

The Truth Behind the Label: Ensuring Fairness and Legal Liabilities in Skincare Ingredient Overclaims

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Abstract

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Recently, interest in skincare products has grown dramatically. As a result, there is intense competition due to the emergence of numerous new skincare brands. Some skincare brands, in their pursuit of greater profits, resort to unethical practices, such as overclaiming the ingredients on the packaging. These exaggerated claims not only deceive consumers but also result in a significant discrepancy between the promised and actual ingredient composition which lead to potential harm to consumers' health and financial losses. This research's legal concern is corporate actors' liability for making exaggerated claims about the ingredients' composition that harms consumers' rights. This research offers a novel perspective to the legal protection for consumers by focusing specifically on ingredients overclaims in skincare products that do not match reality. The analysis is based on articles on consumer rights in Law No. 8/1999 using the normative legal method. Through this research, it was found that the legal responsibility of business actors is often hindered by gaps in law enforcement processes. These challenges, such as inadequate regulation enforcement and lack of transparency, must be addressed to mitigate the widespread phenomenon of ingredient overclaims in the skincare industry. In conclusion, effective legal safeguards and more stringent monitoring mechanisms are essential to uphold consumer rights and ensure fair business practices within the skincare sector.

1. Introduction

During the past few years, the beauty industry in Indonesia has faced remarkable growth. This phenomenon may be seen in the growth of the number of beauty brands, which climbed 21,9% from 913 companies in 2022 to 1.010 companies by mid-2023. The market size is predicted to reach USD 473,21 billion in 2028 with an average growth of 5,5% per year. This phenomenon is also supported by the rapid development of e-commerce usage in Indonesia. During 2018 until 2022, the beauty industry consistently ranks in the top 3 sales with a transaction value of IDR 13,287.4 trillion.¹ In the next 5-10 years, Indonesia is expected to rank among the top five beauty markets worldwide, making it the fastest-growing beauty industry in Asia.² With its significant market potential, many entrepreneurs are attracted to enter the

¹ Kementerian Koordinator Bidang Perekonomian Republik Indonesia, "Hasilkan Produk Berdaya Saing Global, Industri Kosmetik Nasional Mampu Tembus Pasar Ekspor Dan Turut Mendukung Penguatan Blue Economy," February 3, 2024, <https://www.ekon.go.id/publikasi/detail/5626/hasilkan-produk-berdaya-saing-global-industri-kosmetik-nasional-mampu-tembus-pasar-ekspor-dan-turut-mendukung-penguatan-blue-economy>.

² Michelle Ferdinand and Wakhid Slamet Ciptono, "Indonesia's Cosmetics Industry Attractiveness, Competitiveness and Critical Success Factor Analysis," *Journal of Theoretical and Applied Management* 15, no. 2 (August 27, 2022): 209-23, <https://doi.org/10.20473/jmtt.v15i2.37451>.

industry, fuelling innovation and competition.^{3,4} The emergence of new market players means that existing brands must adapt to an increasingly dynamic environment. Thus, the beauty industry becomes undeniably competitive. To thrive, beauty brands must keep innovating, implement effective marketing strategies, and follow the evolving customer trends. Consumer preferences are shifting rapidly, driven by an increasing demand for sustainability and ethical practices, and beauty brands must respond accordingly. The beauty industry is then gradually becoming a black ocean market, forcing business actors to put in extra effort to remain profitable.⁵ Consequently, some beauty brands are discovered to engage in dishonest practices for their own benefits, such as making false claims about the composition of ingredients. This deceptive behaviour not only jeopardizes customer safety but also undermine the integrity of beauty industry as a whole, compromising the trust that consumers have placed in it.

The issues of justice and fairness are central to this research, as they highlight the need for ethical business practices in the beauty industry. Fairness in business operations requires that consumers be provided with truthful and transparent information regarding the products they purchase. Justice, in this context, is ensuring that consumers are protected from deceptive marketing practices that could harm their health or financial well-being. These principles of fairness and justice are essential for maintaining consumer trust which is crucial for the long-term success and sustainability of businesses. The failure to uphold these values not only affects the consumers directly but also damages the reputation of the entire industry, which leads to an environment where unethical practices become normalized. This research, therefore, aims to explore the legal mechanisms that can ensure justice and fairness in the beauty industry, specifically regarding the accurate representation of product ingredients.

Table 1. List of Skin Care Products Proven to be Overclaimed

Brand Product	Name	Claims	Lab Test Results
Daviena	HB Dosting 7X Power of Moonlight	10% Niacinamide	Niacinamide not detected
Animate	Whitening Facial Serum	10% Niacinamide	1,76% Niacinamide
Elsheskin	Retinol Rejuvenating Night Serum	2% Encapsulated Retinol	0,000037% Retinol
The Originote	Gluta-bright B3 Serum	10% Niacinamide	4,97% Niacinamide
Azarine	Retinol Smooth Glowing Serum	1% Encapsulated Retinol	0,00096% Retinol

Source: *Lab Test Results by Dokter Detektif (@dokterdetektif)* Compiled by the Author

³ Julius Nursyamsi, Edi Sukirman, and Haryono, "Analisis Faktor Pembentuk Loyalitas Pada Produk Skincare," *Jurnal Ilmiah Multidisiplin (JUKIM)* 2, no. 3 (May 2023): 21-25, <https://doi.org/10.56127/jukim.v2>.

⁴ Auchia Indah and Aryuda Aryuda, "Illegal Cosmetics Cyber Snare: Seeking Consumer Justice In The Digital World Based On Law No. 8 of 1999 Concerning Consumer Protection," *Jurnal Impresi Indonesia* 3, no. 1 (January 30, 2024): 68-75, <https://doi.org/10.58344/jii.v3i1.4516>.

⁵ The Economics, "Gen Z Tak Pangkas Anggaran Skincare, Pasar Skincare Bergeser Jadi Black Ocean," October 24, 2024, <https://www.theeconomics.com/change-management/gen-z-tak-pangkas-anggaran-skincare-pasar-skincare-bergeser-jadi-black-ocean/>.

Under these circumstances, customer protection becomes extremely crucial considering that customers are vulnerable and could be harmed.^{6,7} The legal issue in this research revolves around the liability of business actors for overclaiming the composition of skincare products based on the Law No. 8 of 1999 on Consumer Protection. This issue is particularly pertinent in the context of the governance issues in private law, especially about product liability.⁸ As skincare products are frequently marketed as having transformative effects, the potential of overclaiming is high which leads to a direct risk to the health and safety of the customers. The compatibility of this issue lies in its focus on ethical business practices as well as the legal framework that support customer rights especially regarding the phenomenon of ingredients overclaim in skincare products, which are essential to foster trust and transparency in the industry. Given the increasing sophistication of marketing strategies, customers often struggle to discern the authenticity of claims made by beauty brand and it makes consumer protection even more vital. The justification for discussing this legal issue stems from the increasing prevalence of misleading claims in the beauty industry, which can undermine customer trusts.⁹ This research aims to explore the implications of overclaiming, not only from a legal standpoint but also in terms of its impact on business sustainability and customer trust.

