

# Business Law Perspective on Marketing Activities of Limited Liability Companies in Indonesia

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**Abstract:** Marketing activities of limited liability companies (LLC) in Indonesia are not merely business strategies but also legal activities that entail juridical consequences. The increasingly complex dynamics of modern marketing, including digital marketing, e-commerce, and the utilization of consumer personal data, demonstrate that marketing activities cannot be separated from business law regulations, whether related to consumer protection, fair competition, electronic information, or personal data protection. Marketing by LLC in Indonesia is regulated by various laws aimed at creating fair, transparent transactions while avoiding practices that could harm consumers. From a business law perspective, marketing in Indonesia, especially within limited liability companies, plays a crucial role in maintaining the smooth operation of businesses that benefit not only the company but also the wider society, including consumers. Marketing activities by LLC must consistently adhere to the principles of law, including consumer protection and the obligation to ensure transparency in every promotional activity or advertisement. This study employs a normative juridical method with both statutory and conceptual approaches. The analysis is conducted qualitatively through systematic and teleological legal interpretation, supported by secondary legal materials such as academic literature and recent scholarly articles on business law and marketing. The findings reveal that marketing activities of limited liability companies are closely intertwined with business law, as all contracts, promotions, and marketing strategies constitute legal acts that must adhere to the principles of honesty, transparency, and fair competition. Revenue growth through effective marketing can only be achieved sustainably if it is designed in accordance with the principles of good corporate governance and legal compliance. Thus, marketing in the perspective of business law functions not only as a commercial tool but also as an instrument for creating legitimate, ethical, and equitable value for both the company and society.

**Keywords:** Business Law; Companies; Indonesia; Marketing; Perspective.

## 1. Introduction

As a legal entity in the form of a limited liability company (hereinafter referred to as LLC), a company engages in marketing activities to generate demand, expand market share, and build brand reputation, including copyrights and patents legally recognized under the law, with the expectation of reaching a wide and diverse range of consumer segments that are interconnected in various ways. However, these activities are not merely managerial issues of an LLC but also practices governed by business law. The limited liability company is the most dominant form of legal entity used by business actors in Indonesia because of its distinctive feature of separating personal assets from corporate assets, while also providing flexibility in conducting business activities (M. Yahya Harahap, 2021). Marketing activities are a vital aspect of business operations, as they allow companies to introduce their products or services to

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consumers, build brand awareness, and ultimately achieve profitability. However, amidst the highly competitive market dynamics, limited liability companies (LLC) in Indonesia must ensure that every marketing strategy they implement complies with the relevant legal frameworks. LLC in Indonesia are subject to a complex set of regulations, both in business law and in areas that directly impact their marketing activities. Laws governing consumer protection, competition, intellectual property, trademarks, and data privacy are just a few of the regulations that companies must adhere to when conducting marketing activities. In light of these regulations, LLCs are not only required to achieve their marketing objectives but must also be held accountable for their actions in accordance with the law.

In the modern context, one of the core activities of an LLC is marketing, which aims to introduce products, attract consumers, and maintain market loyalty. These marketing activities are not limited to business strategies but also involve complex legal aspects, since every activity carried out by the company constitutes a legal act of its corporate organs. Marketing decisions regarding goods and/or services are legal acts of the company through its organs (GMS, Board of Directors, and Board of Commissioners), which may create contractual risks, civil and criminal liabilities, and regulatory compliance obligations (Munir Fuady, 2018). The importance of understanding business ethics in marketing cannot be overlooked. In many cases, companies that engage in unethical marketing practices risk losing consumer and public trust. This trust is an invaluable asset, as consumers who feel deceived or wronged are likely to refrain from purchasing products or services from the offending company. Moreover, the erosion of trust extends beyond immediate sales losses, it can lead to long term reputational damage that is difficult, if not impossible, to recover from. As such, the role of ethical conduct in marketing extends not only to ensuring compliance with legal standards but also to fostering a relationship of transparency and integrity with consumers. Companies that fail to uphold these standards may not only face legal consequences but also alienate their target market, diminishing their competitive edge in the market.

