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## Consumer Protection of Flight Services through Corporate Social Responsibility Implementation in Indonesia

### Hari Sutra Disemadi<sup>1</sup>

<sup>1</sup>Faculty of Law, Universitas Diponegoro, Semarang, Indonesia

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#### **Abstract**

In Indonesia, air transportation is one type of transportation that is needed by the community in meeting their needs. Therefore, the rapid development of airlines makes competition among airline service companies, among others, provide various promotions to attract consumers to attract as many passengers as possible. However, in the implementation of service quality is still neglected by the company, which can be detrimental to consumers (passengers). This research is a normative legal research using a statutory approach and conceptual approach. The results of this study indicate that the airline service companies in protecting consumers must comply with the Consumer Protection Law and can through the implementation of CSR programs. Some CSR implementations by PT. Garuda Indonesia Regarding Consumer Protection is passenger safety, product and service information, customer complaints service, customer sound management (compliment, suggestion, complaint), and service improvement through a representative office.

Keyword: consumer protection; flight service; CSR

### **INTRODUCTION**

As an archipelagic country, Indonesia urgently needs the role of transportation services to connect one island to another <sup>1</sup>. With such a large number of consumers, a transportation business or transportation service transportation business is one of the most lucrative businesses to establish, because it is needed by service users to connect between islands in Indonesia to facilitate and speed up a trip more efficiently <sup>2</sup>.

The importance of transportation services to smoothen the wheels of the economy can no longer be doubted, given the several benefits it has. Among the many businesses, the business of aviation transportation or air transportation services is one of the most challenging things. Where Indonesia is a very potential market for an air transportation service company that wants to run the business. Some of the benefits provided by air transport services include wide reach, relatively short travel time, tariffs that can still be reached by the community and the security and comfort provided <sup>3</sup>.

1 Lukmanul Hakim and Sri Walny Rahayu, 'Perlindungan Dan Tanggung Jawab Perusahaan Penerbangan Domestik PT LAI Kepada Konsumen Selaku Penumpangnya, *Kanun: Jurnal Ilmu Hukum*, 19.3 (2017), 445–61.

3 Andi Safriani, 'Perlindungan Konsumen Dalam Persaingan Usaha Industri Jasa Penerbangan', *Jurisprudentie*:

\* E-mail : haridisemadi@gmail.com

Address : Jl. Prof. Soedarto, Tembalang, Semarang City, Central Java

Indonesia, 50275

<sup>2</sup> Fitriah, 'Bentuk DanTanggungjawab Atas Terjadinya Keterlambatan Penerbangan (Delay Management) Pada Badan Usaha Angkutan Udara Niaga Berjadwal Di Indonesia', *Solusi*, 15.3 (2017), 316–28 <a href="https://doi.org/doi.org/10.36546/solusi.v15i3.76">https://doi.org/doi.org/10.36546/solusi.v15i3.76</a>; Ashar Sinilele, 'Perlindungan Hukum Terhadap Penumpang Pada Transportasi Udara Niaga Pada Bandara Sultan Hasanuddin Makassar', *Al Daulah : Jurnal Hukum Pidana Dan Ketatanegaraan*, 5.2 (2016), 191–212 <a href="https://doi.org/10.24252/ad.v5i2.4806">https://doi.org/10.24252/ad.v5i2.4806</a>; Hakim and Rahayu.

Air transportation is one type of transportation that is needed by humans in meeting their needs, especially in Indonesia <sup>4</sup>. Air transportation is the latest and fastest tool with extraordinary range because it has several advantages, including the speed factor because air transportation uses airplanes that have high speeds so it is more profitable <sup>5</sup>.

Indonesia has several regulations governing aviation, one of which is Law No. 1 of 2009 on Aviation (Aviation Law). The presence of the Aviation Law is a milestone in the deregulation of the aviation business in Indonesia. With this law, the number of airline service companies has increased sharply. The number of airlines in the aviation service industry is partly because the aviation industry provides the possibility of obtaining a high enough profit <sup>6</sup>.