A review of the existing literature reveals a gap in comprehensive analyses addressing the legal liabilities associated with overclaiming in skincare products. While previous studies have examined aspects of customer protection, there is a lack of focused research on the specific legal frameworks that govern skincare claims and the consequences of non-compliance. This gap highlights the need for an in-depth study that assess the long-term effects of overclaims, both on the legal system and on the business practices within the skincare industry. Prior research like "Consumer Protection Against Skincare Trade Not Yet Licensed by BPOM Through E-Commerce" by Hidayati and Aripin (2024)¹⁰, "Consumer Protection against Overclaims in Skincare Products" by Adinda A.P.K. and M. Syamsudin (2024)¹¹, and "Business Liability for Fake Brand Skincare Products on the Shopee Marketplace" by Putri

⁶ Siska Diana Sari, Arief Budiono, and Dita Ajeng Yulianie, "Legal Protection for Skincare Users That Does Not Have A Production License Review of the Consumer Protection Act," *Media Keadilan: Jurnal Ilmu Hukum*, no. 2 (2020): 156–68, <https://doi.org/10.31764/jmk>.

⁷ Sri Astutik et al., "Consumer Legal Protection Against Overclaims for Skincare Products in Advertisements," *Journal of Economics, Management, Entrepreneur, and Business* 4, no. 2 (2024): 245–52, <https://doi.org/10.52909/jemeb.v4i2.163>.

⁸ Banu Ariyanto, Hari Purwadi, and Emmy Latifah, "Tanggung Jawab Mutlak Penjual Akibat Produk Cacat Tersembunyi Dalam Transaksi Jual Beli Daring," *Refleksi Hukum: Jurnal Ilmu Hukum* 6, no. 1 (December 9, 2021): 107–26, <https://doi.org/10.24246/jrh.2021.v6.i1.p107-126>.

⁹ CNBC Indonesia, "Banyak Produk Skincare Overclaim, Ini Kata Kemenperin," November 12, 2024, <https://www.cnbcindonesia.com/news/20241112165234-4-587634/banyak-produk-skincare-overclaim-ini-kata-kemenperin>.

¹⁰ Hidayati Hidayati and Aripin Aripin, "Consumer Protection Against Skincare Trade Not Yet Licensed by BPOM Through E-Commerce," *Jurnal Locus Penelitian Dan Pengabdian* 3, no. 11 (November 19, 2024): 886–97, <https://doi.org/10.58344/locus.v3i11.3272>.

¹¹ Adinda Ayu Puspita Kuncoro and M. Syamsudin, "Perlindungan Konsumen Terhadap Overclaim Produk Skincare," in *Seminar Hukum Aktual: Climate Change and The Rule of Law* (Fakultas Hukum Universitas Islam Indonesia, 2024), 73–84.

H.S. and Gatot P. Soemartono (2024)¹² may often solely discuss same topics regarding customer protection especially for skincare products. Research conducted by Hidayati and Aripin (2024) examines consumer protection against illegal products that lack BPOM approval, which shares similarities with this study. However, their research does not address overclaims regarding product ingredients in skincare products, an issue that is more challenging for consumers to identify compared to illegal products. The lack of understanding surrounding overclaims makes this issue even more important to address in a legal context. Furthermore, the study by Adinda A.P.K. and M. Syamsudin (2024) discusses consumer protection against skincare products that overclaim their benefits in marketing. While it aligns with this study, the difference lies in their focus on marketing strategies for skincare products. Lastly, the research by Putri H.S. and Gatot P. Soemartono (2024) explores consumer protection against counterfeit skincare products, which also shares some similarities with this study. However, the distinction lies in their focus on the phenomenon of brand counterfeiting in skincare products.

As a state-of the-art, this research seeks to fill this gap by providing a detailed examination of the legal landscape surrounding the beauty industry and its customer protection as well as the legal liabilities of business actors, thereby contributing original insights to the field. In addition to exploring existing laws, the research will evaluate the effectiveness of current legal frameworks in addressing the rise of misleading claims and their implications on customer well-being. This research posits that business actors can face significant legal liabilities for overclaiming the composition of skincare products, which not only affects their legal standing but also their reputation. The damage to a beauty company's reputation caused by issues of misleading claims can be long-lasting and often causing a permanent loss of consumer trust which is incredibly difficult to rebuild.

2. Methods

This research uses a juridical normative method to provide a comprehensive analysis of legal issues surrounding the overclaiming of ingredients in skincare products. This methodology aims to offer a clear and structured understanding of the research process which presents a detailed view of how the research was conducted and how legal materials were utilized. The normative legal approach is central to this research. By examining primary and secondary legal sources, the study focuses on the legal obligations of business actors under Indonesian law, specifically Law No. 8/1999 on Consumer Protection. This method involves reviewing relevant legal texts, such as statutes, regulations, and judicial decisions, to analyse their application in addressing the issue of overclaims in the skincare industry as a way to maintain fairness for both businesses and consumers.

In addition to the legal framework, the study also utilizes empirical data which includes examples of skincare products that have been proven to overclaim their ingredients. These products are scrutinized based on laboratory test results to illustrate the gap between the claims made by the manufacturers and the actual ingredients found in the products. By integrating these real-world cases, this research adds depth to the analysis and makes the legal

¹² Putri Hasian Silalahi and Gatot P Soemartono, "Pertanggungjawaban Pengusaha Atas Produk Skincare Merek Palsu Pada Marketplace Shopee," *Ranah Research: Journal of Multidisciplinary Research and Development* 6, no. 4 (May 2024): 617–28, <https://doi.org/10.38035/rrj.v6i4>.

concerns more tangible. The data collection process involves a detailed review of both academic and legal sources, such as journal articles, books, and case studies, which provide context and support for the arguments presented in the research. Furthermore, the study also examines online sources and reports on the prevalence of overclaiming in the beauty industry, offering a contemporary view of how the phenomenon is affecting consumers and the market.

Finally, this research aims to identify the challenges faced by law enforcement in tackling the issue of overclaims to evaluate how existing laws and regulatory bodies are addressing the problem. Recommendations for improving legal enforcement and consumer protection are presented based on the findings.

