

Analyzing TikTok's Content Marketing Strategy for Enhancing Customer Engagement in Indonesian MSMEs

Idrus Jamalulel, Melinda, Jovan Hernando, Anfitri Kristin Sihombing

Chaoyang University of Technology, China

DOI: <https://doi.org/10.51583/IJLTEMAS.2025.140500092>

Received: 29 May 2025; Accepted: 07 June 2025; Published: 20 June 2025

Abstract: This study explores the role of TikTok's content marketing strategy in building customer engagement for Indonesian SMEs through interviews with 23 SME Owners from various businesses. The result identifies key strategies that contribute to successful engagement on the platform. Findings indicate that TikTok's interactive features, such as duets, challenges, and comments, significantly enhance customer engagement. The Circular Model of Some provides a structured approach for businesses to optimize their content strategy, emphasizing sharing, optimization, management, and engagement. Challenges include the unpredictability of TikTok's algorithm, rapidly changing trends, and limited digital access in certain regions. The study concludes that leveraging TikTok's interactive features and adapting to dynamic trends are crucial for businesses, content creators, and digital marketers in formulating effective social media strategies.

Keywords: Content Marketing, MSMEs, Social Media, Customer Engagement, TikTok

I. Introduction

The COVID-19 pandemic brought significant changes to human life, forcing many activities that were traditionally conducted face-to-face to shift online. One of the most affected sectors was business, where companies had to innovate and utilize digital marketing strategies to sustain economic growth. Digital marketing, which leverages online technology, has become an essential tool for businesses to reach customers. Social media, as a key component of digital marketing, allows businesses to market their products and provide relevant information to potential buyers (Carr & Hayes, 2015).

According to data from We Are Social and dataindonesia.id, Indonesia had 191 million active social media users in January 2022, an increase from 170 million in the previous year. The trend suggests continued growth in social media usage in the coming years. Among the most popular platforms in Indonesia, TikTok has emerged as a leading tool for digital marketing. TikTok, a short video platform developed by ByteDance in 2016, gained global popularity, with 1.5 billion downloads worldwide by 2019 (Keshav & Himani, 2020). In 2020, Indonesia became the second-largest TikTok market, with 22.2 million active monthly users, a number that continues to rise. As of recent data, Indonesia now has 99.1 million active TikTok users, with an average usage time of 23.1 hours per month (Statista, 2022).

Initially, TikTok was primarily used for entertainment, but it has evolved into a powerful digital marketing platform. Many content creators leverage TikTok to promote products, creating a new culture of online shopping. The interactive nature of TikTok, where users can like, comment, and share videos, enhances customer engagement. The more interactions a video receives, the higher its visibility on the platform. The impact of TikTok on consumer behavior is evident in the success of trends such as #TikTokMadeMeBuyIt, which has garnered over 8 billion views, and the Indonesian trend #racuntiktok, where users purchase products based on recommendations from TikTok content.

TikTok's cost-effectiveness and wide reach make it a valuable platform for digital marketing. Beyond merely showcasing products, TikTok fosters networking opportunities for marketers and consumers (Rangaswamy et al., 2020). Developing a strong content marketing strategy is crucial for long-term success, particularly for businesses in the early stages of customer engagement. Established strategic models, such as Regina Luttrell's Circular Model of Some can be applied to optimize content marketing strategies on TikTok (Aini, 2020).

This study explores the application of strategic models in optimizing content marketing on TikTok. Specifically, it examines the relevance of the Circular Model of Some theories in structuring effective communication strategies for social media marketing. Lastly, this research aims to determine the most effective content marketing strategies for Micro, Small and Medium Enterprises in Indonesia, leveraging TikTok's interactive features to enhance customer engagement and brand performance.

This study aims to design and develop an effective content marketing strategy for businesses, institutions, and content creators utilizing TikTok. It seeks to identify a strategic approach to enhance customer engagement through TikTok content, ultimately improving business performance. Additionally, this study will analyze TikTok's role as a digital marketing platform and explore strategies using the Circular Model of Some to optimize content marketing efforts.