In the Indonesian business law framework, corporate marketing governance must be aligned with the articles of association, which are formalized in an authentic deed made by a notary as mandated by law (Khairandy R., (2009). Moreover, directors must exercise prudence and adhere to legal boundaries concerning product information, promotions, pricing, use of customer data, and fair competition, which underscores the necessity for business actors to have adequate knowledge of Indonesian business law. Competition law is also pivotal, as marketing practices must not involve conduct contrary to fair competition, such as price dumping, misleading advertising, or discriminatory practices that could harm both consumers and competitors. Hence, the role of the Indonesian Competition Commission (KPPU) is vital in supervising corporate marketing behavior to ensure compliance with principles of fairness and transparency. Marketing conducted by LLC is not solely intended for financial gain, but must also foster mutually beneficial relationships with consumers. As such, the legal aspects of marketing become crucial, as any marketing activities that contravene the law can result in significant losses, both financially and in terms of the company's reputation. Moreover, marketing practices that violate legal norms may lead to severe legal sanctions, such as fines or even the revocation of business licenses. The rapid advancement of digital technology has also had a profound impact on how LLC engage in marketing. Digital marketing, through various online platforms such as social media and websites, has become a primary tool for

reaching consumers. However, this digital marketing approach presents new challenges related to data privacy protection and regulations governing electronic transactions. Consequently, companies must exercise caution in managing consumer data to ensure compliance with laws concerning personal data protection.

When conducting business, an LLC engaging in marketing must not act arbitrarily, as there exists a complex regulatory framework that must be observed and properly implemented (I Gusti Ngurah Bagus Putra., (2022)). The transformation of digital advertising through platforms, influencer endorsements across online and offline media, data-driven marketing, and e-commerce has intensified consumer interaction while simultaneously increasing legal risks such as misleading advertising, unfair competition, and consumer privacy violations (I Wayan Novy Purwanto., (2022)). Digital technological developments have expanded the scope of corporate marketing. Activities such as social media advertising, influencer engagement, e-commerce systems, and the processing of consumer personal data introduce new legal challenges. These practices must comply with the Electronic Information and Transactions Law (UU ITE) and the Personal Data Protection Law (UU PDP), which regulate the validity of electronic information and the protection of consumer rights related to personal data. Failure to comply may result in administrative, civil, or criminal sanctions.

Accordingly, companies are expected to adopt a “compliance-by-design” framework throughout the marketing cycle: campaign planning, claim substantiation, personal data management, transparency of terms and conditions, and complaint-handling mechanisms. The most relevant legal frameworks include the Company Law (UUPT) governing corporate responsibility and authority, the Consumer Protection Law (UUPK) concerning truthful and accurate information, the ITE Law on electronic transactions and digital content, the PDP Law on personal data processing, and the Competition Law to prevent discriminatory, deceptive, or monopolistic practices (Lathifa Nabila & Ratna Budi Setianingrum., (2024)). In practice, law-based marketing activities not only protect consumer interests but also provide long-term business sustainability for the company. Implementing compliance marketing is crucial, ensuring that marketing strategies are aligned with good corporate governance (GCG), regulatory compliance, and business ethics. Thus, corporate marketing in Indonesia should be understood not only as an economic instrument but also as a domain of binding business law norms, ensuring a balance between the interests of business actors, consumers, and society at large.

Business law perspectives require marketing activities to comply with applicable legislation. For instance, the Company Law No. 40 of 2007 affirms that directors, as corporate organs, bear full responsibility for managing the company, including marketing strategies. Meanwhile, the Consumer Protection Law No. 8 of 1999 obliges business actors to provide accurate, clear, and truthful information so that advertisements and promotions do not mislead consumers. In the financial services sector, advertising and product offerings by LLCs are subject to the consumer protection regime strictly supervised by the Financial Services Authority (OJK), ensuring that consumers are safeguarded from potentially unlawful marketing practices (R. Syaiful Anwar ., (2022)). Strengthening marketing compliance not only reduces legal risks and disputes but also enhances market trust and corporate long-term value, thereby transforming marketing into a responsible value-creation instrument (Ahmad Ridwan., (2021)).

