.

The development of contemporary retail, however, has expanded the scope of managerial responsibilities.[22] emphasize the importance of People and Process in retail management. People represent the employees and organizational capabilities required to deliver customer value, while Process refers to the systems and procedures through which retail activities are consistently

[20] Sugiyono, *Metode Penelitian Kuantitatif, Kualitatif, dan R&D* (Alfabeta, 2019).
[21] Judijanto (2025)
[22] Jung et al., (2024)

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

implemented. The inclusion of these two dimensions expands the traditional marketing perspective beyond the four elements of Product, Price, Place, and Promotion.

The present study further develops this perspective by proposing Legal Compliance as an additional core dimension of retail management. In an increasingly regulated and digitally interconnected business environment, legal compliance should not be positioned merely as a supporting or corrective function. Instead, it should be integrated into strategic and operational decision-making. Consequently, this study proposes a 4P+2P+Legal framework consisting of Product, Price, Place, Promotion, People, Process, and Legal Compliance.

The addition of Legal Compliance is particularly relevant because each dimension of retail management contains potential legal implications.[23] Product decisions may involve standards, labeling, consumer protection, and intellectual property. Pricing decisions may be connected with taxation and price transparency. Place may involve business licensing and distribution requirements, while Promotion may raise issues concerning advertising claims and consumer information. People and Process also determine the extent to which organizational policies and legal requirements are implemented consistently. These implications can be linked to specific legal duties: Articles 7 and 8 of Law No. 8 of 1999 on Consumer Protection address business actors' obligations and prohibited goods; Articles 9–11 regulate certain misleading offers, representations, and sales information; and applicable business-licensing rules govern whether and under what conditions a retail activity may operate. The consequences depend on the provision breached and may include administrative measures, compensation, or other sanctions where prescribed by law.

The theoretical foundation of this study is derived from the concept of Responsive Regulation developed by Ayres and Braithwaite (1992). Responsive Regulation argues that regulatory enforcement should not rely exclusively on punitive measures but should consider the behavior, circumstances, and level of compliance of regulated organizations.[24] The approach provides a framework for understanding how regulators and businesses can interact through a combination of guidance, monitoring, incentives, and sanctions. His perspective is relevant to the retail sector because businesses operate within a regulatory environment where compliance requirements may vary according to the nature, scale, and risk profile of their activities. A retailer with a high-risk business model may require stronger regulatory supervision and internal controls than a retailer operating in a relatively low-risk environment.

The second theoretical foundation is the Risk-Based Approach (RBA), which emphasizes the identification, assessment, and prioritization of risks before determining appropriate controls. The risk-based approach has been widely developed in regulatory and compliance systems, including through international frameworks promoted by the Financial Action Task Force (FATF).

[23] Mathews Shange, Sandile Mkhize, dan Steven Msosa, "Consumer protection law compliance in retail: awareness, socio-economic challenges and implications," *Insights into Regional Development* 7 (Desember 2025): 60–70, https://doi.org/10.70132/x8446652243.

[24] John Braithwaite, "Responsive regulation and developing economies," *World Development* 34, no. 5 (2006): 884–98, https://doi.org/10.1016/j.worlddev.2005.04.021.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

The basic principle is that regulatory resources and organizational controls should be proportionate to the level of risk involved.[25]

The risk-based approach is increasingly relevant to Indonesian business regulation, particularly through the implementation of risk-based business licensing. Under this approach, business activities are assessed according to their potential level of risk, with higher-risk activities generally requiring more extensive regulatory requirements and supervision. For retail management, the combination of Responsive Regulation and Risk-Based Approach provides a theoretical basis for moving from rule-based compliance toward risk-based compliance. Retail organizations should therefore not only ask whether a particular activity is legally permitted but also assess the level of legal risk, establish preventive controls, and continuously monitor compliance. This perspective supports the argument that legal compliance should be integrated into managerial processes rather than treated as an isolated legal function. In practical terms, retailers should identify the applicable business classification and fulfil the licensing requirements under Government Regulation No. 28 of 2025 on Risk-Based Business Licensing. Operating without a required licence or failing to meet the applicable standards may trigger supervision and administrative sanctions under the relevant provisions.

