

Strategies of Business Actors in Facing Data Protection Regulations in the Global Market

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ABSTRACT

Data is the most valuable asset for business actors. However, the implementation of the Personal Data Protection Law (PDP) or General Data Protection Regulation (GDPR) in European states is a special concern for business actors. This research discusses the importance of strategies that must be owned by business actors in dealing with data protection regulations. This study uses the literature review method. The results of the study state that business actors in facing data protection regulations must at least do; Strategies such as internal policy adjustment, increasing digital literacy, the use of advanced security technologies, cross-border cooperation and multi-regulatory compliance, periodic audits and evaluations. Therefore, this study shows that business actors need a holistic approach to dealing with data protection regulations in the global market.

Keywords: Data Protection, Strategy, Business Actors

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I. INTRODUCTION

Data is one of the most important resources for business operators in the digital age. Data is utilized to improve operational efficiency, make more accurate decisions, lower risk, boost competitiveness, improve customer connections, and optimize marketing efforts (Nasution & Nasution, 2024). But along with this rise in data value



come serious hazards, like invasions of privacy and improper exploitation of personal information. In addition, a number of international data protection laws have been established, such the Personal Data Protection Law (PDP Law) in Indonesia and the General Data Protection Regulation (GDPR) in the European Union (Awwaliyah & Juniarti, 2024). This regulation requires business actors to be more careful in managing customer data, as well as creating new challenges in running cross-border businesses.

As more businesses expand internationally and must adhere to different data protection laws that differ from one nation to another, this situation is becoming more and more significant. The PDP Law, which was passed in Indonesia in 2022, permits businesses that deal directly with personal data to modify their internal procedures to comply with the regulations (Suryanto et al., 2024). However, prior research has only examined these rules from a legal standpoint, omitting to examine the pragmatic approaches taken by companies to satisfy regulatory requirements while maintaining their competitiveness in the global market (Alfiana Alfitri et al., 2024; Anggen Suari & Sarjana, 2023).

This study is driven by the desire to close the gap between theory and practice. It is intended that the findings of this study will help businesses functioning in the global market by shedding light on how business actors handle data privacy laws. Furthermore, this study is pertinent to Indonesia, which is creating laws pertaining to the protection of personal data under the recently passed Personal Data Protection Law (PDP Law) in 2022 (Suryanto et al., 2024). This study is becoming increasingly important considering Indonesia's position as one of the main players in the Southeast Asian region with great digital economic potential.

As a result, the study seeks to determine how corporations handle data protection laws in the global marketplace and offer useful advice that can assist other organizations in overcoming comparable obstacles. It is anticipated that this study would not only close the gap in the body of existing literature but also significantly impact the business community.



II. LITERATURE REVIEW

Data Protection Regulation in the Global Market

As globalization and digitization grow, protecting personal data has emerged as a key concern in many nations. The General Data Protection Regulation, or GDPR, is the law that governs data protection in the European Union. Despite being adopted within the European Union, the GDPR also affects corporate actors who may contact with the data of EU people. (Awwaliyah & Juniarti, 2024). This rule, which has an extraterritorial effect and applies to all parties wherever they may be, even those outside the European Union, has established a standard for many nations worldwide. The GDPR includes the data processing standards that were later incorporated into the PDP Law. (Pradana & Saragih, 2024).

Data protection laws are not only in place in the European Union but also in ASEAN nations like Singapore, Malaysia, and the Philippines, for instance. The law is known as the Personal Data Protection Act (PDPA) in Malaysia and Singapore. In the meantime, the Data Privacy Act is a law that is used in the Philippines. (Awwaliyah & Juniarti, 2024). Every nation with these laws has unique features in how they are applied.

The Personal Data Protection Law (PDP Law) governs personal data protection initiatives in Indonesia. Its goals are to safeguard people's right to privacy and guarantee that personal data is secure from abuse. (Sutarli & Kurniawan, 2023) Business actors must modify their policies and procedures to comply with the established data protection standards in order to implement the PDP Law.

Previous research

The technical facets of protecting personal data have been the subject of numerous studies. Yamin et al. (2024) look at the difficulties in protecting personal information and the ways in which these issues might be resolved. H The study's findings indicate that the biggest obstacles to protecting personal data are a lack of user knowledge, regulatory flaws, and



cybercrime risks. Enhancing public education, fortifying the legal system, and putting cutting-edge security technologies into practice are some of the suggested remedies.

Other research by (Zahwani et al., 2023) Examine the degree of public knowledge regarding the protection of personal data in the digital age. It is believed that by knowing how much individuals know about the risks and how to safeguard their personal information, helpful suggestions to raise awareness and implement safeguards would be made. The study's findings reveal a number of significant conclusions on the degree of public knowledge, the variables influencing it, and the consequences of ignorance on the security of personal information.