This study aims to examine how the perspective of business law influences the marketing activities of limited liability companies in Indonesia. It is expected that this research will provide a deeper understanding of the relationship between law and marketing and offer insights into the regulatory framework that companies must follow to ensure the legality and ethicality of their business operations. Such understanding is expected to assist LLC in conducting marketing activities that are not only effective but also compliant with applicable legal standards in Indonesia. Based on this background, this study analyzes the topic “Marketing Activities of Limited Liability Companies in the Perspective of Business Law in Indonesia”, with two research questions: (1) How do marketing activities increase the revenue of a limited liability company? (2) How is business law interconnected with corporate marketing practices in Indonesia?

## 2. Literature Review

Marketing by limited liability companies (LLC) in Indonesia is regulated by various laws aimed at creating fair, transparent transactions while avoiding practices that could harm consumers. Several studies indicate that corporate law in Indonesia plays a significant role in regulating marketing activities, particularly those related to public trust and consumer protection (Mertokusumo, 2000). The marketing activities conducted by LLC in Indonesia must adhere to the prevailing legal principles, such as consumer protection and the obligation to ensure transparency in all advertisements or promotions (Sutedi., (2009). From a business law perspective, marketing in Indonesia, especially within limited liability companies, plays a crucial role in maintaining the smooth operation of businesses that benefit not only the company but also the wider society, including consumers. Marketing activities by LLC must consistently adhere to the principles of law, including consumer protection and the obligation to ensure transparency in every promotional activity or advertisement (Mertokusumo, 2000). Law provides clear boundaries to guide companies in their operations, ensuring healthy competition and preventing harm to any party involved. Marketing by LLC in Indonesia is not solely about increasing sales but also closely related to the implementation of existing legal principles. Companies must ensure that all marketing activities they carry out comply with applicable regulations to avoid legal issues that could have adverse effects on their operations. Ultimately, companies that effectively manage marketing in compliance with the law, while maintaining a positive relationship with consumers, will have a better chance of achieving success in an increasingly competitive market.

In this context, LLC are required to conduct marketing activities in accordance with existing regulations, including advertising and product promotion, to avoid practices that may harm consumers and damage the company's image. Every company operating in Indonesia must comply with regulations governing consumer protection, ensuring that the products they market are not deceptive or misleading to consumers (Sutedi., (2009). This is crucial as the primary function of marketing is to introduce products to consumers in an honest and transparent manner. Furthermore, every marketing action must align with business ethics, emphasizing the importance of the company's social responsibility towards consumers (Husein., (2010). Additionally, marketing by LLC in Indonesia must comply with agreements made with third parties, ensuring that no fraudulent or misleading representations are involved

in the process. Companies are required to exercise caution when engaging in advertising practices, as they must comply with applicable legislation such as the Consumer Protection Law and the Anti-Competition Law (Sari., (2013)). Misleading marketing practices or false information can lead to legal claims that are detrimental to the company, both materially and immaterially.

Moreover, every company involved in marketing must also consider the protection of intellectual property rights, trademarks, and consumer data, which are integral aspects of business law in Indonesia. LLC must comply with legal provisions governing the protection of copyrights, trademarks, and consumer data in their marketing activities (Sari., (2013)). In this regard, companies need a deep understanding of intellectual property rights (IPR), ensuring that any trademarks or logos used in marketing are registered and do not infringe on the rights of others. Additionally, in the increasingly digital era, personal data protection is becoming an increasingly relevant issue. LLC in Indonesia must safeguard and protect consumer data in accordance with the Personal Data Protection Law recently enacted in Indonesia, with the latest amendments in 2024 (Sudrajat., (2014)). LLC are also faced with the challenge of balancing marketing innovation with regulatory compliance. On one hand, companies are keen to innovate in their marketing strategies to capture consumer attention and compete with other firms. On the other hand, they must ensure that every marketing step taken does not violate applicable laws. Overly aggressive or non-compliant marketing innovations can lead to violations that may damage the company's reputation and cause long term losses.

Effective marketing also requires a profound understanding of consumer behavior. LLCs must be able to identify consumer needs and desires, and create products or services that meet their expectations. Thus, it is essential for companies to conduct quality market research that enables them to understand market trends and consumer preferences. Without proper understanding of consumer behavior, companies will struggle to develop marketing strategies that effectively align with market demands. Furthermore, LLCs must maintain transparency in every aspect of their marketing activities. Transparency in marketing involves not only providing clear and accurate information to consumers but also building consumer trust in the company. Consumer trust is a valuable asset for any business, as consumers who trust the company are more likely to remain loyal and make repeat purchases. Therefore, it is crucial for companies to uphold principles of transparency and honesty in every marketing message they deliver (Husein., (2010)).