The Indonesian retail sector operates within a complex regulatory environment involving business licensing, electronic commerce, taxation, consumer protection, and corporate accountability. Regulatory developments during 2025–2026 demonstrate an increasing emphasis on risk-based licensing, digital commerce governance, tax administration, and corporate responsibility. For each regulatory area, the analysis should therefore identify (i) the activity being regulated, (ii) the applicable legal duty or prohibition, and (iii) the possible consequence of non-compliance. These consequences should be stated only where supported by the relevant provision, rather than assumed to be identical across all regulatory areas.

The following table summarizes several regulatory areas that are particularly relevant to retail management. The table can accordingly be used to connect each regulatory development with the retail activity affected and the compliance issue that management needs to address.

[25] Rachel Southworth dan Michael Levi, "Application of the Risk-Based Approach (RBA) for Financial Crime Risk Management by Banks," 2024, 101–21, https://doi.org/10.1007/978-3-031-59543-1_5.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

Table 1.

Comparison of Key Retail Regulatory Developments in Indonesia

Regulatory Aspect	Earlier Framework	2025–2026 Regulatory Development	Implications for Retail Businesses
Business Licensing	PP No. 5/2021 established a risk-based business licensing framework	Further regulatory development emphasizes differentiated obligations according to business activity and risk	Retailers need continuous licensing review and regulatory monitoring
Direct Selling / Business Operations	PP No. 29/2021 provided the earlier framework for trade activities, including business-location arrangements	Subsequent regulatory developments place greater emphasis on business presence, accountability, and operational compliance	Expansion strategies may require additional legal and operational assessment
E-Commerce / PMSE	Permendag No. 31/2023 regulated business activities through electronic systems	The 2026 framework further strengthens governance of electronic commerce, consumer protection, and digital trade	Online retailers and platforms need stronger controls over product information, transactions, and consumer-facing activities
Taxation	PP No. 80/2019 established an earlier framework for electronic commerce transactions	PMK No. 37/2025 strengthens the role of certain electronic commerce platforms in tax collection mechanisms	Retailers need integrated transaction, accounting, and tax-compliance systems

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

Corporate Criminal Responsibility	Criminal liability was largely addressed through sector-specific legislation	Law No. 1/2023 concerning the Criminal Code strengthens the general framework concerning corporate criminal responsibility	Management needs stronger internal controls, supervision, documentation, and corporate compliance mechanisms

Source: Compiled and analyzed by the authors based on relevant Indonesian laws and regulations.

The regulatory developments summarized above demonstrate that the legal environment surrounding retail businesses is becoming increasingly integrated. Licensing, taxation, electronic commerce, and corporate accountability can no longer be managed as completely separate areas. Instead, they interact with the operational and strategic decisions of retail organizations. This interaction also means that a single business decision may engage several legal duties at once, and that the consequences of non-compliance depend on the particular obligation and the facts involved.

For example, a retailer's digital expansion strategy may simultaneously involve business licensing, PMSE requirements, taxation, consumer protection, and contractual relationships with digital platforms. Similarly, a physical expansion strategy may require assessment of business licensing, location requirements, operational standards, employment, taxation, and supply-chain arrangements. Before implementation, the retailer should document the legal requirements identified and assign responsibility for checking compliance with each relevant requirement.

Therefore, regulatory compliance should be incorporated into the retail planning process from the initial stage of business decision-making. The regulatory developments during 2025–2026 have significant implications for the Place dimension of retail management, particularly in relation to location selection and business expansion. The strengthening of requirements concerning business presence and operational legality makes location decisions more complex than merely considering market potential, rental costs, accessibility, and consumer traffic.[26] Retailers, particularly franchise and direct-selling businesses, increasingly need to consider legal feasibility before committing capital to a new location. Regulatory requirements related to business licensing, environmental obligations, building requirements, and business standards may affect the feasibility and cost of expansion. Therefore, site selection should increasingly incorporate legal

[26] Cristina Miguel et al., "The effects of the professionalization of hosting on service quality: Towards quality standards and certifications within the short-term rental market," *International Journal of Hospitality Management* 122 (2024): 103796, https://doi.org/10.1016/j.ijhm.2024.103796.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

due diligence from the initial planning stage.[27] This means that a location should be evaluated not only for its commercial attractiveness but also for its licensing status, regulatory compatibility, and potential legal risks. In this context, legal compliance becomes an important determinant of expansion strategy and investment efficiency. In particular, retailers should confirm the required licence and applicable standards under Government Regulation No. 28 of 2025 before opening a location. Failure to obtain a required licence or comply with licensing conditions may result in administrative action under the applicable rules, making legal due diligence a practical part of site selection rather than a separate post-decision review.

