

INDONESIA eCommerce Country Fact Sheet



| eCommerce in Numbers | |
|---|--|
| Internet penetration (% of population with internet access) | 2015: From more than 250 million inhabitants, internet user has reached 40% of population or around 100 million Internet users. (Source : Indonesia Association of Internet Service Providers/ APJII) 2016: 180 million of Internet users are estimated |
| Smartphone penetration (% of population with smartphone) | The number of smartphone users is expected to rise from 55 million in 2015 to 92 million in 2019 (Source: eMarketer) Note: the above number is only related to the official number. The number is expected to be higher as a lot of smartphones and tablets are bought second-hand. |
| eCommerce market as percentage of total GDP | The domestic e-commerce business may control 20 percent of the conventional retail market by 2020 (from five percent currently) (www.indonesia-investments.com) |
| Annual growth in the eCommerce sector | <ul style="list-style-type: none"> - User penetration is at 13.41% in 2016 and is expected to hit 19.44% in 2020. - Revenue in the eCommerce market amounts to mUSD 8,237.6 in 2016 and it is expected to show a revenue growth of 21.46% in 2017 (www.statista.com) |
| Annual growth in mCommerce | <ul style="list-style-type: none"> - mCommerce growth is expected to reach 45% in 2016. - In 2015, about 85% of smartphone users in Indonesia have 10-15 mobile applications and up to 10% have more than 40 mobile applications (www.bisnis.com) |
| Number of online shoppers | 77% from 93,400,000 of internet user in 2015, used it for online shopping (Source: University of Indonesia) |
| Market share for eCommerce for B2B vs. B2C | B2C type is growing fastest in Indonesia compared to B2B or B2G type. (www.indonesia-investments.com) |
| Average spending per online shopper | The average revenue per user (ARPU) currently amounts to USD 327,75 (www.statista.com) |
| VAT-rate on eCommerce | 10% |
| Specific rules regarding company establishment in relation to online export | Presidential Decree No. 44/2016 on the List of Business Fields Closed and Open with Requirement in the Field of Capital Investment, as follow : <ul style="list-style-type: none"> - Operator of Trade Transaction through Electronic System (platform-based market place, daily deals, price grabber, online classified advertisements) with Investment Value of less than IDR 100 billion |

(approx. USD 7.4 million) is opened for maximum 49% of foreign capital ownership.
- Retail via mail order or via internet in the sector of trade is open for foreign capital ownership with partnership scheme required.
(Source: Indonesia Investment Coordinating Board/ BKPM)

Key eCommerce platforms

Mataharimall, Bhinneka, Kaskus, Blibli, Bukalapak, Tokopedia, OLX, Lazada, Zalora, Berybenka, Elevenia, etc.

Logistics – Key logistic and distribution operators in the eCommerce market

- Key Local Logistics Companies : PT Tiki Jalur Nugraha Ekakurir (JNE), PT. POS Indonesia, PT. TIKI, PT. NEX Logistics
- International Companies : DHL, FedEx

Key product categories in the eCommerce market

In 2015: Fashion (37, 6%), mobile devices (12, 2%), electronic sector (7, 9 %), healthcare products (4, 7%) (Source: Min. of Communication & Informatics).

Types of payment

Cash on Delivery (COD), Internet Banking (Credit/ Debit Card), ATM Transfer (Debit Card), Payment via merchant partner (Indomaret, AlfaMart, PT. Pos Indonesia, etc.)

Return policy/ Consumer rights

In general, all consumers in Indonesia are covered by Law no. 8 year 1999 regarding Consumer Protection, in which it is mentioned in article 4 that the consumer has the right to get compensation if the goods received are not correspond with the agreement.

Return policy:

- Customer has to fill the online return form and send back the goods within 7 – 14 days upon receipt
- Customer can return the item for any of the following reasons: damage, defective, does not fit (for fashion apparel), not as advertised, wrong item delivered, missing part/ items, change mind (T & C applied)
- Process of claim will take maximum 14 days until customer received the new substitute product