Despite the detailed regulations regarding marketing, LLC still face challenges in practice. There is a gap between the fast-paced market development and the existing regulations, which may lead to legal issues, especially regarding advertisements that do not comply with the prescribed guidelines. Often, LLC find themselves in legal grey areas when marketing through digital platforms, which are not fully addressed by the current laws. Despite the existence of many regulations, significant challenges remain for LLC in complying with all applicable legal requirements, particularly in relation to advertisements that fail to comply with regulations (Rachman, 2018). The rapid development of the marketing industry often outpaces existing regulations, leading to legal issues in marketing, especially related to non-compliant advertisements. Therefore, LLC in Indonesia need to pay closer attention to the regulations governing their marketing practices to avoid legal sanctions that could harm them. In advertising, it is essential to not only comply with the law but also adhere to moral and ethical

values in marketing practices (Tampubolon., (2017). In this regard, the role of the government in overseeing and enforcing the law is crucial to ensure that LLC do not engage in practices that harm consumers or society at large (Goodwin., (2016). The Indonesian government, through relevant agencies such as the National Agency of Drug and Food Control (BPOM) and the Business Competition Supervisory Commission (KPPU), has the duty to ensure that marketing practices are carried out fairly and do not harm any parties.

Moreover, beyond existing regulations, limited liability companies (LLC) are also faced with the obligation to maintain their reputation in the market. In this context, it is important to note that the law not only functions to impose sanctions on companies that violate the regulations but also plays a role in shaping the company's image and reputation. Marketing activities conducted unethically or in violation of the law can result in significant harm, not only in terms of legal sanctions but also in consumer trust (Goodwin., (2016). Delving further into consumer protection from the perspective of LLC marketing, the issue of consumer protection in marketing activities is crucial to discuss, considering the numerous complaints from consumers regarding products that do not meet the claims made in advertisements. This highlights the importance of clear and firm regulations governing marketing by LLC, to ensure that companies can engage in ethical marketing practices that do not harm consumers. A company's success in legally compliant marketing is not solely determined by their understanding of the applicable regulations but also by the effective implementation of these regulations in practice. LLC must provide training to their staff regarding the laws that govern marketing and establish stringent internal monitoring systems to ensure that all marketing activities comply with the applicable regulations (Wijaya., (2015). LLC must also recognize that marketing is not just about product promotion but also about how they build strong relationships with consumers. In this regard, companies must be able to manage their brand image effectively. A positive image in the eyes of consumers can provide a significant competitive advantage, whereas a negative image can damage the company's reputation in the long term. Therefore, the application of ethics in marketing is essential to create a harmonious relationship between the company and consumers.

The development of digital technology has also brought significant changes in the way limited liability companies (LLC) conduct marketing. Digital marketing has now become one of the most effective tools for reaching consumers, with various social media platforms and online applications allowing companies to directly interact with their target markets. However, the use of digital technology in marketing also brings new challenges, particularly in terms of consumer data protection. This requires companies to pay close attention to increasingly stringent data protection policies, where any violation of these policies can lead to substantial losses, both financially and reputationally. Although various regulations governing marketing by LLC in Indonesia are relatively comprehensive, challenges remain, especially with the rapid changes in the marketing industry and the application of new technologies. Therefore, it is crucial for LLC to continuously update their knowledge of the law and implement it in every marketing activity they undertake. On the other hand, the government must also play an active role in formulating regulations that can keep pace with market developments and technological advancements, in order to create a healthy, fair, and mutually beneficial marketing environment for all parties involved (Sudrajat., (2014). This includes ensuring that regulations are flexible enough to accommodate the rapid pace of innovation while still maintaining

consumer protection and preventing unfair business practices. Additionally, the government must provide clear guidelines for companies to follow, helping them navigate the complexities of digital marketing, data protection, and consumer rights. It is also essential for the government to regularly review and update these regulations to address emerging challenges in the marketplace, such as the use of artificial intelligence in advertising or the rise of new social media platforms that may require unique legal considerations. Through such proactive regulatory efforts, the government can foster an environment where businesses can thrive while also safeguarding consumer interests, ultimately contributing to a more transparent and ethical marketing ecosystem.