3. Results and Discussion

3.1. Overclaims of Ingredients Composition by Business Actors

Overclaiming in product labelling or marketing occurs when businesses make exaggerated or misleading statements about the feature, quality, benefits, or composition of their products. This is particularly common in the beauty industries where product differentiation is often based on the efficacy and uniqueness of ingredients. In the beauty industry, this is a particularly prevalent issue due to the competitive nature of the market and customers' high expectations for efficacy and safety.¹³ Skincare brands are increasingly pressured to market their products with impressive claims to gain a competitive edge which often done by overstating the efficacy of their ingredients. Such overstatements may involve ingredients being portrayed as highly effective or potent which leads to misrepresentation of what the product actually contains. For instance, a skincare product might claim to contain 10% niacinamide, when in reality, it only contains less than 1% niacinamide. Such exaggerations are often used to capture the attention of a highly demanding and increasingly informed customer base. When the ingredients are included in negligible amounts, it will be more unlikely for the products to deliver the promised results. This is particularly troublesome as many customers rely on these claims to address specific skincare needs, such as acne, wrinkles, or pigmentation issues. This misrepresentation not only risks customer dissatisfaction but also contributes to the larger issue of trust erosion within the beauty sector. Once a consumer becomes aware of a product's failure to live up to its marketing promises, they are less likely to trust similar claims from other brands. Overclaims related to ingredients composition can mislead customers into purchasing products based on false promises, which create not only ethical concerns but also legal liabilities under regulations such as Law No.8/1999 on Consumer Protection. These dishonest practices can be classified as deceptive under the Consumer Protection Law and raise significant ethical and legal concerns. Under Indonesian law, overclaiming that misstates ingredient composition or efficacy squarely engages Article 8 (goods not in accordance with composition/label), Article 9 (false or misleading statements in offering/promotion), Article 10 (misleading offers via media), and Article 17 (deceptive advertising), with civil, administrative, and criminal consequences.

Justice and fairness are core concepts that must be considered in this context. The failure of skincare brands to provide accurate and truthful ingredient information undermines the

¹³ Fitri Sembiring Milala, Rahmi Ayunda, and Kata Kunci, "Tinjauan Normatif Terhadap Pertanggung Jawaban Perdata Penjualan Skincare Ilegal Dalam Perspektif Hukum Perlindungan Konsumen Artikel," *Petitum* 10, no. 1 (April 2022): 1-11, <https://uit.e-journal.id/JPetitum>.

principles of justice, as it denies customers their right to make informed decisions based on honest and reliable information.¹⁴ Interpreted through Rawlsian fairness, truthful claims promote fair equality of opportunity in the information environment while deceptive claims skew that opportunity in favour of non-compliant firms. Contractually, the duty of good faith, which is reflected in Indonesian contract doctrine, requires performance and disclosure that do not frustrate legitimate consumer expectations, reinforcing Article 7 of the Consumer Protection Law. When businesses prioritize profit over fairness, they undermine the very trust that supports a fair market. Thus, fairness is not only an ethical aspiration but a normatively enforceable baseline under the Consumer Protection Law. Customers who are misled by overclaims suffer financial loss and may even endure health risks due to the ineffective or unsafe products they purchase. This not only violates consumer rights but also disrupts the ethical foundation of the beauty industry. The pursuit of justice in business practices calls for transparency and accountability, ensuring that consumers are protected from deceptive marketing tactics that compromise their well-being.

Overclaims are common in the skincare industry for several reasons. Firstly, the fast-paced nature of the beauty industry and its constant influx of new products forces beauty brands to make bold claims in an effort to stand out from their competitors and attract customers. The rapid growth of the online marketplace and beauty e-commerce has increased the pressure for brands to develop attention-grabbing campaigns which leads many businesses to prioritize marketing gimmicks over genuine product efficacy. With an ever-expanding array of options, customers are drawn to skincare products that contain scientifically sounding ingredients. These claims often feature complex-sounding ingredients, such as peptides, retinoids, or antioxidants, which appeal to customers but may not necessarily be in concentrations that will yield the advertised results. In many cases, brands utilize buzzwords and trending ingredients, often with little or no scientific validation, to boost consumer appeal.

Secondly, gaps in regulatory enforcement may allow businesses to make unsupported claims without suffering immediate consequences. While regulations like the Law No. 8/1999 offer clear guidance, inconsistent enforcement may embolden some brands to prioritize marketing over compliance. This inconsistency often results from a combination of insufficient regulatory oversight, limited resources, and the growing number of products flooding the market. Moreover, this inconsistency in regulatory oversight, whether due to limited resources or lack of proper monitoring, has allowed business actors to take advantage of these loopholes. Regulatory gaps exacerbate this: Indonesia currently lacks a technical and industry-specific definition of "overclaim" for cosmetics and clear implementing regulations that set quantitative thresholds for active ingredients or substantiation standards for efficacy claims. Inconsistent enforcement capacity and fragmented oversight enable low-probability and high-reward deception to persist. Lastly, customers' behaviour and expectations also play a role. The rise of social media influencers and beauty bloggers who highlight product performance has amplified consumer expectations and created a demand for immediate and also visible

¹⁴ Wiwik Sri Widiarty et al., "Consumer Protection Laws in Indonesian Commercial Transactions: Safeguarding Business Transactions and Consumer Rights," *Journal of Law and Sustainable Development* 12, no. 1 (January 30, 2024): 1-16, <https://doi.org/10.55908/sdgs.v12i1.3099>.

results. With the rise of unregulated influencers promoting beauty products, these platforms contribute to the spread of overclaiming practices by offering products exposure that promises immediate or miraculous results. Beauty brands have an incentive to overstate the effectiveness of their products since many customers are often swayed by claims that promise dramatic improvements. The digital nature of modern marketing, especially on platforms like social medias, has made it easier for exaggerated claims to be amplified and spread quickly, thus increasing the risk of misleading claims going unnoticed for extended periods. This combination of consumer behaviour and corporate pressures fuels the cycle of overclaiming and fosters an environment where exaggerated marketing claims thrive.

Fairness, in this context, demands that brands and marketing strategies adhere to a standard of honesty that ensures all consumers are given equal access to truthful and accurate information. While the allure of marketing and brand success is understandable, fair business practices must take precedence over short-term gains that harm consumers. Overstatements in ingredient claims can distort the market by giving dishonest brands an unfair competitive advantage over those that follow ethical marketing and transparency standards. The failure to act fairly exacerbates market instability, which ultimately harms consumers and fosters a climate of distrust.

