

The Role of Influencer Marketing on Tiktok in Shaping Online Shopping Trends: Contribution to Accelerating the Development of Indonesia's Digital Economy

Dwi Winahyo Sutrisna

Universitas Borobudur, Indonesia
Email: dwisutrisnaa81@gmail.com

ABSTRACT

The need for innovative and adaptive approaches has become increasingly urgent in the wake of turbulence in the post-global economy following the COVID-19 pandemic, geopolitical instability caused by regional conflicts, monetary policies contributing to the weakening of the United States dollar, and mounting pressures related to environmental and sustainability issues. This study explores the role of influencer marketing on the TikTok platform in shaping online shopping trends as part of efforts to accelerate Indonesia's digital economy. Amid global economic uncertainty, geopolitical instability, and the weakening of the U.S. dollar, Indonesia requires innovative strategies to strengthen its domestic economy. TikTok, as a social media platform with extensive reach in Indonesia, has become a catalyst for transforming consumer behavior and accelerating e-commerce growth. This research employs a qualitative approach using content analysis and case studies involving 50 Indonesian TikTok influencers. The findings indicate that influencer marketing on TikTok has significantly boosted e-commerce transactions, with a 67% increase recorded during the 2023–2024 period. Furthermore, this phenomenon fosters an inclusive digital economy ecosystem and empowers local MSMEs to compete effectively in the global market.

KEYWORDS Influencer Marketing; TikTok; E-commerce; Digital Economy; Indonesian Economic Development.



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INTRODUCTION

The post-COVID-19 global economy has been marked by significant turbulence, compounded by geopolitical instability arising from regional conflicts, monetary policies leading to the weakening of the United States dollar, and mounting pressures related to environmental and sustainability issues. These interconnected factors create multidimensional challenges for national economies worldwide, including Indonesia. Nevertheless, amid these challenges, Indonesia possesses a strategic opportunity to transform into a developed nation by accelerating the growth of its digital economy (Farliana et al., 2023; Jannah et al., 2025; Jurriëns & Tapsell, 2017; Margiansyah, 2020; Meidyasari, 2024).

Digital transformation has fundamentally reshaped the landscape of Indonesia's economy. One of the most notable phenomena is the emergence of influencer marketing on social media platforms—particularly TikTok—which has revolutionized how consumers interact with products and services (Guptaa, 2021; Haenlein et al., 2020; Hernández-Vergara et al., 2025; Prasetya et al., 2025; Tram, 2022). With 109.9 million active users in Indonesia as of 2024, TikTok has become a strategic platform for businesses to reach broader markets. This platform not only serves as a source of entertainment but has evolved into a dynamic e-

commerce ecosystem through its TikTok Shop feature (Nur et al., 2023; Sintani & Toendan, 2025; Wang et al., 2026; Xu, 2025; Ying, 2023).

Influencer marketing on TikTok exhibits distinctive characteristics that set it apart from other social media platforms. Its meritocratic For You Page (FYP) algorithm enables content to go viral without requiring a large follower base, thereby creating democratized economic opportunities. Short-form videos, typically ranging from 15 to 60 seconds and featuring creative, authentic content, have proven especially effective in influencing consumer purchasing decisions—particularly among Generation Z and millennials, who are key drivers of Indonesia’s digital economy (Bahatan et al., 2025; Bikowski, 2025; Koohestani Asli, 2024; Mosa, 2023; Wahyudi et al., 2025).

This research is significant because Indonesia stands at a critical crossroads between global economic crisis and opportunity. On one hand, post-pandemic geopolitical instability, the weakening of the U.S. dollar, and persistent sustainability challenges pose complex threats to national economic resilience. On the other hand, Indonesia holds strong potential to accelerate digital transformation, driven by the rise of influencer marketing on the TikTok platform, which has fundamentally influenced consumer behavior and reshaped the business landscape. With 109.9 million active users, TikTok functions not only as an entertainment medium but also as a versatile social commerce ecosystem via the TikTok Shop. Despite this reality, academic research that comprehensively examines how influencer marketing on TikTok shapes online shopping trends and contributes to Indonesia’s digital economic acceleration—particularly in empowering local MSMEs and strengthening domestic consumption—remains limited. Therefore, this study is timely and essential to address this research gap by offering evidence-based recommendations for policymakers, business practitioners, and academics in formulating strategies to foster an inclusive and sustainable digital economy amid global challenges.