### **3. Research Methods**

This study employs a normative juridical research method, which focuses on examining positive legal norms governing marketing activities within limited liability companies in Indonesia. Normative legal research emphasizes library-based study (Peter Mahmud Marzuki., (2017). The primary legal materials consist of statutory regulations such as Law No. 40 of 2007 on Limited Liability Companies (UUPT), Law No. 8 of 1999 on Consumer Protection (UUPK), Law No. 11 of 2008 in conjunction with Law No. 19 of 2016 on Electronic Information and Transactions (UU ITE), and Law No. 27 of 2022 on Personal Data Protection (UU PDP). In addition to primary sources, this research also utilizes secondary legal materials, including books, journals, and research findings relevant to corporate law, marketing law, and consumer protection law. The analysis is conducted qualitatively using legal interpretation methods, encompassing systematic, teleological, and historical approaches, in order to understand the meaning of legal norms and their application in the practice of marketing activities carried out by limited liability companies.

### **4. Results and Discussion**

#### **Marketing Activities Increase The Revenue of a Limited Liability Company**

Marketing activities, from the perspective of a limited liability company (LLC), should not merely be viewed as business strategies to increase sales, but rather as an integral part of corporate management that carries legal implications. As a legal entity, a LLC conducts its operations through corporate organs, particularly the Board of Directors, which bears full responsibility for the management of the company in accordance with Law No. 40 of 2007 concerning Limited Liability Companies (Company Law). The directors are not only expected to formulate innovative marketing strategies but are also obliged to ensure that every marketing initiative complies with applicable laws and regulations. Consequently, increasing corporate revenue through marketing must be positioned within the framework of good corporate governance and legal compliance. The directors must strike a balance between pursuing aggressive marketing tactics aimed at maximizing profits and adhering to ethical standards and legal requirements. This dual responsibility requires them to possess a comprehensive understanding of both market dynamics and the regulatory landscape governing marketing practices. Moreover, the failure to integrate legal compliance into marketing decisions can result in significant legal risks, including regulatory fines, damage to

corporate reputation, and the erosion of consumer trust. In light of this, marketing within LLC must be approached as a multifaceted discipline, where legal considerations are inseparable from business strategies. By doing so, companies can ensure that their marketing practices align with not only business objectives but also with the principles of good corporate governance. This holistic approach fosters a corporate environment that prioritizes long-term sustainability over short-term gains, thus securing a competitive edge while mitigating legal and reputational risks. As such, directors must continuously update their knowledge of relevant laws, monitor the legal implications of marketing strategies, and implement internal controls to ensure compliance across all levels of the organization.

Theoretically, marketing plays a fundamental role in creating added value for a company. It involves more than just promotion and advertising; it encompasses market research, brand management, and the use of digital technologies. However, within the context of Indonesian business law, all such activities are subject to the principles of prudence and the responsibility of the company's governing organs. Munir Fuady emphasizes that every corporate business action, including marketing, constitutes a legal act that may have legal consequences for both third parties and the company itself (Munir Fuady, (2018). Revenue growth through marketing is often driven by advertising innovation and aggressive market penetration. However, such practices can potentially lead to legal issues when they involve misleading advertising, consumer privacy violations, or unfair business competition. Non-transparent advertisements not only harm consumers but also damage public trust in the company (I Wayan Novy Purwanto., (2022). Such practices can lead to serious legal issues when they involve misleading advertising, violations of consumer privacy, or unfair competition. Non-transparent advertisements not only deceive consumers but also erode public trust in the company, potentially causing lasting damage to its reputation. The fallout from these practices goes beyond just legal risks; it can lead to consumer distrust, loss of brand loyalty, and a decline in market position. When a company fails to be honest in its marketing, it invites scrutiny from regulators and opens the door to legal actions, including fines and lawsuits. This is why it's crucial for companies to ensure that their marketing practices are not only effective but also responsible and compliant with the law. Transparency and honesty in advertising help build consumer trust, which is essential for long-term success. A company that prioritizes ethical marketing is likely to foster stronger relationships with consumers and stand out as a responsible business in an increasingly competitive market. By putting safeguards in place to ensure legal compliance and ethical marketing, businesses can protect their reputation and ultimately secure their place in the marketplace for years to come.