Regulatory developments concerning trade and import activities also affect the Product dimension of retail management. Changes in import requirements and sector-specific trade regulations may influence the availability, cost, and continuity of imported products. Retailers that depend heavily on imported merchandise may therefore face greater exposure to regulatory changes and supply-chain disruptions.[28] At the same time, the development of electronic commerce regulation increasingly emphasizes the position and visibility of domestic products and MSME products within digital markets. These developments encourage retailers to reconsider their sourcing strategies by increasing the role of domestic suppliers and developing local product alternatives. Local sourcing and private-label strategies can become important mechanisms for reducing regulatory and supply-chain risks while strengthening control over product specifications and availability.[29] Thus, regulatory compliance is not only relevant to whether a product can legally be marketed but can also influence the strategic structure of the retail supply chain. In addition, Article 7 of Law No. 8 of 1999 requires business actors to act in good faith and provide correct, clear, and honest information, while Article 8 prohibits the trade of goods that do not satisfy the requirements specified in that Article. Depending on the product, sector-specific standards and labelling rules may also apply. Non-compliance may lead to compensation or other administrative, civil, or criminal consequences only where the relevant legislation provides for them and the legal elements are met.

Tax regulation represents another important factor affecting retail pricing strategy. The implementation of PMK No. 37/2025, particularly the mechanism involving electronic commerce platforms in the collection of income tax from eligible merchants, strengthens tax compliance within the digital retail ecosystem.[30] This development reduces differences in tax treatment

[27] Rahmat Setiawan, "Legal Compliance in the Foreign Franchise Sector: Examining the Alignment between Franchise Agreements and Business Licensing in Indonesia," *Awang Long Law Review* 8 (November 2025): 447–56, https://doi.org/10.56301/awl.v8i1.1801.

[28] Jie Chen, Xiande Zhao, dan Barbara Bechler Flynn, "When the going gets tough: extraordinary efforts by suppliers during supply chain disruptions," *International Journal of Operations & Production Management* 46, no. 7 (Mei 2026): 1152–74, https://doi.org/10.1108/IJOPM-08-2025-0718.

[29] Modinat Moshood, "Assessing Brand-Driven Supply Chain Customization and Its Role in Enhancing Operational Efficiency and Sustained Market Expansion for Global Enterprises," *International Journal of Research Publication and Reviews* 6 (Agustus 2025): 32–50, https://doi.org/10.55248/gengpi.6.0825.2805.

[30] Muan Panjaitan, "Implikasi PMK-37 Tahun 2025 terhadap Keseimbangan Fiskal dan Daya Tahan UMKM," *Akuntansi Pajak dan Kebijakan Ekonomi Digital* 2 (Agustus 2025): 302–11, https://doi.org/10.61132/apke.v2i3.1494.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

between offline and online retail activities and contributes to a more balanced competitive environment. However, for retailers operating through marketplaces, tax collection and platform-related charges may affect the final margin obtained from each transaction.[31] Consequently, retailers need to reconsider their pricing strategies by taking into account product costs, platform charges, taxation, logistics, promotional expenses, and desired profit margins. Price management therefore needs to move beyond conventional cost and competitor analysis toward a compliance-oriented approach that incorporates fiscal obligations and transparency.[32] In this context, regulatory compliance directly influences the economic structure of digital retail transactions and the ability of retailers to maintain sustainable margins. Articles 10 and 11 of Law No. 8 of 1999 are also relevant where price, discount, or sales information may mislead consumers. PMK No. 37 of 2025 establishes a mechanism for appointing certain electronic-commerce platforms to collect, remit, and report Article 22 income tax for eligible domestic merchants. Retailers and platforms should fulfil the obligations applicable to their respective roles; failure to comply may trigger tax-administration consequences under the relevant tax legislation.

3.2 Legal Compliance as a Strategic Capability for Retail Sustainability

The literature on compliance generally emphasizes the importance of organizational systems, internal controls, managerial commitment, and employee awareness in preventing regulatory violations. In the retail sector, these elements become particularly important because operational activities are highly decentralized and involve frequent interactions with consumers and third parties. Legal compliance should therefore be viewed as a strategic capability rather than merely an administrative requirement. A strategic compliance capability enables an organization to identify regulatory changes, assess potential risks, develop appropriate procedures, monitor implementation, and respond to violations before they develop into significant financial or reputational consequences.[33] This perspective is consistent with the development of risk-based governance. Rather than applying the same level of control to every business activity, organizations can prioritize resources according to the potential impact and probability of legal risks. High-risk activities, such as digital transactions, taxation, product claims, consumer-data processing, and regulated products, should receive stronger controls and closer monitoring.[34] In this context, compliance contributes to organizational resilience. Retail businesses with effective

[31] Ashu Katyal et al., "The Effects of Digital Taxation on E-Commerce and Online Business Models," *International Journal of Accounting and Economics Studies* 12 (Agustus 2025): 270–74, https://doi.org/10.14419/1mchad34.