The consequences of overclaims are multifaceted and affect customers, businesses, and the overall market environment. The main effect on customers is monetary loss. When a product does not live up to customer expectations, customers may feel defrauded after spending their money on ineffective solutions. This issue is particularly problematic when consumers face adverse reactions to products that fail to meet their advertised benefits, such as skin irritation, redness, or even more severe side effects. This financial loss can extend beyond the purchase price particularly if customers also experience negative side effects or emotional distress due to the ineffective product. Moreover, overclaims also erode customer trust in the skincare industry. This loss of trust is further compounded by the fact that many skincare consumers may have already faced disappointing experiences with other products, which reduces their willingness to try new brands or products.¹⁵ As customers encounter more false promises, their scepticism grows, and they begin to question the authenticity of even legitimate claims. If customers are constantly exposed to misleading claims, customers may become sceptical of all product marketing. This will make it more difficult for genuinely effective products to gain credibility.¹⁶ The accumulation of such experiences contributes to an overall decline in brand loyalty and market stability, thus making it harder for new or honest companies to establish themselves. In the long run, this creates a vicious cycle where even products that genuinely deliver results are viewed with suspicion which leads to increased difficulty for brands to establish trust with new consumers. From the standpoint of the market,

¹⁵ Liputan6, "Dokter Estetika Ungkap Daftar Skincare Yang Overclaim Hingga Ditemukan Bahan Berbahaya Hidrokuinon," October 7, 2024, <https://www.liputan6.com/lifestyle/read/5740994/dokter-estetika-ungkap-daftar-skincare-yang-overclaim-hingga-ditemukan-bahan-berbahaya-hidrokuinon?page=4>.

¹⁶ Nazatul Shima Abdul Rani and K. Sarojani Devi Krishnan, "Factors That Influence Malay Students in Purchasing Skincare Products in Malaysia," *Journal of Business and Retail Management Research (JBRMR)* 13, no. 1 (October 2018): 15.

overclaims lead to an uneven playing field by allowing dishonest brands to gain an unfair advantage over competitors who adhere to the law and ethical norms. The growing competition in the beauty market drives companies to resort to overclaims in order to capture a larger market share, but this leads to market instability. This will undermine the integrity of the industry and encourage non-compliance. As businesses adopt more unethical practices to stay competitive, the market is then flooded with products of questionable quality and efficacy. At the market level, overclaims distort fair competition by conferring illegitimate advantages on non-compliant firms, effectively penalizing compliant actors that invest in substantiation and transparency.

This dynamic undermines market integrity and long-run consumer welfare. Analytically, such deception can be framed as unfair business competition concerns because it manipulates demand through misinformation rather than product merit. Over time, unchecked overclaims may eventually lead to tighter regulations and more monitoring, which, while necessary, may cost compliance brands more money. In the end, the prevalence of overclaims will damage the reputation of the entire industry since both customers and regulators may begin to doubt the legitimacy of product claims on the market. The economic cost of enforcing stricter regulations also falls on businesses, particularly those that were previously in compliance with ethical standards. This erosion of trust may lead to increased consumer cynicism, with consumers becoming more resistant to trust new products and opt for more established brands even if their effectiveness is not guaranteed.

Under a Rawlsian lens, remedy design should improve the position of the least-advantaged consumers in the information market. The principle of good faith demands that firms neither overstate nor omit information that would reasonably affect purchase decisions, while governance duties caution against strategies that offload risk onto consumers. The core of fairness and justice lies in ensuring that businesses, especially in the beauty industry, are held accountable for their actions.¹⁷ Misleading claims should not be tolerated, as they not only harm the consumer but also disrupt the ethical balance in the marketplace. Therefore, legal structures must reinforce the idea that consumers deserve transparency, truthfulness, and fair treatment, which ultimately promotes a just and reliable market. Integrating these theories into enforcement choices aligns legal doctrine with substantive and procedural justice.

Overclaims are not just an ethical issue but also carry significant legal implications. The legal ramifications for overclaiming in the beauty industry are far-reaching and complex. Overclaiming the ingredients composition may be a breach of the Law no. 8/1999, especially Paragraph 8 and 9 which forbid deceptive marketing and misleading product information. The law clearly articulates that business actors must ensure their claims align with actual product ingredients and benefits, and any misrepresentation could be subject to penalties. In addition to this, Paragraph 4 emphasizes the right of customers to be protected from fraudulent marketing tactics, reinforcing the legal standing of this issue in the context of consumer rights. Businesses that engage in such behaviour can face administrative penalties, such as fines and product recalls, as well as civil liabilities which require them to compensate affected customers. Administrative penalties are typically preventative and corrective in

¹⁷ Widiarty et al., "Consumer Protection Laws in Indonesian Commercial Transactions: Safeguarding Business Transactions and Consumer Rights."

nature which aim to mitigate the harm caused by misleading marketing without escalating to more severe measures. However, the costs associated with a product recall or public scandal can be incredibly damaging to a business's bottom line. In extreme cases where overclaims cause harm, criminal penalties may also apply. These criminal penalties serve as a deterrent for businesses considering deceptive practices and highlighting the severity of breaching customer trust.¹⁸ Beyond legal repercussions, overclaims pose moral concerns regarding business responsibility. Businesses have a moral duty to provide accurate and transparent information, particularly in industry like skincare where products have a direct impact on health and well-being. In addition to breaking the ethical obligations, misleading customers for financial gain erodes the fairness and trust that are fundamental to a sustainable market environment. The importance of transparency cannot be overstated as consumer health and well-being depend on accurate product information that supports safe and informed choices. Ethical business practices, such as supporting claims with credible or scientifically proven evidence and steering clear of hyperbolic language, are not just a compliance issue, but also strategically necessary for long-term success.

Understanding overclaims of ingredients composition is essential for addressing the moral and legal issues they pose to the beauty industry, especially within skincare products. Although customer behaviour and competitive pressure play a part in the issue, beauty brands need to understand that making false claims will undermine trust and draw attention from authorities. While the initial financial benefits from misleading marketing may seem appealing, the long-term consequences of lost consumer trust and potential legal action far outweigh these short-term gains. Furthermore, businesses that persist in overclaiming may face prolonged legal battles and greater scrutiny from regulatory bodies which adds to the overall burden of non-compliance. The industry may establish a fairer and more trustworthy market environment by upholding legal standards, emphasizing transparency, and educating customers. This requires a proactive approach not only from businesses but also from regulatory bodies that should work together to ensure the enforcement of these laws. Through collaborative efforts among regulators, brands, and customers, it is very likely to curb the practice of overclaiming to foster beauty industries that values integrity and customer welfare. Such a shift could ultimately lead to a more sustainable and ethical industry where customer trust is prioritized and businesses that adhere to legal and moral standards are rewarded.