Marketing practices that violate the principles of honesty may result in administrative sanctions and/or civil lawsuits in district courts based on breach of contract or unlawful acts (tort). In the digital age, marketing through social media, influencer endorsements, and the use of big data in e-commerce opens up new revenue opportunities for companies. However, these practices require strict compliance with the Electronic Information and Transactions Law (ITE Law) and the Personal Data Protection Law (PDP Law). That many of e-commerce companies still neglect the principle of explicit consumer consent in collecting personal data, which exposes them to potential legal claims. Marketing activities are often viewed as strategic instruments to enhance the profitability and competitive position of limited liability companies (LLC). However, from a legal standpoint, the implementation of marketing strategies must

not only aim at revenue generation but also comply with the prevailing legal norms governing corporate conduct. This research analyzes how Indonesian business law interacts with and regulates corporate marketing practices, especially in the context of consumer protection, fair competition, and corporate governance. Under the framework of the Limited Liability Company Law (Law No. 40 of 2007), marketing activities must reflect the company's legal responsibility to act in good faith, avoid deceptive advertising, and uphold the principles of transparency and accountability. Failure to adhere to these legal principles can lead to reputational damage, civil liability, and even regulatory sanctions. Therefore, effective marketing must be understood not merely as a commercial tool, but as a legally governed activity that directly influences the legitimacy and long-term sustainability of the company. This study finds that the alignment between marketing strategies and legal compliance creates a dual benefit: fostering financial performance while minimizing legal risk. As such, the law serves not as a barrier, but as a framework that ensures ethical and sustainable marketing practices within LLC in Indonesia.

Furthermore, marketing activities are closely related to the Consumer Protection Law (CPL), which obliges businesses to provide truthful, clear, and honest information about the goods or services they offer. Violations of this obligation not only harm consumers but also result in legal consequences for the company, including compensation claims. In addition to consumer protection, competition law is also a crucial aspect. Corporate directors must not adopt marketing strategies involving predatory pricing or discriminatory practices that harm competitors. The importance of supervision by the Indonesian Competition Commission (KPPU) to monitor marketing practices that may disrupt fair market mechanisms (Ahmad Ridwan., (2021). Therefore, efforts to increase revenue through marketing must not contradict principles of fairness and honesty in business competition. From a corporate law perspective, any marketing strategy that successfully increases company revenue will subsequently impact profit growth, which serves as the basis for dividend distribution to shareholders. However, this process must be conducted within the bounds of legal and ethical standards. Unlawful or deceptive marketing practices may lead to short-term financial gains, but they carry the risk of legal challenges, regulatory penalties, and significant reputational damage. In the long run, such practices undermine the trust that consumers, investors, and stakeholders place in the company. Moreover, violations of competition laws can result in anti-competitive behaviors that distort market dynamics, disadvantage competitors, and ultimately harm consumers. For these reasons, it is imperative that companies adopt marketing strategies that align with not only their profit goals but also the overarching framework of corporate governance and compliance. By ensuring that marketing activities are conducted in a transparent and lawful manner, companies not only mitigate the risk of legal disputes but also contribute to a fair, competitive marketplace, which benefits both the business and its stakeholders in the long term.

If marketing activities are carried out unlawfully, the resulting profits may lead to disputes, whether between the company and consumers, competitors, or state authorities. Hence, a compliance-based marketing approach is essential: ensuring that from planning to execution, all marketing activities are legally compliant. This approach not only minimizes the risk of legal repercussions but also fosters a culture of corporate responsibility. By prioritizing legal and ethical standards in marketing practices, companies can prevent potential litigation

and maintain consumer trust. Furthermore, regulatory compliance in marketing contributes to a level playing field, safeguarding fair competition and promoting transparency. When companies neglect the importance of legal compliance, they risk not only financial penalties but also a damaged reputation that can have long-lasting effects on consumer confidence and business viability. Therefore, businesses must implement rigorous internal controls, conduct regular audits, and provide staff training to ensure adherence to the applicable laws governing marketing activities. By doing so, companies can protect their interests, create value for consumers, and contribute to the integrity of the broader market ecosystem. This analysis indicates that marketing indeed serves as a primary instrument to increase corporate revenue. However, such a function can only be sustainably achieved if it is aligned with principles of business law, good corporate governance, and regulatory compliance. Legally compliant marketing not only boosts revenue but also strengthens the company's social legitimacy and business sustainability in Indonesia.