[32] Bismark Okyere, Alhassan Musah, dan Deodat Emilson Adenutsi, "The effect of total quality management on financial performance of downstream oil and gas companies in Ghana: the role of regulatory compliance," *Social Sciences & Humanities Open* 13 (2026): 102982, https://doi.org/10.1016/j.ssaho.2026.102982.

[33] Janet Rasaei, "Sustainability and regulatory compliance in management control systems: insights from Germany's Supply Chain Due Diligence Act," *Sustainability Accounting, Management and Policy Journal* 17, no. 7 (Februari 2026): 1–25, https://doi.org/10.1108/SAMPJ-01-2025-0126.

[34] Omneya Abdelsalam et al., "Trust matters: A global perspective on the influence of trust on bank market risk," *Journal of International Financial Markets, Institutions and Money* 92 (2024): 101959, https://doi.org/10.1016/j.intfin.2024.101959.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

compliance systems are better positioned to respond to regulatory changes, maintain operational continuity, protect corporate reputation, and preserve stakeholder confidence. For clarity, legal compliance, corporate governance, and legal-risk management are related but distinct. Legal compliance concerns fulfilment of the duties and prohibitions imposed by law. Corporate governance concerns the allocation of authority, supervision, decision-making, and accountability within the company. Legal-risk management is the process of identifying, evaluating, mitigating, and monitoring the possibility and impact of legal consequences. Governance assigns responsibility for compliance, while legal-risk management helps determine which controls and monitoring activities are needed; neither replaces the underlying legal duty.

The transformation of retail promotion through digital platforms and artificial intelligence also creates new legal considerations. Retailers increasingly use automated advertising, personalized recommendations, social media campaigns, and AI-generated promotional content to reach consumers more efficiently.[35] However, the rapid distribution of digital content increases the potential consequences of misleading information, inappropriate advertising claims, or insufficient consumer disclosure. The development of PMSE regulation therefore requires retailers to pay greater attention to the governance of digital promotional activities. Marketing decisions should be accompanied by appropriate compliance review to ensure that advertising content is accurate, transparent, and consistent with applicable requirements. This situation strengthens the need for closer collaboration between marketing and legal functions.[36] Instead of treating legal review as a final administrative step, retailers should incorporate compliance assessment into the development and approval of digital promotional content. Such integration is particularly important when AI is used because automated systems may generate or distribute large amounts of content at high speed. More specifically, Articles 9, 10, and 17 of Law No. 8 of 1999 address prohibited or misleading promotional practices, while Article 20 provides for responsibility of business actors for advertisements produced and their consequences. Government Regulation No. 80 of 2019 on Trading Through Electronic Systems is relevant to online retail activities, and Law No. 27 of 2022 on Personal Data Protection applies when customer data are processed. Depending on the violation, consequences may include statutory liability, orders or sanctions under the applicable rules, and claims arising from consumer harm or data-processing violations.

The People and Process dimensions represent one of the most important findings of this study because regulatory compliance ultimately depends on organizational behavior and internal processes.[37] The implementation of Law No. 1 of 2023 concerning the Criminal Code strengthens

[35] K.Mohamed Jasim, Venu Bhaskar Puthineedi, dan Ashish Kumar Jha, "AI-powered personalization in online fashion stores: Exploring the impact on shoppers' perceived risk and intention to buy and recommend," *Information & Management* 63, no. 4 (2026): 104347, https://doi.org/10.1016/j.im.2026.104347.

[36] Harith Yas et al., "Digital Marketing Standards and UAE Consumer Protection Law: Assessing Compliance Requirements for Online Marketing Claims," *Scientific search personality education culture* 11 (Desember 2025): 672–84, https://doi.org/10.5281/zenodo.11322551.