Other research by (Putri et al., 2024) discussed the importance of digital literacy and awareness of the risks lurking in the personal data of social media users. The results of the study show that the majority of respondents have a low understanding of digital security risks, even though they actively use social media in their daily lives. The lack of digital literacy makes villagers vulnerable to cybercrime; Some of them have experienced incidents such as identity theft or misuse of personal data.

There are also other studies by (Komala, 2022) illustrates the importance of digital literacy for data privacy security in online shopping transactions in Indonesia. The results of the study show that digital literacy is needed to minimize data leakage and the resulting losses. From the marketplace aspect, efforts to improve customer data security are carried out by constantly updating application protocols. Digital literacy is indeed not enough to protect personal data, but a Personal Data Protection Law is needed.

From these various studies, it can be concluded that the technical aspects of data protection include increasing digital literacy, implementing sophisticated security technology, and public awareness and education



about the importance of protecting personal data. This shows that the protection of personal data depends not only on existing regulations, but also on the active participation of individuals and organizations in implementing appropriate security measures.

III. METHODS

The author of this study uses the literature study approach, which entails gathering and examining previously published works from a variety of sources, including Google Scholar and other relevant sources. It is believed that this research method can successfully finish this study.

This literature review aims to identify strategies used by business actors in dealing with data protection regulations in the global market. In this study, various national and international journal publications will be reviewed to gain insight into the challenges and opportunities that arise due to the diversity of data protection regulations in various jurisdictions.

IV. RESULTS

Data protection laws like Indonesia's Personal Data Protection Law (PDP Law) and the European Union's General Data Protection Regulation (GDPR) have given companies a strong legal foundation to safeguard the private information of their clients. With its extraterritorial consequences, the GDPR is not just applicable in the European Union but also in many other nations. It applies to all parties, regardless of where they are, including those outside the EU (Pradana& Saragih, 2024). In the meantime, individuals who break the PDPA, which Singapore has put in place, face a fine of one million SGD, or 12 billion Indonesian rupiah. As opposed to Malaysia, which imposes fines of up to 500 thousand MYR, or 1.8 billion Indonesian baht, or up to three years in jail. In the meantime, the Philippines faces penalties of up to 5 million PHP, or 1.4 billion Indonesian pesos. (Awwaliyah & Juniarti, 2024).



Meanwhile, the PDP Law provides preventive legal protection by requiring consent from data subjects, data access and update rights, and the obligation of data controllers to report data leaks. Repressive protection in the form of administrative, criminal, and civil sanctions is also applied to violators. The fine imposed can reach 5 billion to 6 billion rupiah, depending on the type of violation (Alfiana Alfitri, 2024).

Strategies of Business Actors in Complying with Regulations

Businesses must implement a variety of tactics to ensure compliance and preserve the company's reputation in the face of global data protection requirements. The following are some conclusions about applicable tactics based on reviews of the literature published in different national journals:

1. Internal Policy Adjustments

Companies must modify their internal procedures to guarantee adherence to data protection laws. For example, research by Sutarli & Kurniawan (2023) demonstrates that businesses doing business in Indonesia have begun revising their data management guidelines to comply with the PDP Law's requirements. This stage entails managing the risk of data leakage, limiting access to data, and adopting explicit privacy standards.

2. Increasing Digital Literacy

One of the most important factors in lowering the risk of data breaches is digital literacy. Research by Komala (2022) highlighting the significance of teaching staff members about the dangers of digital security and how to safeguard client information. This training is intended for partners and outside parties who have access to company data in addition to internal staff.

3. Use of Advanced Security Technologies



The primary tactic in the face of increasingly sophisticated cyberthreats is the application of security technology. According to Yamin et al. (2024), To reduce the risk of data leaking, several businesses have used multi-factor authentication, data encryption technology, and real-time network monitoring.

4. Cross-Border Cooperation and Multi-Regulatory Compliance

Companies that operate in international marketplaces must contend with the difficulty of adhering to several regulations. Study by Putri et al. (2024) shows how businesses can guarantee uniform compliance across several jurisdictions by working with cross-border legal consultants and implementing international standards like ISO 27001.

5. Periodic Audits and Evaluations

Internal audits are a crucial tool for evaluating how well data protection procedures and policies have been followed. According to Rahmanto & Primawardani (2023) Before a significant incident happens, regular audits can find security flaws and offer remedy suggestions.

V. CONCLUSION AND SUGGESTION

This analysis of the literature demonstrates that corporate players must address data protection laws in the global marketplace with a comprehensive strategy. Techniques include modifying corporate policies, boosting digital literacy, utilizing cutting-edge security technologies, collaborating across borders, adhering to multiple regulations, and conducting regular audits and assessments. A major incentive for businesses to comply with data privacy laws is the chance to increase customer trust and obtain a competitive edge, even in the face of obstacles like national legal differences and expensive implementation costs.



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