The growth in the number of airlines that provide flight services in terms of consumers (passengers) has a positive impact. With competition between airlines, passengers benefit from offering cheaper prices and more choices <sup>7</sup>. This alternative option allows passengers to be able to choose airlines that offer a variety of conveniences such as providing better service and very competitive ticket prices. But on the other hand, with these cheap rates often ignore the quality of service, where it can cause or even more alarming can lead to reduced quality in aircraft maintenance so that it is prone to accidents <sup>8</sup>. Air transport, as the wrong one component of the national transportation system, in essence, has a very important role in the provision of domestic and foreign transport services. Beyond the conveniences offered by aviation services, complaints about the quality of this service still arise from consumers, both services before the flight (pre-flight), during the flight (in-flight), and after the flight (post-flight) <sup>9</sup>.

So for the problems faced by consumers in the aviation business, in addition to complying with regulations regarding consumer protection, it is necessary to have a policy from the airline in implementing its corporate social responsibility to consumers through its CSR (Corporate Social Responsibility) instruments. In addition to improving the company's image (branding), CSR implementation is also a company's need that is intended to attract consumers into customers (costumer) so they accept the company's presence, and CSR implementation can also prevent social conflicts between customers and airlines.

In 2016, the World Business Council for Sustainable Development defined CSR is the ongoing commitment of the business community to contribute to economic development and improve the quality of life of the workforce and their families and the community and society at large <sup>10</sup>. Today, although the definition of CSR varies and develops over time, this term usually describes responsible business behavior that takes into account the economic, environmental and social implications of its business <sup>11</sup>. CSR is a strong catalyst for company contributions, especially airlines, for sustainable development. CSR activities can improve the livelihoods of the company's workforce, surrounding communities or even the wider area in which the company operates.

*Jurusan Ilmu Hukum Fakultas Syariah Dan Hukum*, 3.1 (2016), 1–9 <a href="https://doi.org/doi.org/10.24252/jurisprudentie.v3i1.3618">https://doi.org/doi.org/10.24252/jurisprudentie.v3i1.3618</a>; Sinilele.

- Muhammad Pradika Setia Agafta and Adianto, 'Tanggung Jawab Maskapai Penerbangan Terhadap Keterlambatan Penerbangan', *Mimbar Keadilan*, 10.2 (2017), 146–59 <a href="https://doi.org/10.30996/mk.v0i0.2191">https://doi.org/10.30996/mk.v0i0.2191</a>>.
- Muhammad Taufik Hidayat, 'Perlindungan Hukum Terhadap Pengguna Jasa Angkutan Udara Dalam Perspektif Peraturan Perundang-Undangan Tentang Penerbangan', *Al'Adl Jurnal Hukum*, 8.3 (2016), 77–94 <a href="https://doi.org/doi.org/10.31602/al-adl.v8i3.677">https://doi.org/doi.org/10.31602/al-adl.v8i3.677</a>.
- Thomas Heru Susanto, Ahmadi Miru, and Winner Sitorus, 'Legal Protection for Domestic Airlines Consumers Related with Ticket Purchasing', *Mulawarman Law Review*, 4.1 (2019), 162–75 <a href="https://doi.org/10.30872/mulrev.v4i1.40">https://doi.org/10.30872/mulrev.v4i1.40</a>; Yuristo Ardhi Hanggoro, Mare Warka, and Budiarsih Budiarsih, 'Perlindungan Hukum Bagi Penumpang Pesawat Udara Atas Keterlambatan Penerbangan Pada Badan Usaha Angkutan Udara', *Jurnal Akrab Juara*, 4.5 (2019), 73–89.
- 7 Hanggoro, Warka, and Budiarsih.
- 8 Hanggoro, Warka, and Budiarsih; Agafta and Adianto.
- 9 Sinilele; Safriani; Hanggoro, Warka, and Budiarsih.
- 10 Yulia Risa, 'Community Empowerment as The Corporate's Social Responsibility: Case Study of PT. Tirta Investama Plant Solok, Indonesia', *Varia Justicia*, 15.2 (2019), 43–50 <a href="https://doi.org/10.31603/variajusticia.v15i2.2940">https://doi.org/10.31603/variajusticia.v15i2.2940</a>.
- 11 Hari Sutra Disemadi and Paramita Prananingtyas, 'Kebijakan Corporate Social Responsibility (CSR) Sebagai Strategi Hukum Dalam Pemberdayaan Masyarakat Di Indonesia', *Wawasan Yuridika*, 4.1 (2020), 1–16 <a href="https://doi.org/http://dx.doi.org/10.25072/jwy.v4i1.328">https://doi.org/http://dx.doi.org/10.25072/jwy.v4i1.328</a>; Rezki Ananda Mulia and Joni Joni, 'Corporate Social Responsibility (CSR) and Risk Taking: Evidence from Indonesia', *ACRN Journal of Finance and Risk Perspectives*, 8.1 (2019), 152–62 <a href="https://doi.org/10.35944/jofrp.2019.8.1.010">https://doi.org/10.35944/jofrp.2019.8.1.010</a>; Fahrial Fahrial, Andrew Shandy Utama, and Sandra Dewi, 'Pemanfaatan Corporate Social Responsibility (CSR) Terhadap Pembangunan Perekonomian Desa', *Wawasan Yuridika*, 3.2 (2019), 251–64 <a href="https://doi.org/http://dx.doi.org/10.25072/jwy.v3i2.256">https://doi.org/http://dx.doi.org/10.25072/jwy.v3i2.256</a>.