In the context of national economic development, the phenomenon of influencer marketing on TikTok carries several strategic implications. First, the platform creates new entrepreneurial opportunities for individuals from diverse socioeconomic and geographic backgrounds. Second, TikTok enables local MSMEs to access wider markets without requiring substantial investment in conventional promotional methods. Third, this ecosystem contributes to strengthening the domestic economy by boosting the consumption of local products—an important step toward reducing import dependence amid currency exchange pressures.

This study aims to analyze how influencer marketing on TikTok shapes online shopping trends and contributes to the acceleration of Indonesia’s digital economy, particularly in the context of the global challenges currently being faced.

METHOD

This study employs a qualitative approach utilizing case study methods and content analysis. Primary data was collected through observations of 50 Indonesian TikTok influencers from various categories (fashion, culinary, technology, beauty, and lifestyle), each meeting the minimum criterion of 100,000 followers and actively promoting products via TikTok Shop. Secondary data was obtained from industry reports, platform statistics, and academic publications related to the subject.

The analysis was conducted by identifying patterns in content, engagement strategies, and their impact on consumer behavior. Researchers also conducted in-depth interviews with 15 influencers and 10 MSME owners who utilized influencer marketing services on TikTok. Data triangulation was performed to ensure the validity of the study's findings.

RESULT AND DISCUSSION

Characteristics of Influencer Marketing on TikTok in Indonesia

The analysis results show that influencer marketing on TikTok in Indonesia has unique characteristics that differentiate it from other platforms.

First, authentic and spontaneous content is more effective than overly produced content. Influencers who share personal experiences and honest reviews achieve an engagement rate that is 3.5 times higher compared to explicit promotional content.

Second, the short video format, with a duration of 30 to 60 seconds featuring product demonstrations, unboxings, or usage tutorials, has proven to be the most effective for increasing conversion rates. Data indicates that 68% of consumers make a purchase after watching product review videos from trusted influencers.

Third, collaborations between mega-influencers (with over 1 million followers), macro-influencers (with 100K to 1M followers), and micro-influencers (with less than 100K followers) create an expanding domino effect, amplifying market reach exponentially.