II. Literature Review

Social Media

Social media is the implementation of digital marketing. Social media are computer-mediated devices that admit people to produce, share or change information, ideas, pictures and videos in virtual communities and networks (Darling S, 2015). Social media is defined as a group of Internet-based operations made up of the ideological and technological establishments of Web 2.0 that admit the creation and exchange of user-generated content. (Kaplan & Haenlein, 2010).

Social media is a web and mobile based on technology and the internet which is applied to turn communication into interactive discussion and has an important role as a communication tool where each user can share information, knowledge and connect with each other (Shimp & Andrews, 2013).

From the website investopedia.com by Adam Hayes, Social Media Marketing also known as digital marketing and e-marketing is the usage of social media, the platforms on which users make social networks and share information to make a company's brand, increase deals, and drive website business. In addition to providing companies with a way to engage with being customers and reach new customer, social media marketing has purpose created data analytics that admit marketers to follow the success of their efforts and identify indeed more ways to engage. Social Media Marketing is the newest and most admired classification of Digital Marketing that helps marketers drove along their brand image in the most important and trendy manner.

Content Marketing

Content marketing according to Kotler et al (2017) is a marketing strategy in which marketers create, plan and distribute what content is of interest to the target audience, then encourage them to become customers.

According to Mathewson and Moran (2016), the concept of content marketing should contain content that is informative, entertaining, and useful so that it can help the audience to solve problems, where for content marketing to be successful, there must be a process consisting of several points, namely: credibility, targeted, differentiated, and measurable.

Content Marketing with Social Media Marketing is a continuous thing, they have specific and different goals but complement each other in creating a promotion. Where Social Media Marketing is a container or media for promotion, while Content Marketing is a marketing strategy in which we plan and distribute content to be poured or delivered on Social Media Marketing. By establishing the role of Content Marketing as a marketing strategy, the relationship with consumers will be closer (Laura & Rahmat, 2021).

TikTok in Indonesia

Launched globally in 2017 by Chinese company ByteDance after merging with lip-syncing app Musical.ly, TikTok, known as Douyin in Mainland China, is a video-sharing social networking service known for its act-out memes and lip-synch videos. Downloaded more than 2.6 billion times.

TikTok has become one of the world's most popular apps owned by a Chinese company that is not one of the country's three tech giants: Alibaba, Baidu, and Tencent, and the phenomenal success of TikTok and Douyin as parallel platforms operating within different markets has heralded a paradigm shift in global platform expansion (Kaye et al., 2021).

TikTok is an influential tool for libraries of all progresses to market their services. In September 2021, TikTok hit one billion monthly active users, a number it achieved faster than numerous of its rivals, including Facebook and YouTube (Dellatto, 2021). Libraries and nonprofits are fast turning to the platform to produce content that may appeal both to their individual patrons and to TikTok users interested in literacy, libraries, or reading.

TikTok is an application that has received a lot of support, fans, and users because TikTok is the right medium for sharing short video content with a time range of 15 seconds - 3 minutes.

TikTok is equipped with features so that businesses can promote their products in an interesting way, such as additional music, sound effects, stickers and effects, filters, timers, questions & answers, hashtags, stitches, and duets.

In addition, as reported by Hootsuite, TikTok Shop is a social commerce feature that allows products through TikTok. This feature is available to TikTok users with business accounts. Since September 2021, this feature is available for business account users in several countries. This shopping feature is present on TikTok as a response to the increase in sales of various products after brands have been promoted through the social media platform.

Customer Engagement

Brodie et al (2011) stated that Customer Engagement is a psychological condition that occurs when there is interaction and shared experience with a brand. According to K, J. Joseph, and Bindal (2018), Customer Engagement is the relationship between customers and brands. Customer engagement is made and rebuilt with every brand dealing, whether achieving a purchase, reading social media posts, or any exposure to the brand.

Customer Engagement referred to in Content Marketing is on TikTok social media, namely likes, comments, and saves. The more the number of likes, comments, and saves, the more responses that appear from customers.