3.2. Businesses' Legal Liabilities for Overclaiming Ingredients Composition

In order to protect customer rights and promote fair trade practices, Law No. 8/1999 is implemented in Indonesia. There are several objectives of The Customer Protection Law such as to strike a balance between the rights and obligations of customers as well as business actors, ensuring fair and ethical practices, protect customers from deceptive and unfair business practices, enhance business actors' transparency and accountability, empower customers to make informed decisions, and also promote sustainable economic growth by fostering trust in practices. This regulation is rooted in the principles of fairness, transparency, legal certainty, and mutual respect which emphasizes the importance of accurate information, safety, and the

¹⁸ Edi Budianto and Diah Ayu Wulandari, "Critical Study of Criminal Aspects of Law Number 8 of 1999 Concerning Consumer Protection," *Journal of Law and Legal Reform* 1, no. 2 (January 26, 2020): 333–52.

right to compensation in cases of harm caused by defective products.^{19,20} The Customer Protection Law's approach to fairness extends not only to the transactions between business actors and customers but also aims to encourage responsible marketing, ethical sales tactics, and clear communication. In a market where customers are vulnerable to deceptive practices, fairness demands that businesses operate with honesty and integrity. For businesses, this means ensuring that all claims made about their products, including ingredient compositions, are truthful and verifiable. Misleading claims violate the trust customers place in brands and undermine the justice that the law seeks to protect. Consumers deserve not only the right to accurate information but also the assurance that they are treated equitably by businesses. Therefore, enforcing fairness in marketing practices ensures a level playing field where businesses that prioritize truthfulness can thrive without being undercut by those that engage in unethical practices. Importantly, a normative reading of the Consumer Protection Law requires that Articles 8, 9, 10, and 17 be interpreted teleologically: claims about ingredient presence, level, or efficacy should be *ex ante* substantiated by "adequate and competent evidence" and assessed for materiality, thereby operationalizing the rights in Article 4 and the duties in Article 7.

Law No. 8/1999 consists of two main components. The first part of the regulation is when there is no conflict or during the pre-purchase. In this phase, businesses must operate with transparency to ensure that their promotional activities and claims are truthful, which is a critical first step in preventing future conflicts. With no conflict, protection will be provided by two mechanisms, which are through legislation and through voluntary self-legislation. Through legislation, customer protection will be legally implemented by creating and establishing regulations related to customer protection. Meanwhile, through voluntary self-regulation, business actors themselves voluntarily draft regulations to protect customers. This dual approach allows for both proactive legal protection and ethical self-regulation, which can be vital in an industry that constantly adapts to new trends and challenges. Then, the second part of the regulation is to regulate when a dispute arises between customers and business actors. It can be settled through litigation, specifically legal protection for customers which entails bringing the issue before the CDRB (Consumer Dispute Resolution Body named BPSK/Badan Penyelesaian Sengketa Konsumen) or the court. It is expected out-of-court settlements through the BPSK will settle the issues effectively, swiftly, affordably, and professionally. One of the BPSK's more than ten other responsibilities is to handle and resolve customer disputes via conciliation, arbitration, or mediation.²¹ As outlined in Paragraph 49 and 52, BPSK was formed by the government to resolve consumer disputes outside the court system in accordance with its duties and authorities. Normatively, the pre-dispute pillar should be read to impose a proactive substantiation duty on business actors (Articles 7, 8, 9, 10, 17), while the dispute pillar should be interpreted to guarantee effective access to justice

¹⁹ Rifkiyati Bachri and Yunan Prasetyo Kurniawan, "Product Responsibility Lawsuit and Act No.8 of 1999 Concerning Consumer Protection," in *Proceedings of the 2nd International Conference on Indonesian Legal Studies (ICILS 2019)* (Atlantis Press, 2019), 118–21, <https://doi.org/10.2991/icils-19.2019.21>.

²⁰ Republik Indonesia, "Law No. 8 of 1999 on Consumer Protection" (1999).

²¹ H. Matnuh, "Rectifying Consumer Protection Law and Establishing of a Consumer Court in Indonesia," *Journal of Consumer Policy* 44, no. 3 (September 1, 2021): 483–95, <https://doi.org/10.1007/s10603-021-09487-z>.

through BPSK/courts with procedures proportionate to typical claim values. Otherwise, the statutory rights become illusory. In practice, consistency is uneven: proving misrepresentation can be resource-intensive (lab testing, expert evidence, access to batch records), which makes outcomes sensitive to information asymmetry unless tribunals apply Article 28 (burden of proof) robustly to require defendants to produce formulation files and Certificates of Analysis.

Law No. 8/1999 is particularly important in the skincare industry where product claims play a pivotal role in influencing customer decisions.²² The skincare market is continuously growing and with the increasing number of new products entering the market, customers face a challenging task of selecting the most effective and safe products for their needs. To attract customers, beauty brands frequently make audacious claims about the efficacy and composition of specific ingredients, such as their ability to brighten skin tone, minimize wrinkles, or treat acne. Under the Law No. 8/1999, beauty brands bear a legal obligation to ensure the accuracy of their product labels and marketing materials. Through its provisions, this issue is directly addressed, especially in Paragraph 8 and 9 Law No. 8/1999 which prohibits business actors from making exaggerated claims or misleading information about the ingredients, quality, or benefits of their products and forbids advertisements that deceive customers, such as digitally altered before-and-after photos or testimonials that do not genuinely represent customer experiences.²³ These regulations are intended to keep business actors from abusing customer trust and ensuring that promotional materials accurately reflect the products' capabilities. This legal framework fosters a business environment where transparency is paramount and reinforces the relationship between customers and businesses. Applied normatively, Article 8 targets composition accuracy (claims must match actual levels), Articles 9 & 10 target truthful offering across channels, and Article 17 targets deceptive advertising; together they imply a materiality threshold and a substantiation standard, not mere marketing assertions. Accordingly, whether proving an overclaim is "difficult or straightforward" turns on tribunal willingness to shift production of proof under Article 28, admit independent lab reports, and draw adverse inferences where records are withheld.

The principle of justice extends beyond legal frameworks into the ethical realm to ensure that businesses act responsibly towards customers by providing clear, truthful, and detailed product information. This responsibility is grounded in the idea that fairness must guide business conduct. When businesses fail to meet this standard, they not only break the law but also betray the moral trust placed in them by their consumers. The ability of customers to make informed decisions about their purchases should be protected by law to establish a fair market for all. Thus, businesses that fail to uphold these principles of justice and fairness must be held accountable, both legally and morally. From a Rawlsian perspective, information fairness equalizes opportunities to choose efficacious products. Contractually, the principle of good faith prohibits overstating efficacy or omitting material limits, aligning private law with the Consumer Protection Law.