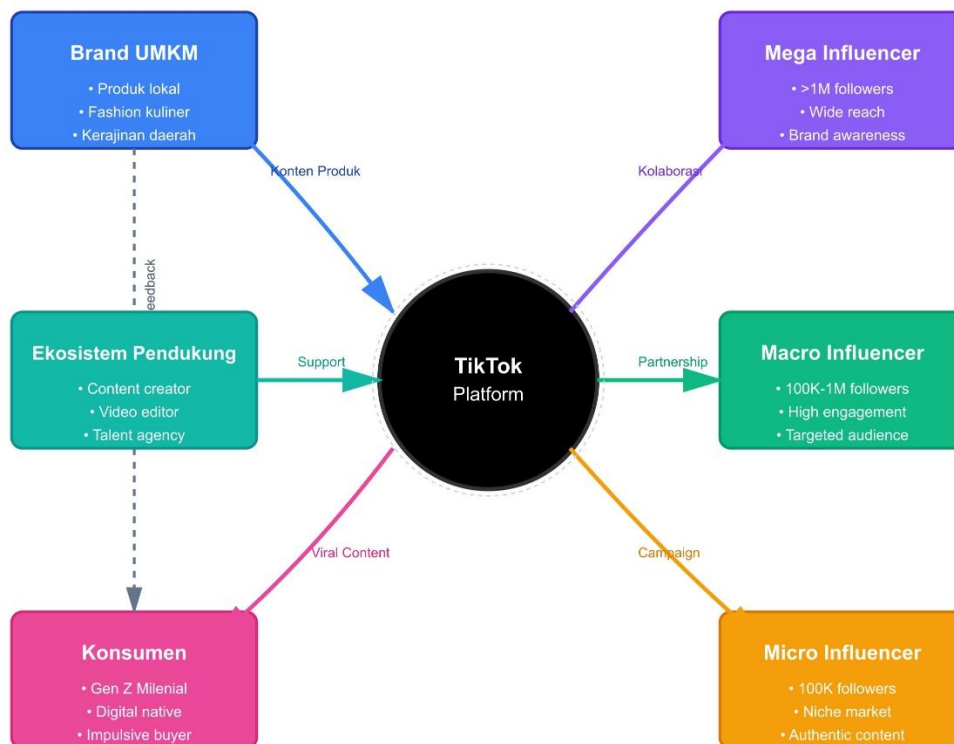


Figure 1. Influencer Marketing Ecosystem on TikTok Indonesia

Formation of Online Shopping Trends

TikTok has become a trendsetter in shaping the online shopping behaviors of Indonesian consumers. The "TikTok Made Me Buy It" phenomenon demonstrates the viral role of influencer marketing on TikTok in shaping online shopping trends: Contribution to Accelerating The Development of Indonesia's Digital Economy

marketing power of this platform. Products reviewed by popular influencers can experience a sales increase of up to 500% within the first 24-48 hours. This creates fast and dynamic demand cycles, prompting MSMEs to respond more effectively to market needs.

The trend of impulsive shopping has also significantly increased via TikTok. The live shopping feature allows real-time interaction between influencers and consumers, creating urgency and FOMO (Fear of Missing Out), which encourages spontaneous purchases. Data shows that 72% of TikTok consumers make impulsive purchases after watching a live shopping session, with an average order value reaching IDR 350,000 per transaction.

In addition, TikTok has pushed the democratization of brand awareness. Local products, which once struggled to access the national market, can now go viral and reach consumers throughout Indonesia. For example, typical regional foods, handmade crafts, and local fashion items have seen a surge in demand after being reviewed by influencers. This phenomenon contributes to economic equality and empowers MSMEs in underrepresented regions.

Contribution Towards Indonesia's Digital Economy

Influencer marketing on TikTok significantly contributes to the development of Indonesia's digital economy in several ways:

1. Increasing E-commerce Transaction Value

TikTok Shop is projected to contribute to Indonesia's e-commerce transactions, reaching IDR 87 trillion in 2024, an increase of 156% compared to the previous year. Social commerce through influencer marketing serves as a major growth driver, creating newer, more efficient, and cost-effective distribution channels.

2. Creation of New Jobs

The influencer marketing ecosystem creates a complex economic landscape, benefiting not only influencers but also content creators, video editors, social media managers, and talent agencies. It is estimated that over 2 million people in Indonesia earn income from the TikTok ecosystem, both as primary and secondary sources of income. This is highly relevant to government efforts to reduce unemployment, especially among the youth.

3. Empowerment of MSMEs and People's Economy

Data shows that 65% of sellers on TikTok Shop are MSMEs with annual revenues below IDR 5 billion. This platform provides market access that was previously unaffordable for MSMEs with capital limitations. The cost of promotion through micro-influencers is more affordable compared to conventional advertisements, offering a higher ROI. This creates a more level playing field between large players and local MSMEs.

4. Strengthening Domestic Consumption

Amid global economic pressures and geopolitical uncertainties, strengthening domestic consumption has become a crucial strategy. Influencer marketing on TikTok has proven effective in boosting the consumption of local products. The "Proudly Made in Indonesia" campaign, supported by top influencers, has led to a 34% increase in consumer preference for local products. This reduces reliance on imports and strengthens national economic resilience.