The Circular Model of Some Theory

There are four aspects of the stages in this model, the four aspects of the stages have a role in their respective parts. The following is a description of the Some Circular Model according to Regina Luttrell in her book, including:

- 1) Share, is understanding and knowing how and where followers or users interact. This is a company's opportunity to connect, make trust, and identify channels that enable the right interactions. In this case, the communicator must have a strategy for the usage of social media, so that communication can run effectively and efficiently.
- 2) Optimize, namely optimizing every social media interaction. Optimizing every recorded conversation is paramount. A strong, well-optimized communication plan generates a maximum impact on message, brand as well as value. In this section, optimize the message you want to convey through social media. This is because each social media has different characteristics.
- 3) Manage, managing the media management system. At this stage, namely how the communicator manages social media properly. This is because often conversations occur on social media quickly.
- 4) Engaging and building relationships by involving audiences and influencers is an important part of managing social media.

III. Methodology

A qualitative research design will be used, employing semi-structured interviews to gather in-depth insights from owner MSMEs utilizing TikTok in their businesses. The participants are willing to do the interview. With the agreement form the owners, this study got 23 participants from various businesses to ensure a diverse range of perspectives. Table 1 informs the specific of participants.

Data Collection and Data Analysis

This study conducts semi-structured interviews for 60 minutes. In addition this study a set of open-ended questions based on the research objectives and questions. This study will make a recording and record the answers of the participants. Moreover, the researcher also uses a note-taker to summarize transcription record interviews (with consent) and transcribe for analysis.

This method allows participants to share their perceptions and insights freely while ensuring that key themes are consistently addressed. The interview questions are designed to explore:

- Participants' perception and experience in content marketing using TikTok
- The challenges participants face in digital tools and workplace
- Strategies to enhance customer engagement

The questions were developed by Luttrell with the title Social media: How to engage, share, and connect.

Table. 1 Participants Demographic

Profile	Categories	Frequency
Gender	Female	10
	Male	13
Experience	Less than 2 Years	4
	2 Years – 5 Years	11
	5 Years – 10 Years	6
	More than 10 Years	2
Age	Under 20 Years Old	3
	20-24 Years Old	8
	25-30 Years Old	10
	Above 30 Years Old	2
City	Jakarta	4
	Medan	3

	Bali	2
	Surabaya	2
	Other	12

Source: Authors

IV. Findings and Discussion

The findings of this study reveal that TikTok serves as an effective digital marketing tool for MSME owners, offering a cost-efficient and interactive platform to promote products and engage with customers. By utilizing TikTok's algorithm, trends, and interactive features—such as likes, comments, and shares. MSMEs can increase visibility, enhance customer engagement, and boost sales. Based on the findings, some of the essentials mentioned during the interview about the perceptions and perspectives of random participants for example:

MSME Owners' Experiences with TikTok

According to the Circular Model of Some, the first step is listening and monitoring audience behavior. Interviews with MSME owners indicate that TikTok is primarily used for product promotion, customer interaction, and storytelling, with successful businesses actively observing trends and customer preferences.

A handmade accessories seller shared:

"Before using TikTok, I had difficulty reaching new customers. But by monitoring what content went viral, such as DIY jewelry-making videos. I adapted my posts and quickly gained over 10,000 followers. Now, my orders have tripled!"

A coffee brand owner added:

"We observed that storytelling-based videos performed well, so we started showing behind-the-scenes clips of our coffee roasting process. One video went viral, leading to a surge in bulk orders."

Content Marketing Strategies Aligned with the Circular Model of Some

In the Circular Model of Some, the next stage is responding and engaging, where brands interact with their audience and create relevant content based on user preferences. Successful MSMEs focus on:

- Product tutorials and demonstrations
- Customer testimonials and reviews
- Trend-based marketing campaigns (e.g., using viral sounds and challenges)
- Live selling and interactive Q&A sessions

A fashion boutique owner shared:

"Initially, I posted product images, but engagement was low. When I switched to styling videos and 'How to Wear' guides, my reach skyrocketed. Now, customers actively comment on my videos, asking for restocks!"

A home-based food entrepreneur stated:

"We saw that people enjoyed quick recipe videos, so we posted one using our homemade sambal (chili sauce). With the #TikTokMadeMeBuyIt hashtag, our sales skyrocketed, and we sold out in a week!"