[37] Issah Iddrisu, "Understanding the nexus between organizational culture and trust: The mediating roles of communication, leadership, and employee relationships," *Sustainable Futures* 9 (2025): 100555, https://doi.org/10.1016/j.sftr.2025.100555.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

the importance of corporate responsibility and governance. For retail organizations, legal risk may arise from decisions or actions involving management, employees, and other parties operating on behalf of the company.[38] Therefore, compliance cannot be delegated entirely to a legal department. Management needs to establish clear policies, responsibilities, internal controls, employee training, reporting mechanisms, and monitoring procedures to demonstrate that reasonable measures have been taken to prevent unlawful conduct. This is particularly important for large retailers with multiple branches, suppliers, distributors, and digital channels, where weaknesses in supervision may create significant organizational exposure.[39] Consequently, the People dimension requires the development of compliance awareness and accountability among employees, while the Process dimension requires the integration of legal controls into procurement, sales, finance, marketing, customer service, and other operational activities. The legal consequences should nevertheless be assessed against the elements of the applicable offence or obligation; not every employee error automatically establishes corporate criminal liability. The role of governance is to clarify authority and accountability, while legal-risk management identifies where training, approval procedures, supervision, and reporting controls are needed to reduce the likelihood of violations.

3.3 Retail Legal Compliance Framework 2026

Based on the analysis above, this study proposes the Retail Legal Compliance Framework 2026, which positions Legal Compliance as a central element of retail management rather than as a supporting administrative function.[40] The framework integrates legal considerations into six major retail dimensions: Product, Price, Place, Promotion, People, and Process. Under this approach, every significant business decision should undergo a legal risk assessment before implementation. The objective is not to make every business decision dependent on lengthy legal procedures but to establish an appropriate legal checkpoint that identifies applicable regulations, potential risks, and necessary controls.[41] For each decision, the framework should record the relevant legal provision, the duty or prohibition it creates, the person responsible for compliance, and the potential consequence of breach. This makes the framework operational without changing its central purpose of integrating legal considerations into the six retail dimensions.

The framework therefore represents a shift from a reactive compliance model toward a preventive and risk-based model. In a conventional approach, legal considerations may only become relevant after a business decision has been implemented and a violation or dispute has

[38] Laila Uswatun Chasanah, Kahfi Arif Suryadi, dan Hendi Budiaman, "Corporate Criminal Liability under Indonesia ' s New Criminal Code : A Normative and Implementation-Based Approach" 4, no. 2 (2026): 55–67.
[39] Vasileios Giannopoulos, Antonios Lymperopoulos, dan Spyridon Kariofyllas, "Determinants of Internal Control System Effectiveness : Evidence from Greek Listed Companies," 2025, 1–39.
[40] Bothaina Alsobai dan Dalal Aassouli, "The Role of Legal and Regulatory Frameworks in Driving Digital Transformation for the Banking Sector in Qatar with Global Benchmarks," 2026.
[41] Coso, "Enterprise Risk Management – Integrated Framework," no. September (2024).

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

occurred. Under the proposed framework, regulatory requirements are identified during the planning stage, legal risks are assessed before implementation, and compliance controls are incorporated into business processes. Continuous monitoring is then conducted to identify regulatory changes and potential weaknesses in implementation. The stages should also be connected to corporate governance: management establishes oversight and accountability, operational units implement the controls, and monitoring results are reported to the appropriate decision-makers. This connection helps distinguish the legal obligation itself from the organisational arrangements used to fulfil it.

The main contribution of the framework is its integration of legal compliance with the core functions of retail management. Product, Price, Place, Promotion, People, and Process are not treated as independent managerial areas but as interconnected functions that operate within a legal and regulatory environment. Legal compliance therefore becomes a cross-functional governance mechanism that supports decision-making across the organization. Through this approach, compliance can contribute not only to the avoidance of sanctions but also to operational resilience, consumer trust, corporate reputation, and long-term business sustainability. A governance structure alone does not prove that the law has been complied with, just as a risk register does not remove the underlying legal obligation. The framework is effective when the legal duty is identified, responsibility is assigned, proportionate controls are implemented, and the results are monitored and corrected where necessary.

Overall, the findings indicate that the regulatory developments of 2025–2026 have transformed legal compliance from a predominantly administrative responsibility into a strategic component of retail management. Retail businesses that are able to integrate regulatory requirements into their strategic and operational processes are likely to be better positioned to manage legal uncertainty, respond to regulatory changes, maintain stakeholder confidence, and achieve sustainable growth in Indonesia's increasingly digital and regulated retail environment. The central finding is therefore not that governance or risk management replaces legal compliance, but that the three functions support one another: legal compliance defines what must be done, corporate governance determines who oversees and is accountable for it, and legal-risk management helps the retailer prioritise and monitor the controls needed to meet those duties.