²² Sujith C., "A Study on Factors Influencing Purchase Behaviour of Skin Care Products," *International Journal for Multidisciplinary Research (IJFMR)* 6, no. 4 (August 2024): 1–8.

²³ Republik Indonesia, Law No. 8 of 1999 on Consumer Protection.

Furthermore, Paragraph 7 Law No. 8/1999 strongly emphasizes customer safety by requiring all skincare products to adhere to established safety standards. It is critical to note that these safety standards are regularly updated to keep pace with new scientific research, changing trends, and emerging concerns related to health and environmental impacts. Law No. 8/1999 also accommodates customers to make informed decisions by mandating business actors to give clear and accurate information, including detailed ingredients list, usage guidelines, and any potential side effects.²⁴ Depending on the severity of the misconduct, violations of these regulations may lead to administrative sanctions, civil liabilities, or even criminal charges.²⁵ By enforcing these provisions, the law not only protects customer rights but also promotes ethical business practices, which foster a market environment that is built on trust and transparency.²⁶

Fairness in consumer protection means that businesses must be held accountable for any harm caused by false claims or deceptive practices so that customers are compensated for their losses and that business actors are deterred from engaging in misleading practices. Justice also requires that businesses uphold their ethical obligations, such as ensuring the safety and quality of their products, as well as providing consumers with accurate and truthful information. These principles are fundamental for maintaining a balanced and fair marketplace.

As outlined in Paragraph 4, Law No. 8/1999 guarantees several fundamental rights for customers.²⁷ One of the rights is the right to information which refers to clear, accurate, and honest details about the products related to the composition, quality, safety, and usage instructions. This right is designed to empower customers which ensures that they are not misled by deceptive marketing practices and that they are able to make informed choices about the products they purchase. Customers also have the right to obtain goods or services that are safe and do not endanger their health of life. They can also freely choose products that meet their preferences and needs as promised by the brands without any force. It is also the right of the customers to be educated to foster informed decision-making. When there are violations, customers are also entitled to seek compensation in cases where they were harmed due to defective or misleading products. This aspect of the law emphasizes not just the protection of consumers' rights but also their ability to act on these rights to hold businesses accountable.

The right to justice for customers is fundamental in ensuring that businesses are held accountable for misleading claims and unethical behaviour. Customers must have the ability to not only seek compensation but also to challenge unfair practices in court or through other legal channels, reinforcing the principle of fairness in the marketplace. This legal framework guarantees that consumers are treated equitably and allowed to seek redress when their rights

²⁴ Widiarty et al., "Consumer Protection Laws in Indonesian Commercial Transactions: Safeguarding Business Transactions and Consumer Rights."

²⁵ N.G.N. Renti Maharaini Kerti, "Consumer Protection Institutions Strengthening in The Digitalization Era," *Indonesian Journal of Multidisciplinary Science* 3, no. 1 (October 2023): 55–63.

²⁶ Bachri and Kurniawan, "Product Responsibility Lawsuit and Act No.8 of 1999 Concerning Consumer Protection."

²⁷ Sahril Amin Lubis and Ramadani Ramadani, "Analysis of Law No.8 of 1999 Concerning Consumer Protection Against Imported Products That Do Not Use Indonesian Language," *Journal of Politic, Law and Humanities (JLPH)* 4, no. 6 (September 2024): 2344–50, <https://doi.org/10.38035/jlph>.

are violated. Practically, tribunals should prioritize corrective orders, award refunds plus consequential damages where appropriate, and publish anonymized decisions to build consistent jurisprudence.

To complement this, the duties of business actors are outlined in Paragraph 7 Law No. 8/1999 to ensure ethical practices.²⁸ One of the duties of business actors is to provide honest and detailed information regarding their products as well as the usage guidelines.²⁹ This responsibility goes beyond mere compliance with legal standards as it ensures that customers have accurate and comprehensive knowledge about the products they are purchasing. By providing detailed, honest, and transparent product descriptions, business actors can mitigate risks related to customer dissatisfaction and legal exposure. They are responsible for guaranteeing the quality of the products align well with their claims made in advertisements, packaging, or contracts.³⁰ By doing so, businesses not only comply with regulations but also build long-term trust with their customer base. In the event of harm caused by their products, business actors are obliged to provide compensation. In addition to compliance, businesses that uphold ethical practices may enhance their reputation and foster loyalty among their customers, which can translate into increased sales and market share. Normative compliance means maintaining substantiation dossiers (formulas, batch records, CoA, claim-support studies), adopting qualified claims where evidence is limited, and instituting pre-clearance for influencer content to prevent unsubstantiated superlatives.

For businesses, maintaining fairness and justice in their operations involves more than following the law. It also requires a commitment to ethical practices that respect consumer rights and protect public trust. Adopting a culture of transparency and accountability allows businesses to establish long-term relationships with customers and avoid the risks associated with overclaiming or false advertising.

When beauty brands violate Law No. 8/1999, the government may levy administrative liabilities. Administrative penalties under the Customer Protection Act are usually preventive and corrective in nature, to ensure compliance without escalating to civil or criminal actions. Administrative violations for skincare brands could include failing to meet labelling standards, misleading customers with overclaim, or failing to disclose critical product information. As an example, Paragraph 8 Law No. 8/1999 prohibits business actors from manufacturing or distributing products that do not meet the established standards. If a skincare product claims to contain a specific percentage of active ingredients but laboratory testing reveals discrepancies, regulatory authorities may impose penalties such as product recalls or fines. Additionally, business actors may face administrative actions by Indonesia's National Food and Drug Supervisory Agency (BPOM/Badan Pengawas Obat dan Makanan).³¹ BPOM plays a central role in making sure that skincare products fulfil safety and efficacy

²⁸ Lubis and Ramadani.

²⁹ Filep Wamafma et al., *Perlindungan Hukum Bagi Konsumen Dalam Transaksi E-Commerce*, ed. Lisnawati, 1st ed. (Purwokerto: Penerbit Amerta Media, 2023).

³⁰ Kuncoro and Syamsudin, "Perlindungan Konsumen Terhadap Overclaim Produk Skincare."

³¹ Alynda Andra Tri Setiyani and Evy Indriasari, "Pengawasan Peredaran Produk Skincare Di Tinjau Dari Undang-Undang Perlindungan Konsumen," *Pancasakti Law Journal* 1, no. 2 (June 15, 2023): 295–306, <https://doi.org/10.24905/plj.v1i2.18>.

standards before they are allowed on the market.³² Non-compliance, such as distributing non-conforming products, may lead to the suspension of business operations or removal of products from the market. Such actions highlight the significant role of regulatory bodies like BPOM in safeguarding the health and safety of consumers. Administrative penalties serve as a crucial deterrent that encourage skincare brands to adhere to ethical practices.³³ They also offer a mechanism to address violations without resorting to lengthy legal procedures. However, when administrative measures are insufficient to resolve issues or when violations result in serious harm to customers, the focus shifts to civil or criminal liabilities.