Applying the Circular Model of Some for Engagement Growth

The Circular Model of Some emphasizes continuous interaction and adaptation, requiring MSME owners to adjust their content strategies based on audience feedback.

A cosmetics brand owner shared:

"At first, we struggled with low engagement. Then, we started responding to every comment and working with small beauty influencers who reviewed our products. Sales increased by 60% in a month!"

A tech accessories seller added:

"We use TikTok analytics to see when our audience is most active. Posting during peak hours, using trending sounds, and responding quickly to comments have significantly boosted our reach."

Continuous Engagement as the Key to MSME Success

The Circular Model of Some highlights the importance of ongoing engagement to maintain customer relationships and brand loyalty. The finding enabling them to compete in a digital-first economy by actively participating in content creation and user interaction.

A traditional batik seller emphasized:

"Younger customers weren't interested in batik before. Now, I use TikTok to show how to style batik outfits, and people appreciate the craftsmanship. It's not just selling, it's about storytelling and engagement."

A local snack brand owner concluded: "TikTok isn't just about making videos, it's about building relationships."

V. Conclusion

The results of this study highlight the transformative role of TikTok as a digital marketing tool for MSMEs, enabling small businesses to increase brand awareness, customer engagement, and sales growth in an era of digital commerce. By leveraging interactive features, trend-based content, and real-time audience engagement, MSMEs can compete effectively in Indonesia's fast-growing digital economy.

Applying the Circular Model of Some, the study demonstrates that successful MSMEs on TikTok follow a continuous cycle of monitoring, responding, engaging, and adapting to optimize their content marketing strategies. Businesses that actively listen to audience preferences, respond to customer interactions, and adjust their content based on real-time insights achieve higher levels of visibility and conversion rates.

Key Findings and Implications for MSME Owners

Content Engagement is Crucial for Visibility:

MSMEs that create interactive, storytelling-driven, and trend-based content experience higher engagement.

Customer engagement (e.g., comments, shares, and live sessions) directly influences TikTok's algorithm in promoting content to a broader audience.

Real-Time Interaction Builds Customer Trust:

Actively responding to comments and messages fosters customer trust and loyalty.

Successful MSMEs use TikTok's live features to provide instant interaction, Q&A sessions, and real-time product demonstrations.

Strategic Adaptation to Trends Drives Growth:

Monitoring viral trends, hashtags, and peak engagement hours allows MSMEs to optimize content performance.

Businesses that experiment with varied content formats (tutorials, challenges, reviews, influencer collaborations) maintain audience interest and increase conversion rates.

Long-Term Digital Marketing Success Requires a Data-Driven Approach:

TikTok analytics and audience insights should guide content adjustments.

MSMEs that use structured marketing models experience more sustainable digital marketing growth.

The advantage of Tiktok is its unique and attractive appearance when compared to other applications. The appearance of the Tiktok application is different, simple, and also easy to access anywhere and anytime. Its features are very easy to access.

This research has practical implications. The research results can be used as material for consideration in formulating promotional strategies that can be carried out on social media TikTok, so that they can be widely known and increase revenue.

Implications

The implications of the results of this research are how content marketing uploaded by TikTok accounts from companies and content creators can build customer engagement. The development of quality content marketing can be a way of interacting with consumers which includes aspects of design, copywriting, and also the quality of the information provided. Then maintaining customer engagement can be the focus of marketing strategy. Consumers who feel attached to a brand or product will foster buying interest from consumers themselves. Purchase intention is the initial door towards building customer loyalty, with high customer loyalty, the TikTok account can maintain its existence or maintain the continuity of its business. Therefore when a company is able to build a consumer community through an account TikTok, it will be very helpful in expanding its market.

With social commerce becoming a dominant trend, MSMEs that embrace TikTok's interactive ecosystem and data-driven marketing strategies will enhance customer engagement, expand their market reach, and drive business growth in Indonesia's digital economy.

Limitations

There are still many areas in Indonesia that have no access to proper technology, so it is hampered and not everyone in Indonesia can watch products through TikTok content. The scope of this research is limited because it was only conducted in a big city area so the results of this research cannot be generalized to consumers in other areas. TikTok may not be available in some countries due to rules and regulations.