4. CONCLUSION

This study finds that regulatory developments in Indonesia during 2025–2026 directly influence key retail management decisions: licensing requirements affect store location and business expansion (Place); trade and import regulations shape product sourcing and supply chains (Product); tax regulations, particularly PMK No. 37 of 2025, influence pricing and profit margins (Price); and e-commerce and consumer protection regulations require stronger controls over digital transactions, advertising, and consumer information (Promotion). Furthermore, Law No. 1 of 2023 reinforces the importance of employee accountability, internal supervision, and documented

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

operational procedures (People and Process). The main finding is that effective retail legal compliance requires the integration of three complementary functions: legal compliance to identify applicable obligations, corporate governance to establish authority and accountability, and legal-risk management to assess potential violations and determine preventive measures. Accordingly, this study proposes the Retail Legal Compliance Framework 2026, which integrates Product, Price, Place, Promotion, People, and Process with Legal Compliance through five stages: regulatory mapping, legal-risk assessment, preventive controls, managerial oversight, and continuous monitoring. The framework demonstrates how legal obligations can be translated into concrete managerial practices and integrated into retail strategy and daily operations. Its implementation can reduce legal and operational risks while supporting supply-chain continuity, consumer trust, corporate reputation, and long-term business sustainability.

REFERENCES

Abdelsalam, Omneya, Antonios Chantziaras, Nathan Lael Joseph, dan Nikolaos Tsileponis. "Trust matters: A global perspective on the influence of trust on bank market risk." *Journal of International Financial Markets, Institutions and Money* 92 (2024): 101959. https://doi.org/10.1016/j.intfin.2024.101959.

Alsobai, Bothaina, dan Dalal Aassouli. "The Role of Legal and Regulatory Frameworks in Driving Digital Transformation for the Banking Sector in Qatar with Global Benchmarks," 2026.

Arifin, Ridwan, Juan Anthonio Kambuno, Waspiah Waspiah, dan Dian Latifiani. "Protecting the Consumer Rights in the Digital Economic Era: Future Challenges in Indonesia." *Jambura Law Review* 3 (April 2024): 135–60. https://doi.org/10.33756/jlr.v3i0.9635.

Asghar, Muhammad. "The Influence of Corporate Social Responsibility in a Legal Context." *Al-NASR*, Desember 2025, 191–204. https://doi.org/10.53762/alnasr.02.02.e12.

Braithwaite, John. "Responsive regulation and developing economies." *World Development* 34, no. 5 (2006): 884–98. https://doi.org/10.1016/j.worlddev.2005.04.021.

Chasanah, Laila Uswatun, Kahfi Arif Suryadi, dan Hendi Budiaman. "Corporate Criminal Liability under Indonesia ' s New Criminal Code : A Normative and Implementation-Based Approach" 4, no. 2 (2026): 55–67.

Chen, Jie, Xiande Zhao, dan Barbara Bechler Flynn. "When the going gets tough: extraordinary efforts by suppliers during supply chain disruptions." *International Journal of Operations & Production Management* 46, no. 7 (Mei 2026): 1152–74. https://doi.org/10.1108/IJOPM-08-2025-0718.

Coso. "Enterprise Risk Management – Integrated Framework," no. September (2024).

Daud, Abelita, Dolot Bakung, dan Mohammad Moha. "The Legal Liability of Marketplace Retailers for the Distribution of Counterfeit Goods in Indonesia." *Journal of Law, Human Rights, Immigration, and Corrections* 1 (Maret 2026): 17–43. https://doi.org/10.65101/lawric.v1i3.224.

Giannopoulos, Vasileios, Antonios Lymperopoulos, dan Spyridon Kariofyllas. "Determinants of Internal Control System Effectiveness : Evidence from Greek Listed Companies," 2025, 1–39.

Hurel, Idrovo, Melissa Mercedes, Morán Herrera, Angel Antonio, Reyes Durango, dan Jeylyn

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

Nicole. "Organizational resilience and agility in SMEs: a systematic review with global perspectives for emerging economies." *Journal of Organizational Change Management* 39, no. 3 (Maret 2026): 652–74. https://doi.org/10.1108/JOCM-06-2025-0580.

Iddrisu, Issah. "Understanding the nexus between organizational culture and trust: The mediating roles of communication, leadership, and employee relationships." *Sustainable Futures* 9 (2025): 100555. https://doi.org/10.1016/j.sftr.2025.100555.