### **RESEARCH METHODS**

The research method used in this paper is a normative legal research method, using the statute approach and conceptual approach <sup>12</sup>. What is meant by a statute approach is an approach based on a review of legal regulations, related to issues discussed such as the Consumer Protection Law and the Limited Liability Company Law. The conceptual approach will provide understanding by using doctrines in the form of opinions of legal experts. This writing is also based on the results of previous studies. The data used are secondary in the form of laws and regulations, legal research scientific articles <sup>13</sup>, and the annual report of PT. Garuda Indonesia was then analyzed by qualitative analysis techniques.

### **RESULTS AND DISCUSSION**

### **Consumer Protection Flight Services in Indonesia**

Consumer protection according to Article 1 paragraph 1 of Law Number 8 of 1999 concerning Consumer Protection (the Consumer Protection Law) states that consumer protection is an effort that guarantees legal certainty to provide protection to consumers <sup>14</sup>. In relation to the protection of consumers of aviation services, consumer protection law is the overall principles and rules that govern and protect consumers in the relations and problems of providing and using service products <sup>15</sup>.

Furthermore, Article 2 of the Consumer Protection Law states that consumer protection is carried out as a joint effort based on 5 relevant principles in national development, namely: 1). The principle of benefits, intended to mandate that all efforts in the implementation of consumer protection must provide maximum benefits for the interests of consumers and businesses as a whole; 2). The principle of justice is intended so that the participation of all people can be realized maximally and provide opportunities for consumers and businesses to obtain their rights and carry out their obligations fairly; 3). The principle of balance is intended to provide a balance between the interests of consumers, business people, and the government in a metrical and spiritual sense; 4). The principle of consumer security and safety, intended to provide security and safety guarantees to consumers in the use, use, and utilization of goods/services consumed or used; and 5). The principle of legal certainty is intended so that both businesses and consumers obey the law and obtain justice in the implementation of consumer and state protection to ensure legal certainty.

According to article 4 of the Consumer Protection Law, consumer rights including consumers of aviation services are 1). The right to comfort, security, and safety in consuming goods and services; 2). The right to choose goods and services and obtain goods and services at the exchange rate and conditions and guarantees promised; 3). The right to correct, clear and honest information about the conditions and guarantees of the goods and services used; 4). The right to be heard opinions and complaints on goods and services used; 5). The right to advocate protection, and efforts to resolve and properly protect consumers; 6). The right to consumer guidance and education; 7). The right to be treated or served properly and honestly and not discriminatory; 8). The right to receive compensation, compensation, or compensation, if the goods and services received are not in agreement or not as intended; 9). The rights regulated in the provisions of other laws and regulations.

In addition to having rights, aviation service customers also have obligations. The consumer's ob-

15 Sinilele.

<sup>12</sup> Dewi Sulistianingsih and Gianefi Safitri, 'The Licensors' Economic Right for Creative Commons Licensed Works Used for Commercial Purposes In Indonesia', *Halu Oleo Law Review*, 3.1 (2019), 37–49 <a href="https://doi.org/10.33561/holrev.v3i1.5180">https://doi.org/10.33561/holrev.v3i1.5180</a>.