Civil liabilities under Law No. 8/1999 are designed to compensate customers who suffer financial, physical, or emotional harm due to violations by business actors. Paragraph 19 Law No. 8/1999 explicitly holds business accountable to compensate customers for losses or damage caused by their products. This might apply to skincare companies and include cases where products do not work as advertised or have negative side effects. Compensation claims are often initiated by customers through civil litigation or through the BPSK.³⁴ The following are some instances of civil liabilities in the beauty industry: refunds and replacements, medical expenses, or damage for emotional distress. By granting customers the option to demand accountability, the civil liability framework under Law no. 8/1999 places a strong emphasis on customer empowerment. It also encourages companies to be more transparent and responsible, as the financial costs of ignoring consumer rights can outweigh the benefits of cutting corners in marketing or product formulation. Gradually, it will also incentivize businesses to implement strict quality control and honest marketing practices to minimize legal risk.

The most severe form of legal liability is criminal liability which is reserved for violations that involve intentional misconduct or significant customer harm, as stipulated in Paragraph 62 Law No. 8/1999 which includes criminal penalties for business actors who intentionally or negligently manufacture or promote unsafe products, mislead customers, or disregard established safety standards. Criminal liabilities for skincare brands can occur in situations like intentional overclaims, distribution of unsafe products, and failure to act on known risks. Criminal penalties under Law No. 8/1999 include imprisonment and hefty fines.³⁵ The significance of ethical leadership in corporate governance is demonstrated by the possibility of personal criminal culpability for CEOs of beauty brands which engage in fraudulent practices. Such penalties underscore the importance of ethical business leadership, where individuals at the helm of companies can be held personally accountable for illegal actions taken under their watch.

³² Tiara Alfarissa et al., "Analisis Perlindungan Hukum Terhadap Konsumen Atas Produk Skincare Ilegal," *Jurnal Ilmiah Multidisiplin* 2, no. 6 (July 2024): 504-10, <https://doi.org/10.5281/zenodo.12097790>.

³³ M. Syamsudin, "The Failure of the Court to Protect Consumers: A Review of Consumer Dispute Resolution in Indonesia," *Journal of Consumer Policy* 44, no. 1 (March 1, 2021): 117-30, <https://doi.org/10.1007/s10603-020-09470-0>.

³⁴ Syamsudin.

³⁵ Budianto and Wulandari, "Critical Study of Criminal Aspects of Law Number 8 of 1999 Concerning Consumer Protection."

In order to ensure equitable enforcement, legal liabilities under Law no. 8/1999 are subject to evidentiary standards. In administrative and civil cases, the burden of proof frequently rests on the customer or regulatory authorities to demonstrate that a violation occurred. To lessen this burden, Law No. 8/1999 also includes clauses that permit customers to rely on circumstantial evidence or laboratory testing to indicate discrepancies between claimed and actual product composition. The burden of proof is higher in criminal cases, since intentional misconduct must be proven beyond a reasonable doubt. For business actors, this means that keeping accurate records, conducting regular product testing, and ensuring compliance with BPOM standards are essential for legal defence.

To mitigate legal liabilities, skincare brands must prioritize compliance with Law No. 8/1999 and establish ethical business operations in order to reduce legal liability. Key strategies to adopt this may include accurate labelling and advertising by ensuring that all claims regarding ingredients and product benefits are accurate, verifiable, and backed by scientific data. Business actors may also implement strict quality control by putting robust testing procedures in place to verify ingredients composition and detect potential contaminants. They may also give precise and detailed product information, such as usage guidelines, certifications, and potential risks. Businesses may also establish mechanisms to provide customer feedback by providing channels for customers to voice concerns or negative impacts so that timely responses and corrective actions can be taken. By cultivating a culture of accountability and transparency, skincare brands may not only minimize legal risks but also build customer loyalty.³⁶

In a highly competitive industry, these liabilities serve as an essential mechanism for safeguarding customers and guaranteeing ethical business conduct. By adhering to the principles of transparency, safety, and fairness, beauty brands may navigate their legal liabilities while contributing to a reliable and sustainable market environment. These legal liabilities also emphasize the importance of regulatory oversight and customer empowerment in shaping a fair and equitable industry. Ultimately, shifting from a descriptive to a normative-effectiveness lens means asking: do current rules (definition gaps, sanction levels, procedure) actually prevent overclaims? Where the answer is no, the legal system should define "overclaim," raise expected penalties above expected gains, operationalize Article 28 to level evidentiary asymmetry, and empower BPOM/BPSK with tools and budgets to deliver swift but affordable redress.

The beauty industry operates in a complex and evolving regulatory environment that is shaped by customer demands for transparency, safety, and efficacy. However, enforcing customer protection laws within a fast-paced and innovation-driven industry presents significant challenges. From gaps in regulatory frameworks to enforcement limitations, the beauty sector faces numerous obstacles that may jeopardize customer trust and market integrity.

One of the regulatory challenges in the skincare industry is the lack of specific guidelines for skincare products. Although Law No. 8/1999 sets broad principles for customer protection,

³⁶ Sinta Dewi Rosadi and Zahra Tahira, "Consumer Protection in Digital Economy Era : Law In Indonesia," *Yustisia* 7, no. 1 (April 2018): 85–97.

it does not provide industry-specific guidelines tailored for skincare products. This generality may lead to inconsistent interpretations and enforcement. This ambiguity also complicates the process of verifying product claims as authorities might not have clear benchmarks for evaluation. Additionally, emerging trends in the industry present new challenges that might not be sufficiently addressed by the positive law. This causes regulatory loopholes which could expose customers to unproven claims or untested formulations.

Another challenge includes limited enforcement capabilities since effective enforcement of customer protection requires sufficient resources, trained personnel, and technological capabilities. However, authorities like BPOM often struggle with a lack of resources which limit their ability to monitor and enforce compliance across the vast and rapidly expanding industry. Insufficient funding, lack of personnel, and outdated infrastructure may hinder routine inspections, product testing, and the prosecution of violators. Enforcement operations have also become more challenging due to the growth of e-commerce. Nowadays, a lot of skincare products are offered for sale online, which makes it difficult for authorities to confirm the authenticity, safety, and compliance of products supplied via these channels.³⁷ It may also be challenging to track down the sources of fake or non-compliant products due to the anonymity of online transactions.³⁸

Lastly, another significant challenge lies in the lack of customers' knowledge of their rights and the regulatory protections available to them. Many customers are not knowledgeable enough to assess product claims critically or comprehend the labelling standards. Because of this knowledge gap, dishonest businesses might take advantage of customers' trust by making misleading claims. Furthermore, customers might not know how to report violations or seek redress when they encounter deceptive actions. Without robust customer education, the effectiveness of regulatory frameworks is significantly diminished.

