

The Digital Silk Road: The Rise of E-Commerce in Indonesia Case Study

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ABSTRACT

According to study, Indonesia e-commerce market was the 9th world largest in 2021 with a value of US\$ 43 billion (Market Intelligence, 2022). Meanwhile, Indonesia's e-commerce sector increased 23% in 2021 with about 63 million new customers. Statista research study (2022) stated that Indonesian e-commerce users reached over 189 million (or about 65% of total population) by 2024. Additionally, it is forecasted the total e-commerce transactions will reach US\$ 137.5 billion by 2025 that Indonesia will become the highest e-commerce in the Asia Pacific region representing 59% of the region. Besides, Indonesia's e-commerce revenue will increase from US\$ 36.2 billion in 2022 to US\$ 58.6 billion by 2027 (Financial Services Monitor Worldwide, 2023). Thus, the objective of this phenomenological qualitative/ exploratory research study is to explore and understand what major factors lead Indonesia's e-commerce grow rapidly and successfully that other countries may learn from them for further improvements and participation in such a huge and growing e-commerce market.

JEL Codes:

Keywords: *online retailing, digital purchasing behaviors, brand trust, COO effects, e-commerce services, loyalty programs*