<sup>13</sup> Ayup Suran Ningsih, 'REGULATION ON SOCIAL SECURITY SYSTEM FOR WORKERS TO ACHIEVE SAFETY AND HEALTH AT WORK; COMPARISON BETWEEN INDONESIA AND MALAYSIA LABOUR LAW,' *Tadulako Law Review*, 4.1 (2019) <a href="https://doi.org/10.22487/j25272985.2019.v1.i1.12534">https://doi.org/10.22487/j25272985.2019.v1.i1.12534</a>.

<sup>14</sup> Hari Sutra Disemadi and Paramita Prananingtyas, 'Perlindungan Hukum Terhadap Nasabah Perbankan Pengguna CRM (Cash Recycling Machine)', *Jurnal Magister Hukum Udayana (Udayana Master Law Journal)*, 8.3 (2019), 286–402 <a href="https://doi.org/10.24843/JMHU.2019.v08.i03.p07">https://doi.org/10.24843/JMHU.2019.v08.i03.p07</a>; Ubaidillah Kamal, 'The Implementation Of The Indonesia Ministry Of Industry Regulation In Supervising The Indonesia National Standard (SNI) Number 47 / M-DAG / PER / 7/2016 For Baby Cloting Of Small And Medium Entreprises's, *Journal of Private and Commercial Law*, 3.2 (2019), 50–59 <a href="https://doi.org/doi.org/10.15294/jpcl.v3i2.19695doi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695boi.org/10.15294/jpcl.v3i2.19695

ligations are regulated in Article 5 of the Consumer Protection Law, namely: 1). Read or follow information instructions and procedures for the use or use of goods and services for security and safety; 2). Good intentions in conducting goods and services purchase transactions; 3). Pay according to the agreed exchange rate; and 4). Following efforts to properly resolve consumer protection disputes.

Legal protection for consumers of aviation services can be done preventively, can be done by way of legal protection for consumers carried out prior to the occurrence of transactions by providing protection to consumers of aviation services through legislation that has been made, so that with the existence of laws and regulations The consumer is expected to get protection before the transaction because there are restrictions and provisions governing transactions between consumers and business actors <sup>16</sup>. Then it can be done by means of legal protection before the transaction, wherein this way the business actor is expected to voluntarily make regulations for himself to be more careful and vigilant in running his business (voluntary self-regulation), thus providing protection for consumers. Voluntary self-regulation can be done by implementing CSR programs.

Then, repressive legal protection for aviation service consumers can be done through the District Court or outside the Court by the Consumer Dispute Settlement Agency (BPSK) based on the choice of the parties to the dispute. Legal protection for consumers is needed because consumers are in a weak position <sup>17</sup>. Differences in interests between business actors and consumers cause physical, mental, or consumer disruption and not obtain optimal benefits from the use of these goods and services and the poor laws that protect consumer interests. With the existence of legal protection for consumers, it is expected to provide a balanced legal position between consumers and business actors. This is reasonable because so far the position of consumers is weak when compared to business actors.

# Consumer Protection of Flight Services through the Implementation of CSR PT. Garuda Indonesia

In Indonesia, the obligation to implement CSR is regulated in Article 74 of Law Number 40 of 2007 concerning Limited Liability Companies (Limited Liability Companies Law) and Government Regulation Number 47 of 2012 concerning Social and Environmental Responsibilities of Limited Liability Companies. Through these regulations the government seeks to provide a new paradigm in the conception of the company's business, which starts from the company's responsibility towards shareholders in seeking a profit, becoming the responsibility of the relevant parties (stakeholders), namely consumers, the community around the company, as well as creating a sustainable environment <sup>18</sup>.

Through this regulation, companies, and industries that have a legal entity Limited Liability Company (*Perseroan Terbatas* / PT) are required to carry out CSR, but this obligation is not merely to impose a burdensome burden, but rather serve as a mandate that will later be able to create a good social investment for companies to obtain public trust <sup>19</sup>. At this time, the company is no longer faced with responsibilities that favor the aspect of economic benefits, namely the value of the company reflected in financial

16 Susanto, Miru, and Sitorus; Hidayat; Fitriah.

Ayup Suran Ningsih, 'Alternative Dispute Resolution as Soft Approach for Business Dispute in Indonesia', in *Proceedings of the 2nd International Conference on Indonesian Legal Studies (ICILS 2019)* (Paris, France: Atlantis Press, 2019), pp. 26–33 <a href="https://doi.org/10.2991/icils-19.2019.6">https://doi.org/10.2991/icils-19.2019.6</a>>.