Isharyani, Muriani Emelda, Bertha Maya Sopha, M Arif Wibisono, dan Benny Tjahjono. "Retail technology adaptation in traditional retailers: A technology-to-performance chain perspective." *Journal of Open Innovation: Technology, Market, and Complexity* 10, no. 1 (2024): 100204. https://doi.org/10.1016/j.joitmc.2023.100204.

Jasim, K.Mohamed, Venu Bhaskar Puthineedi, dan Ashish Kumar Jha. "AI-powered personalization in online fashion stores: Exploring the impact on shoppers' perceived risk and intention to buy and recommend." *Information & Management* 63, no. 4 (2026): 104347. https://doi.org/10.1016/j.im.2026.104347.

Judijanto, Loso. "Customer Relationship Management (CRM) in Modern Retail: A Bibliometric Study." *West Science Business and Management* 3 (September 2025): 809–15. https://doi.org/10.58812/wsbm.v3i03.2276.

Jung, Jin, Jaewon Yoo, dan Todd Arnold. "The influence of a retail store manager in developing frontline employee brand relationship, service performance and customer loyalty." *Journal of Business Research* 122 (Januari 2024): 362–72. https://doi.org/10.1016/j.jbusres.2020.09.010.

Katyal, Ashu, Dr Sinha, Dr Kumari, Ansuman Samal, Jeya Rani, Manjunath Channappagoudra, dan Sahil Khurana. "The Effects of Digital Taxation on E-Commerce and Online Business Models." *International Journal of Accounting and Economics Studies* 12 (Agustus 2025): 270–74. https://doi.org/10.14419/1mchad34.

Khando, Khando, Shang Gao, Sirajul M Islam, dan Ali Salman. "Enhancing employees information security awareness in private and public organisations: A systematic literature review." *Computers & Security* 106 (2024): 102267. https://doi.org/10.1016/j.cose.2021.102267.

Latilo, Adetoyese, Ngozi Uzougbo, Munachi Ugwu, dan Portia Oduro. "Strategies for corporate compliance and litigation avoidance in multinational enterprises." *World Journal of Advanced Science and Technology* 6 (Agustus 2024): 73–87. https://doi.org/10.53346/wjast.2024.6.1.0048.

Miguel, Cristina, Ivana Načinović Braje, Maria Hadjielia Drotarova, Kosjenka Dumančić, Berna Kirkulak-Uludag, dan Carlo Giglio. "The effects of the professionalization of hosting on service quality: Towards quality standards and certifications within the short-term rental market." *International Journal of Hospitality Management* 122 (2024): 103796. https://doi.org/10.1016/j.ijhm.2024.103796.

Moshood, Modinat. "Assessing Brand-Driven Supply Chain Customization and Its Role in Enhancing Operational Efficiency and Sustained Market Expansion for Global Enterprises." *International Journal of Research Publication and Reviews* 6 (Agustus 2025): 32–50. https://doi.org/10.55248/gengpi.6.0825.2805.

Mostaghel, Rana, Pejvak Oghazi, Vinit Parida, dan Vahid Sohrabpour. "Digitalization driven retail business model innovation: Evaluation of past and avenues for future research trends."

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

Journal of Business Research 146 (2024): 134–45. https://doi.org/10.1016/j.jbusres.2022.03.072.

Muhammad, Naveed, Ahmad Munir, Usman Yousaf, Bashir Iqra, Kamran Muhammad, dan Muhammad Afzal Shah. "Smart Strategies for the Future: Aligning Digital Marketing Trends, Consumer Behavior, and Supply Chain Management." *European Journal of Management, Economics and Business* 2 (Juli 2025): 74–88. https://doi.org/10.59324/ejmeb.2025.2(4).06.

Okyere, Bismark, Alhassan Musah, dan Deodat Emilson Adenutsi. "The effect of total quality management on financial performance of downstream oil and gas companies in Ghana: the role of regulatory compliance." *Social Sciences & Humanities Open* 13 (2026): 102982. https://doi.org/10.1016/j.ssaho.2026.102982.

Panjaitan, Muan. "Implikasi PMK-37 Tahun 2025 terhadap Keseimbangan Fiskal dan Daya Tahan UMKM." *Akuntansi Pajak dan Kebijakan Ekonomi Digital* 2 (Agustus 2025): 302–11. https://doi.org/10.61132/apke.v2i3.1494.