Challenges and Mitigation Strategies

Despite its positive impacts, influencer marketing on TikTok faces several challenges:

1. **Credibility and Transparency of Endorsements**

Issues related to the credibility of endorsements arise when influencers promote low-quality products or engage in scams that damage consumer trust. Clear regulations and firm enforcement are necessary to protect consumers.

2. **Intensifying Competition**

The increasing competition leads to significant rises in influencer marketing costs, which can burden MSMEs with limited capital. Mitigation strategies include fostering collaborations between brands and micro-influencers who have high engagement rates at more affordable costs.

3. **Dependence on Foreign Platforms**

The reliance on foreign platforms, such as TikTok, poses risks related to geopolitics and data sovereignty. In the context of global geopolitical instability, the government should promote the development of local social commerce platforms to provide alternatives and reduce dependence.

Challenges and Mitigation Strategies

Although influencer marketing on TikTok has positive impacts, it also faces a number of challenges.

First, there are issues of credibility and transparency in endorsements. Cases of influencers promoting low-quality products or engaging in scams can damage consumer trust. Clear regulations and firm enforcement are required to protect consumers.

Second, competition is becoming increasingly fierce, causing influencer marketing costs to rise significantly, which can burden MSMEs with limited capital. Mitigation strategies include fostering collaboration between brands and micro-influencers who have high engagement rates at more affordable costs.

Third, dependence on foreign platforms (such as TikTok, a Chinese product) poses risks related to geopolitics and data sovereignty. In the context of global geopolitical instability, the government needs to promote the development of a local social commerce platform that can serve as an alternative and reduce dependence.

Social and Cultural Impacts

Influencer marketing on TikTok not only impacts the economy but also creates significant social and cultural transformations in Indonesia. It fundamentally changes the way the public interacts with brands and influences consumption patterns.

First, it democratizes fame and entrepreneurship. TikTok fosters a "micro-celebrity culture," where ordinary individuals can become famous and generate income from their content. This phenomenon changes public perceptions of careers and success, particularly among younger generations. The professions of content creator and influencer are now viewed as legitimate and profitable.

Second, it alters consumer behavior. The popular "haul culture" and "unboxing" trends on TikTok drive consumerism while also increasing awareness about product quality. Honest reviews from influencers provide transparency that is often lacking in traditional advertising.

Third, it strengthens the identity of local cultures. TikTok facilitates the promotion of regional products and cultures to a national audience. Regional foods, local languages, and cultural traditions receive exposure that was not previously available. This contributes to cultural conservation while simultaneously creating economic value.

However, this phenomenon also raises concerns regarding excessive consumerism, particularly among teenagers. The FOMO culture, reinforced by the TikTok algorithm, can encourage impulsive buying and materialistic behavior that is unhealthy.

CONCLUSION

This study demonstrates that influencer marketing on TikTok has become an important catalyst in shaping online shopping trends and significantly contributes to the acceleration of Indonesia's digital economy. The platform not only transforms consumer behavior but also fosters a new, inclusive, and democratic economic ecosystem. Amid global economic challenges, geopolitical instability, and environmental pressures, strengthening the digital economy through social commerce has emerged as an effective resilience strategy.

Concrete contributions can be observed in the increase of e-commerce transactions, the creation of employment opportunities, the empowerment of MSMEs, and the reinforcement of domestic consumption. However, challenges related to regulation, credibility, and platform sovereignty must be addressed through comprehensive and forward-looking policy measures.

Indonesia holds a strong opportunity to progress toward developed-nation status by leveraging the momentum of digital transformation—provided that adequate infrastructure, progressive regulatory frameworks, and human resource capacity are continuously strengthened.

Recommendations for further research include examining the long-term impact of influencer marketing on brand loyalty and analyzing sustainable business models that integrate economic, social, and environmental dimensions into social commerce practices in Indonesia.

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