18 Dani Amran Hakim and Budi Ispriyarso, 'Pemenuhan Hak-Hak Tenaga Kerja Melalui Penerapan Corporate Social Responsibility Pada Suatu Perusahaan (Studi Penerapan CSR Di PT. Great Giant Pineapple, Provinsi Lampung)', LAW REFORM, 12.2 (2016), 197–208 <a href="https://doi.org/10.14710/lr.v12i2.15874">https://doi.org/10.14710/lr.v12i2.15874</a>; Ni Nengah Ariastini and I Made Trisna Semara, 'Implementasi Konsep Triple Bottom Line Dalam Program Corporate Social Responsibility Di Hotel Alila Seminyak', Jurnal Ilmiah Hospitality Management, 9.2 (2019), 160–68 <a href="https://doi.org/10.22334/jihm.v9i2.155">https://doi.org/10.22334/jihm.v9i2.155</a>; Andrew Shandy Utama and Rizana, 'Pelaksanaan Corporate Social Responsibility Dalam Rangka Optimalisasi Pelestarian Lingkungan', Jurnal Litigasi, 19.2 (2020), 127–47 <a href="https://doi.org/http://dx.doi.org/10.23969/litigasi.v19i2.843">https://doi.org/10.23969/litigasi.v19i2.843</a>.

19 Dani Amran Hakim and Dania Hellin Amrina, 'Kewajiban Tanggung Jawab Sosial Perusahaan (Corporate Social Responsibility) Di Indonesia: Antara Legal Obligation Atau Moral Obligation,' *Pranata Hukum*, 14.2 (2019), 177–91 <a href="https://doi.org/10.36448/pranatahukum.v14i2.79">https://doi.org/10.36448/pranatahukum.v14i2.79</a>; Windhi Tia Saputra, Fitria Ayuningtyas, and Samuel Yogasara, 'The Implementation of Corporate Social Responsibility through Festival Ketoprak Pelajar Event at CV Amigo Mangesti Utomo, Klaten, Central Java, Indonesia', *International Journal of Multicultural and Multireligious Understanding*, 6.4 (2019), 187–98 <a href="https://doi.org/10.18415/ijmmu.v6i4.988">https://doi.org/10.18415/ijmmu.v6i4.988</a>; Busyra Azheri, 'Pelaksanaan Tanggung Jawab Sosial Perusahaan (Corporate Social Responsibility) Sebagai Salah Satu Instrumen Dalam Pembangunan Daerah', *Widya Yuridika*, 2.1 (2019), 23–34 <a href="https://doi.org/10.31328/wy.v2i1.947">https://doi.org/10.31328/wy.v2i1.947</a>.

conditions, but also must pay attention to social and environmental aspects, or what is commonly called the Three Bottom Line. The synergy of these three elements is the key to the concept of sustainable development <sup>20</sup>.

The concept of CSR which is "voluntary" in Indonesia is expanded as an obligation to care for the progress and welfare of the local community where the company is domiciled and / or runs its operational activities <sup>21</sup>. The obligation to implement CSR in companies, especially in company, can be done by banks through various activity programs that are ideally suited to the strategy and business core of the airline itself <sup>22</sup>. Also, with the increase in awareness of the company for the quality of life, it can create social and environmental harmonization that can affect the activities of the business world. Then was born the demand for the role of the company to have social and environmental responsibility. This is one of the benefits companies can get from CSR activities. In this context CSR activities become customary law for companies, outside the mandate of the law <sup>23</sup>.

One of the companies with a limited liability company in Indonesia is PT. Garuda Indonesia (Garuda Indonesia). Garuda Indonesia has implemented various programs, including the provision of a variety of flight products and services that meet the needs, quality, support services that are also diverse, ease of access through the provision of conventional and e-channel service networks, online real-time services accompanied by the provision of passenger services to manage passenger confidence and satisfaction <sup>24</sup>. Also, the Company has optimized the Global Contact Center facility to facilitate passengers who are at home and abroad to obtain better services, including services for social media to handle complaints and answer passenger questions. This service is available all the time at number 0-804-1-807-807 or 021-2351-9999. Furthermore, the Garuda Indonesia has established and implemented other mechanisms related to consumer protection such as follow-up on complaints, customer satisfaction surveys, and customer service improvement programs <sup>25</sup>.