### **Business law interconnected with corporate marketing practices in Indonesia**

Within the framework of corporate law, the marketing activities of a limited liability company cannot be separated from the prevailing business law framework in Indonesia. Business law essentially comprises a set of norms that regulate trade activities, contractual relationships, and corporate conduct in its role as a legal subject. Therefore, every strategic corporate action, including marketing, constitutes a legal act with juridical consequences for both internal stakeholders and external parties such as consumers, business partners, and regulators (Abdulkadir Muhammad., (2019). In essence, corporate marketing is the implementation of economic strategies governed by business law. The use of advertising contracts, distribution agreements, brand licensing, and sponsorships are examples of private legal instruments that require legal certainty and protection (Gunawan Widjaja., (2016).

The interconnection between business law and corporate marketing practices in Indonesia represents a critical area of legal inquiry, particularly in the context of ensuring ethical business conduct and market integrity. Marketing, as a core function of corporate strategy, aims to influence consumer behavior and increase market share. However, without proper legal oversight, marketing activities may lead to practices that are misleading, manipulative, or detrimental to public interest. Indonesian business law, particularly the Limited Liability Company Law (Law No. 40 of 2007), the Consumer Protection Law (Law No. 8 of 1999), and the Electronic Information and Transactions Law (Law No. 11 of 2008), collectively impose obligations on companies to conduct marketing in a lawful, transparent, and accountable manner. Moreover, the symbiotic interconnection between business law and marketing practices facilitates the institutionalization of ethical marketing paradigms that resonate with Indonesia's socio-legal milieu, promoting a market environment characterized by integrity and equitable competition. As such, this legal-marketing nexus emerges not as an adversarial tension but as a critical framework that harmonizes economic objectives with normative legal principles, thus ensuring that corporate marketing in Indonesia is both economically efficacious and legally defensible.

Business law provides normative boundaries within which marketing must operate requiring, for example, the truthfulness of advertising, protection of personal data, and the prevention of unfair competition. Companies that integrate legal compliance into their marketing strategies not only minimize the risk of litigation and regulatory sanctions but also

build long-term consumer trust and corporate reputation. In Indonesia, the dynamic between marketing and business law can be understood as symbiotic: marketing drives economic performance, while law ensures that such performance is achieved in a socially responsible and legally sustainable manner. This research finds that legal compliance should not be viewed as a constraint, but rather as an enabling framework that enhances the legitimacy, transparency, and ethical value of corporate marketing. Strengthening this legal-marketing nexus is essential for promoting corporate accountability and market fairness in Indonesia's evolving business landscape.

In practice, all contracts supporting corporate marketing are subject to the provisions of the Indonesian Civil Code (KUHPerdata) and the general principles of contract law, such as freedom of contract, consensualism, and good faith (M. Yahya Harahap., (2017). Failure to adhere to these standards can result in contractual disputes that not only financially harm the company but also damage its public image. Beyond contractual matters, business law also affects marketing through regulations on consumer protection, fair competition, and information disclosure. Sound marketing practices must respect consumers' rights to accurate and non-deceptive information (Sutan Remy Sjahdeini., (2018). Should a PT engage in misleading advertising, it may not only face civil liabilities but also administrative or even criminal sanctions under the CPL. Consumer protection in marketing thus requires a balance between corporate profit motives and fundamental consumer rights (Bismar Nasution., (2020).

Modern business law also mandates companies to uphold good corporate governance (GCG) principles in all their activities. Marketing efforts that disregard accountability and transparency may violate the fiduciary duty of directors as corporate managers (Dian Yulianti., (2020). Therefore, the relationship between business law and marketing is not merely formal but also substantive: business law sets ethical and legal boundaries for the development of marketing strategies. In the digital era, the intersection between business law and marketing has become increasingly complex. The use of digital platforms, influencer endorsements, and e-commerce systems must operate within the legal framework of information technology (Nurul Hidayati., (2021). Digital marketing is particularly vulnerable to legal risks, both civil and criminal, especially concerning consumer data protection, cyber fraud, and intellectual property violations (Retno Handayani, 2021).