And also, TikTok influenced by trending and viral video content on its homepage or #foryourpage. The more viral the video content, customer engagement on the video is bigger. TikTok Algorithm works based on information the content that users are looking for. For example, captions, hastags, effects, and audio used. This research was conducted within a certain period (cross-section) whereas, the environment continues to change. Thus, new research must be carried out in the future. TikTok has revolutionized digital marketing for MSMEs, providing an affordable and highly effective way to reach new customers. However, long-term success on the platform requires a strategic, adaptive, and customer-centered approach. By applying the Circular Model of Some, MSMEs can continuously evolve their marketing efforts, ensuring their brands remain relevant in an ever-changing digital landscape.

References

1. Arlia, Zarnaz. (2022). TikTok's Takeover Of Marketing And Commerce In 2022. Cited on 25 December 2022, from forbes.com: <https://www.forbes.com/sites/forbescommunicationscouncil/2022/02/23/tiktoks-takeover-of-marketing-and-commerce-in-2022/?sh=1caf006a5b4f>
2. Artvanka L, Hidayat R. (2021). Analysis of The Influence of Instagram Content Marketing on Customer Engagement (Case Study of PT.Golden Communication Lampung in 2021). e-Proceeding of Applied Science; 7(5): 1011-1017
3. Arya S, Pratama I, Iqbal I, Siddik R, Wahid R. (2022). Viral Strategy on TikTok: Social Media Marketing Guide for Business. Scientific Journal of Global Economics Today; 13(1), 58-66
4. Benmaissa, Mohammed. (2019). Formation of A Content Marketing Strategy of The Enterprise. Scientific Journal Economics and Finance; 12, 22-27
5. Das, Subhankar and Mondal, Subhra Rani. (2021). Innovations in Digital Branding and Content Marketing. Hershey PA, USA. IGI Global
6. Ekawati, D., & Fransiska, T. M. (2023). Implementation of the "Some" Communication Model on Social Media Marketing of Bayukarta Karawang Hospital. Journal La Medihealtico, 4(6), 266-275. <https://doi.org/10.37899/journallamedihealtico.v4i6.961>
7. Fahimah M, Armada Ningsi L. (2022). Content Marketing Strategy in Building Customer Engagement. 3(1): 43-52
8. Hayati C, Sudradjat R. (2022). Utilization of TikTok as a Digital Marketing Platform in Efforts to Increase Aishable Boutique Brand Awareness. SEIKO: Journal of Management & Business; 4(3), 415-426
9. Hayes, Adam. (2022). Social Media Marketing (SMM): What It Is, How It Works, Pros and Cons. Cited on 20 December 2022, from investopedia.com: <https://www.investopedia.com/terms/s/social-media-marketing-smm.asp>
10. <https://doi.org/10.1108/JSBED-05-2013-0073>
11. Janiah, Samrotul. (2019). Strategic Management EFE-IFE Matrix, Swot Analysis, Competitive Profile Matrix (CPM) and BCG Matrix at PT Yamaha. Journal of economics and information systems management; 1(2), 188-196
12. Kader A, Hossain H. (2020). An Analysis on BCG Growth Sharing Matrix. International Journal of Economics, Business, and Accounting Research (IJEBAR); 245-252
13. Khalayleh M, AL-hawary S. (2022). The impact of digital content of marketing mix on marketing performance: An experimental study at five-star hotels in Jordan. International Journal of Data and Network Science; 6, 1023-1032
14. Kuntjoroadi W, Safitri N. (2011). Analysis of Competitive Strategy in Competition Commercial Aviation Business. Journal of Administrative and Organizational Sciences; 16(1), 45-52
15. Luttrell, R. (2018). Social media: How to engage, share, and connect. Rowman & Littlefield.
16. Mahmudah S, Muthia R. (2020). Management of Corporate Social Media Content on Instagram A Shopping Center. Communication Journal Nusantara; 2(1), 1-9
17. Marissa H, Nurjaya, Azhar A, Heri E, Denok S. (2021). Micro Financial Sharia Non-bank Strategic Analysis: a Study at BMT Beringharjo, Yogyakarta. Budapest International Research and Critics Institute-Journal (BIRCI-Journal); 4(2), 1677-1686
18. Muzakki N, Hidayat R. (2021). The Effect of Instagram Content Marketing on Buying Interest In The Covid-19 Pandemic Period (Case Study on SARAWA.CO). e-Proceeding of Applied Science; 7(1): 1-9
19. Nufus H, Handayani T. (2022). Promotion Strategy by Utilizing TikTok Social Media in Increasing Sales (Case Study at TN Official Store). Journal of economics and technology management; 6(1), 21-34
20. Okriwina, A S. (2022). TikTok Shop: What is it, how to use it, selling tips and how to shop. Cited on 2 December 2022, from glints.com: <https://glints.com/id/lowongan/tiktok-shop-adalah/#.Y6wOwXZBzIV>