The skincare industry operates in a highly competitive market where consumer trust serves as both an asset and a vulnerable resource. Ethical practices, particularly in product marketing and ingredient disclosure, play a crucial role in ensuring long-term business sustainability. Transparent communication regarding ingredient composition not only aligns with legal mandates but also reinforces consumer trust, which is key to maintaining a loyal customer base. Companies that adopt ethical practices demonstrate a commitment to honesty, which can be a significant differentiator in an oversaturated market. Moreover, the implementation of ethical practices reduces the risk of legal consequences associated with misleading claims. Lawsuits, regulatory fines, and public scandals resulting from overclaims can cause irreparable damage to a company's reputation and financial position. Beyond these immediate impacts, the loss of consumer trust can have long-term effects on a brand's market position. This erosion of trust can result in a decrease in brand equity, fewer repeat customers, and a tarnished image that takes years to rebuild. Conversely, companies adhering to ethical

³⁷ Andreas Henfri Situngkir, Fauzan Fauzan, and Redyanto Sidi, "Legal Protection for Consumers against the Distribution of Illegal Cosmetics in Online Stores (E-Commerce) in Terms of Law of the Republic of Indonesia Number 17 of 2023 Concerning Health," *Asian Journal of Healthcare Analytics* 2, no. 2 (April 12, 2024): 383–400, <https://doi.org/10.55927/ajha.v2i2.8356>.

³⁸ Ridwan Arifin, Juan Anthonio Kambuno, and Dian Latifiani, "Protecting the Consumer Rights in the Digital Economic Era: Future Challenges in Indonesia," *Jambura Law Review* 3, no. Special Issue (2021): 135–60, <https://doi.org/10.1163/22134379>.

standards enjoy long-term benefits, such as enhanced brand equity, customer retention, and positive word-of-mouth recommendations. As consumer behaviour continues to shift towards socially conscious and sustainable choices, beauty brands that prioritize transparency and honesty will be more likely to gain a competitive edge. Importantly, ethical practices also align with broader sustainability goals. By ensuring honest and verifiable product claims, companies contribute to fostering a culture of accountability across the industry. This culture not only benefits consumers but also promotes fair competition among brands. Additionally, it can serve as a foundation for innovation, as companies are encouraged to develop genuinely superior products rather than relying on exaggerated claims. In this way, ethical marketing serves as a cornerstone for sustainable growth in the skincare sector, which ultimately shapes the future of the beauty industry in a way that values integrity and long-term success over short-term profits.

4. Conclusions

The skincare industry has become an integral part of modern customer culture, which is driven by growing awareness of personal care, beauty, and health. However, with its expansion has come an increasing trend of overclaims in the ingredients compositions where businesses misrepresent the quality of their products to attract customers. This practice creates serious issues with regard to compliance with legal and regulatory frameworks, especially Law No. 8/1999. The law, which aims to protect customer rights and promote a fair marketplace, requires businesses to act with the principles of fairness, transparency, and accountability. However, the growing prevalence of misleading claims underscores the importance of ensuring justice for consumers, where fairness in business practices is upheld, and customers are not subjected to deceptive marketing. As this research has demonstrated, putting these ideas into practice in the beauty industry is still riddled with challenges.

In conclusion, the issue of overclaims in the skincare industry highlights the significance of robust legal frameworks, effective enforcement, and ethical business conduct. Although Law No. 8/1999 offers a solid framework for safeguarding customer rights, its efficacy hinges on the commitment of all stakeholders, such as customers, businesses, and regulators, to respect its tenets. At the heart of this commitment lies the concept of justice, ensuring that all consumers are treated equally and fairly, and that businesses operate transparently and honestly. Nevertheless, legal protection for consumers against skincare products that overclaim ingredient compositions remains far from optimal. This is due to several challenges in the enforcement process, including regulations that lack focus, limited capacities in law enforcement, and insufficient consumer awareness. Without a commitment to fairness, these gaps in enforcement will continue to undermine the trust in the industry which leave consumers vulnerable to exploitation. These issues are exacerbated by the rapid pace of technological advances and the proliferation of online sales which complicate the monitoring and regulation of skincare products.

Addressing the challenges outlined in this research requires a multifaceted approach that incorporates regulatory reform, customer education, enhanced enforcement, and industry self-regulation. One way to address these challenges is by strengthening the legal framework through the creation of comprehensive regulations for the beauty industry. Equally important is the enforcement of these regulations in a fair and just manner, where all businesses are held

to the same standards and consumers can rely on these legal protections to safeguard their rights. Additionally, the government must allocate sufficient resources by increasing funding to support routine inspections, product testing, and the development of advanced laboratory facilities, complemented by the recruitment of expert personnel. Moreover, the government should collaborate with e-commerce platforms to establish stricter monitoring mechanisms to address the difficulties in tracking online sales. This collaboration should extend to ensuring that online marketplaces implement robust vetting processes for the products they host, ensuring that only compliant beauty brands can operate in these digital spaces. Empowering consumers is equally important, which can be achieved through awareness campaigns involving partnerships with various stakeholders, such as regulatory bodies, key opinion leaders (KOLs), dermatologists, scientific experts, and consumer advocacy groups. These efforts aim to address public concerns while equipping consumers with proper channels and procedures for filing complaints. Education on fairness and justice in product claims will empower consumers to demand transparency and challenge misleading claims. Consumer education campaigns should also highlight the importance of reading labels and understanding ingredient lists which enable consumers to make informed choices when purchasing skincare products. By putting these policies into place, Indonesia can establish a transparent and fair skincare market that puts the needs of customers first while encouraging long-term and steady growth. This research not only sheds light on the specific issues facing the beauty industry but also provides broader insights into the dynamics of customer protection in a globalized market. The findings and recommendations presented in this research served as a blueprint to foster trust, accountability, and innovation in the business world. As the industry continues to evolve, ongoing vigilance and collaboration will be critical to guarantee that beauty brands are held responsible, customers are safeguarded, and the market functions in a way that embodies the principles of fairness, safety, and transparency. Through these initiatives, the skincare industry may thrive as one that upholds the rights of its most significant stakeholders, which are its customers.

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