Ideally, Indonesian business law through the ITE Law, PDP Law, and intellectual property regulations should function as a legal umbrella to guide marketing practices and prevent harm to third parties. Furthermore, the relationship between business law and marketing is also evident in the area of competition supervision. Marketing strategies such as predatory pricing or tying agreements may be classified as monopolistic practices in violation of Law No. 5 of 1999 on the Prohibition of Monopolistic Practices and Unfair Business Competition. Suhardi's study underlines the vital role of the KPPU in overseeing corporate marketing strategies to maintain a fair business climate (Suardi., (2020). Accordingly, Company directors must integrate competition law principles into their marketing policies when promoting goods and/or services. This integration is essential not only to safeguard the company against potential legal challenges but also to ensure that marketing activities do not distort market competition or harm consumer welfare. Directors have a fiduciary duty to act in the best interests of the company and its shareholders, which includes ensuring that

marketing practices comply with antitrust laws designed to promote fair competition and prevent monopolistic behavior. By incorporating these legal principles, directors can avoid anti-competitive practices such as price-fixing, deceptive advertising, or market manipulation, all of which could lead to significant financial penalties, legal disputes, and damage to the company's reputation.

Moreover, failure to comply with competition laws can result in regulatory scrutiny and investigations by competition authorities, potentially leading to lawsuits from competitors or consumers. In addition to the legal risks, unethical marketing strategies that violate competition law can also harm the company's long-term profitability by alienating customers and eroding trust in the brand. Therefore, directors must ensure that all marketing strategies are designed with legal compliance in mind, balancing the company's pursuit of market share with the principles of fair and transparent competition. In doing so, they can protect the integrity of the market, foster consumer confidence, and secure sustainable business growth in accordance with the law. This requires an ongoing commitment to legal education and the establishment of robust internal controls that promote adherence to ethical standards. By embedding legal compliance into the core of marketing operations, directors not only mitigate the risk of legal repercussions but also reinforce the company's reputation as a responsible corporate entity that values both legal and ethical business conduct. Furthermore, when marketing strategies are crafted with transparency and fairness, they contribute to a level playing field where businesses can compete based on the quality of their products and services, rather than through exploitative or deceptive tactics. This, in turn, leads to a healthier market environment, benefiting consumers, competitors, and society at large. Ultimately, the integration of competition law into marketing practices is not merely a legal obligation, but a strategic approach to fostering long-term success and maintaining the company's ethical standing in the marketplace.

Ultimately, this relationship demonstrates that marketing is not a free domain governed solely by market logic, but a regulated activity directed and legitimized by the norms of business law. Therefore, the success of corporate marketing strategies in increasing revenue is not only determined by business creativity but also by compliance with the applicable legal framework. This aligns with Sidharta's view that modern business law functions as an instrument to balance the company's economic interests with the broader public interest (A. Nurhayati., (2019). Overall, the relationship between business law and marketing in PTs in Indonesia can be understood as symbiotic: marketing contributes economic value to the company, while business law provides legitimacy, legal certainty, and protection to ensure such activities do not harm consumers, business partners, or market stability. Without legal compliance, marketing becomes a vulnerable instrument prone to legal disputes. Conversely, when grounded in a strong legal foundation, marketing becomes a strategic tool for creating sustainable added value for LLC in Indonesia.

## 5. Conclusion

Marketing activities indeed serve as a primary instrument for increasing the revenue of limited liability companies. However, this function can only be sustainably achieved when

integrated with principles of business law, good corporate governance, and regulatory compliance. Legally compliant marketing not only enhances revenue but also strengthens the company's social legitimacy and business sustainability in Indonesia. The interconnected between business law and marketing within Indonesian limited liability companies can be understood as symbiotic. Marketing contributes to the company's economic performance, while business law provides legitimacy, legal certainty, and protection to ensure that such activities do not harm consumers, business partners, or market stability. Without legal compliance, marketing becomes a temporary tool that is prone to legal disputes. Conversely, when grounded in a robust legal framework, marketing can function as a strategic instrument to create sustainable added value for limited liability (Kurniawan, T., (2020) companies in Indonesia.

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