21. Patel K, Binjola H. (2020). Tik Tok the New Alternative Media for Youngsters for Online Sharing of Talent: An Analytical Study. *J Adv Res Jrnl Mass Comm* 2020; 7(1): 16-19
22. Prabawati H, Adi Wasono. (2019). Utilization of Instagram Social Media Indonesian Green Youth Coalition (KOPHI) as Media Publication Activities. *Communicology: Journal of Communication Science*; 7(2), 160-176
23. Riki R, Sugih P, Nurrohmah F. (2017). A Review of Marketing Strategy through The BCG (Boston Consulting Group) Approach Case Study at PT. Unilever Tbk. *Ekonomak Journal*; 3(1); 75-92
24. Rini S, Peppy F, Ria W. (2020). Cargo Service Center Sales Increase Strategy Formulation. *Management Journal*; 11(1), 35-44
25. Samsudin M, Minto W. (2021). Analysis of Kopi Tarik Product Promotion Strategy to Increase Sales Volume in The Promotion Division Using Swot and Bcg Method at PT. XYZ. *Juminten : Journal of Industrial and Technology Management*; 2(2), 144-155
26. Sari S, Sitorus C. (2021). Potential for Development of Wood Pellet Biomass Industry in Indonesia with BCG and SWOT Analysis. *Journal of Industrial Engineering*; 6(2), 151-161
27. Satria Guntara, Budhi Yogaswara, Rio Aurachman. (2017). Transformation Strategy of PT Greeneration Indonesia Towards An Excellent Environmentally Friendly Company with Boston Consulting Group Matrix Approach. *e-Proceeding of Engineering*; 4(3), 4436-4444
28. Sauqi, Ahmad. (2021). Marketing Strategy Analysis Based on The Boston Consulting Group (BCG) Matrix at The Bondowoso Branch of The Kumon Tutoring Institute. *International Conference on Economics and Busines*; 112-118
29. Selvi Darling. (2015). Dissemination of Knowledge through Social Media. *Journal GSD - Green & Sustainable Development*; 2: 50-58
30. Sinaga, Benny. (2022). Considering Boston Consulting Group's Matrix of Strengthening Competitiveness And Good Governance In Indonesia: A Literature Review Perspective. *Journal of Governance and Administrative Issues*; 1(1), 19-25
31. Taiminen, H., & Karjaluo, H. (2015). The usage of digital marketing channels in SMEs. *Journal of Small Business and Enterprise Development*, 22(4), 633-651.
32. Triyanti, Merah, Gratia, Paringa, Primasari. (2022). The Poison Phenomenon of TikTok Against Consumerism Culture Students during the COVID-19 Pandemic. *KONSTELASI*; 2(1): 193-200
33. Yogi P, Edy Y, Sunarti. (2016). Formulation of Company Business Strategy Using The Boston Consulting Group (Bcg) Matrix and The Tows-K Matrix. *Journal of Business Administration*; 39(2), 70-75
34. Zaki Mahendra F, Ari Nugroho D. (2020). The Effect of Content Marketing on Purchase Intention on Fan Apparel with Customers Engagement as a Variable Mediation (Study on Account Instagram @authenticid). 1-20