Rasaei, Janet. "Sustainability and regulatory compliance in management control systems: insights from Germany's Supply Chain Due Diligence Act." *Sustainability Accounting, Management and Policy Journal* 17, no. 7 (Februari 2026): 1–25. https://doi.org/10.1108/SAMPJ-01-2025-0126.

Roskladka, Nataliia, Anicia Jaegler, dan Giovanni Miragliotta. "From 'right to repair' to 'willingness to repair': Exploring consumer's perspective to product lifecycle extension." *Journal of Cleaner Production* 432 (2024): 139705. https://doi.org/10.1016/j.jclepro.2023.139705.

Sadiq, Shazia, dan Guido Governatori. "Managing Regulatory Compliance in Business Processes." *Handbook on Business Process Management 2: Strategic Alignment, Governance, People and Culture, Second Edition*, Januari 2025. https://doi.org/10.1007/978-3-642-01982-1_8.

Schrödter, Armando, dan Barbara E Weißenberger. "The institutionalization of digital compliance." *Management Decision*, Oktober 2024. https://doi.org/10.1108/MD-03-2024-0498.

Setiawan, Rahmat. "Legal Compliance in the Foreign Franchise Sector: Examining the Alignment between Franchise Agreements and Business Licensing in Indonesia." *Awang Long Law Review* 8 (November 2025): 447–56. https://doi.org/10.56301/awl.v8i1.1801.

Shange, Mathews, Sandile Mkhize, dan Steven Msosa. "Consumer protection law compliance in retail: awareness, socio-economic challenges and implications." *Insights into Regional Development* 7 (Desember 2025): 60–70. https://doi.org/10.70132/x8446652243.

Silva, Susana C, Francisca Pinto Silva, dan Joana Carmo Dias. "Exploring omnichannel strategies: a path to improve customer experiences." *International Journal of Retail & Distribution Management* 52, no. 1 (November 2026): 62–88. https://doi.org/10.1108/IJRDM-03-2023-0198.

Southworth, Rachel, dan Michael Levi. "Application of the Risk-Based Approach (RBA) for Financial Crime Risk Management by Banks," 101–21, 2024. https://doi.org/10.1007/978-3-031-59543-1_5.

Stacchezzini, Riccardo, Francesca Rossignoli, dan Silvano Corbella. "Corporate governance in practice: the role of practitioners' understanding in implementing compliance programs." *Accounting, Auditing & Accountability Journal* 33, no. 4 (April 2024): 887–911.

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

https://doi.org/10.1108/AAAJ-08-2016-2685.
Sugiyono. *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Alfabeta, 2019.
Yas, Harith, Adel Allouzi, Issa Rabadi, Mohammad Sarhan, Maha Abdalaziz, dan Fanar Shwedeh. "Digital Marketing Standards and UAE Consumer Protection Law: Assessing Compliance Requirements for Online Marketing Claims." *Scientific search personality education culture* 11 (Desember 2025): 672–84. https://doi.org/10.5281/zenodo.11322551.

***

e-ISSN: 2621-4105
https://journals.usm.ac.id/index.php/jj/index

Acknowledgements
The authors would like to express their sincere gratitude to the Editor and the anonymous Reviewers for their time, insightful comments, and constructive suggestions, which have significantly contributed to improving this article. The authors also hope that this article will provide valuable insights, make a meaningful contribution to ongoing discussions in the relevant field, and benefit readers and future researchers.

Funding Information
This research was independently funded by the authors.

Declaration of Conflict of Interest
The authors declare that there are no conflicts of interest regarding the publication of this article.

Publication Ethics and Originality Statement
The authors affirm that this research is entirely original. This manuscript has not been previously published in print, online, or through any other medium, and it is not currently under consideration for publication in any other journal. All sources cited in the reference list have been documented in accordance with applicable academic citation standards and ethical principles.

Declaration of Generative Artificial Intelligence Use
The authors declare that generative artificial intelligence was used as an assisting tool during the preparation of this manuscript. Specifically, ChatGPT Open AI and Grammarly were used to improve the language quality and overall readability of the text. All AI-generated outputs were critically reviewed, edited, and verified by the authors to ensure accuracy and maintain scientific integrity. The authors assume full responsibility for the final content of the manuscript. The use of generative artificial intelligence was limited to a supporting role and does not constitute authorship. Furthermore, no data analysis or interpretation was conducted by artificial intelligence without the authors' supervision and active involvement.