Another form of commitment to guaranteeing the quality of service to customers by the Garuda Indonesia is also reflected in the acquisition of ISO 9001: 2008 Quality Management System Certification of Hajj in which each service process is carried out through a series of quality audits by the SGS certification body concerning established quality management standards. Garuda Indonesia aims to continue to maintain international standard services. The company also targets to continuously make improvements and innovations in service management, especially in increasing customer satisfaction in providing the experience and comfort of a five-star standard flight <sup>26</sup>.

Garuda Indonesia as a five-star airline continues to innovate on the concept of service that can be directly enjoyed by Garuda passengers. In addition to increasing the branding of five-star airlines, Garuda Indonesia also plays an active role in fulfilling its responsibilities to the people of Indonesia. The Company commits to be able to continue to spread its wings throughout the country. This is a form of Garuda Indonesia's support for government programs. To realize this commitment, Garuda Indonesia has reopened the Jakarta-London route. The reopening of this route is due to the Company's courage in exploring the potential target markets of the Australia-Europe region <sup>27</sup>.

Some CSR implementations by Garuda Indonesia Regarding Consumer Protection is passenger safety, product and service information, customer complaints service, customer sound management (compliment, suggestion, complaint), and service improvement through representative office.

<sup>20</sup> Bayu Adi and Moh Afrizal Miradji, 'Analysis Of Considerations In Csr Aspect Towards Incentive Tax Of Pt Maspion Iii In Sidoarjo Jawa Timur (An Empirical Study of CSR at PT. Maspion III Sidoarjo)', *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 3.04 (2019) <a href="https://doi.org/10.29040/ijebar.v3i04.783">https://doi.org/10.29040/ijebar.v3i04.783</a>; Saputra, Ayuningtyas, and Yogasara.

<sup>21</sup> Mulia and Joni.

<sup>22</sup> Rajiv Kashyap, Raza Mir, and Ali Mir, 'Corporate Social Responsibility: A Call For Multidisciplinary Inquiry', *Journal of Business & Economics Research*, 2.7 (2004), 51–58 <a href="https://doi.org/https://doi.org/10.19030/jber.y2i7.2902">https://doi.org/https://doi.org/10.19030/jber.y2i7.2902</a>.

<sup>23</sup> Utama and Rizana; Hakim and Amrina; Disemadi and Prananingtyas, 'Kebijakan Corporate Social Responsibility (CSR) Sebagai Strategi Hukum Dalam Pemberdayaan Masyarakat Di Indonesia'.

<sup>24</sup> Garuda Indonesia, 'Standing Strong into the Future (Laporan Tahunan 2019 Annual Report)', 2019.

<sup>25</sup> Garuda Indonesia.

<sup>26</sup> Garuda Indonesia.

<sup>27</sup> Garuda Indonesia.

### a. Passenger Safety

Regarding consumer safety and health aspects, the Company has a special mitigation measure through the application of a Safety Management System (SMS) by the best practices of the aviation industry. SMS is a systematic and comprehensive approach to managing safety in Garuda Indonesia. Also, the Company has a Safety Policy (Safety Policy) to encourage all employees to actively report potential hazards and events related to safety aspects while upholding the principle of propriety. A more detailed discussion on managing safety risks including aspects of consumer safety and health can be found in the Safety Risk Management <sup>28</sup>.

### b. Product and Service Information

To facilitate services and access to customers, the Garuda Indonesia also conducts socialization regarding products and services including the latest offers through: 1). Website www.garuda-indonesia. com; 2). Garuda Indonesia Mobile App is available on Apple Store and Google Play; and 3). Social media accounts such as YouTube, Facebook, Twitter, Instagram, LinkedIn, and others <sup>29</sup>.

### c. Customer Complaints Service

The Garuda Indonesia provides a variety of access services that are used to facilitate customers in submitting complaints, including Call Centers, Live Chat, Email, Website, Social Media (Facebook and Twitter), Suggestion Forms, Customer Service at the Airport, and Sales Offices. To answer passengers' needs regarding fast and accurate information, Garuda Indonesia's Global Contact Center operates 24 hours. Passengers can easily and quickly obtain services according to their needs ranging from information related to flight products and services to handling flight service complaints <sup>30</sup>.

In 2019, the number of customer feedback entering Customer Care consisted of 23% Compliment, 5% Suggestion, and 72% Complaint. All customer feedback has been handled by the Service Level Agreement (SLA) determined by the Company and the customer has received an accurate and fast response as expected. To ensure service quality in Customer Complaint Services, every access is always monitored and integrated into one Cloud-based application. Thus, communication and coordination between work units can run effectively and efficiently so that it has an impact on improving the quality of service on Customer Complaints Services 31.

### d. Customer Sound Management (Compliment, Suggestion, Complaint)

The Garuda Indonesia manages customer voices by using an integrated system, the Customer Voice Management System (CVoMS) which is used to improve the quality of handling customer complaint, effectively implementing service recovery, and increasing the ability to map critical service points. This system helps the Company in optimizing Customer Feedback Management so that it can make strategic and appropriate corrective steps <sup>32</sup>.

### e. Service Improvement through Representative Office

To improve service and passenger access, the Garuda Indonesia has a representative office as part of a strategic sales network. In 2019, the Company's total branch offices include 52 domestic branches and 108 Sales Offices and 16 international branches and 29 Sales Offices. The Company also consistently encourages increased sales through the Online Sales Partner (OSP) distribution channel which was introduced in 2014. OSP is a partnership that includes a reservation, inventory and ticketing process that is integrated with the Garuda Indonesia system through the Application Programming Interface (API) facility <sup>33</sup>.

Garuda Indonesia has succeeded in strengthening its position as a "5-Star Airline" with international-standard service excellence. This reputation is not only recognized at the national level, but also has gained its own in the world aviation industry. This proud achievement for Garuda Indonesia certainly not only represents the achievement of the Company as a world-class airline, but also represents the success of the concept of "Indonesian Hospitality" service while at the same time strengthening Indonesia's

<sup>28</sup> Garuda Indonesia.

<sup>29</sup> Garuda Indonesia.

<sup>30</sup> Garuda Indonesia.

<sup>31</sup> Garuda Indonesia.

<sup>32</sup> Garuda Indonesia.

<sup>33</sup> Garuda Indonesia.

"Nation Branding" in the eyes of the world <sup>34</sup>. Therefore, Garuda Indonesia consistently not only strives to maintain these advantages but also continuously makes improvements and innovations in service management, especially in increasing customer satisfaction in providing experience and comfort in a five-star standard flight <sup>35</sup>.

The implementation of CSR to consumers in the Garuda Indonesia has an impact on increasing the Customer Satisfaction Index in 2019 by 0.3 points from 2018. The increase occurred almost in all touchpoints (pre-journey, pre-flight, post-flight, post-journey, and specific focus) compared to the previous period, while the touch-point that experienced a decline was in-flight <sup>36</sup>. This increase occurred because the Company has implemented various programs, including the provision of a variety of flight products and services that meet the needs, quality, support services that are also diverse, easy access through the provision of conventional and e-channel service networks, online real-time services accompanied by the provision of services passengers to manage passenger confidence and satisfaction <sup>37</sup>.

### CONCLUSIONS

The importance of transportation services to smoothen the wheels of the economy can no longer be doubted, given the several benefits it has. Among the many businesses, the business of aviation transportation or air transportation services is one of the most profitable things. In Indonesia as an effort to protect consumers (passengers), airlines must comply with the Consumer Protection Law. Consumer protection according to Article 1 paragraph 1 UU Consumer Protection states that consumer protection is any effort that guarantees legal certainty to protect consumers. The rights of consumers of aviation services are regulated in Article 4 of the Consumer Protection Law, while the obligations are stipulated in Article 5 of the Consumer Protection Law. In addition to being subject to the Consumer Protection Law, airlines can implement CSR instruments in providing protection and comfort for consumers. One of the companies with a limited liability company in Indonesia is PT. Garuda Indonesia (Garuda Indonesia). Some CSR implementations by PT. Garuda Indonesia Regarding Consumer Protection is passenger safety, product and service information, customer complaints service, customer sound management (compliment, suggestion, complaint), and service improvement through representative office.

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