

The Optimization of Instagram and TikTok Social Media to Help MSMEs Reach Generation Z Customers

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Abstract

Generation Z represents a strategic market segment for Micro, Small, and Medium Enterprises (MSMEs) due to their high digital engagement and purchasing potential. Instagram and TikTok have emerged as dominant social media platforms among Generation Z, emphasizing visual storytelling, short-form video, and interactive content. This study aims to analyze the optimization of Instagram and TikTok as digital marketing tools to help MSMEs effectively reach Generation Z customers. A qualitative descriptive approach was employed through systematic literature review and observational analysis of MSME social media practices. The findings indicate that content creativity, algorithm-oriented features utilization, posting consistency, and audience interaction significantly influence engagement rates and brand awareness among Generation Z users. Furthermore, authentic storytelling and trend-based content enhance purchase intention and customer trust. This research contributes by providing a structured digital marketing framework tailored for MSMEs targeting Generation Z through social media platforms. The results are expected to support MSME digital transformation and sustainable competitiveness in the digital economy.

Keywords: MSMEs; Social Media Optimization; Instagram; TikTok, Generation Z

I. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in national economic growth, employment creation, and social welfare. However, MSMEs frequently encounter challenges related to market access, brand visibility, and limited marketing resources(Salsabillah et al., 2023). The rapid growth of digital technology has shifted consumer behavior, particularly among Generation Z, who are characterized as digital natives with strong preferences for visual and interactive online content(- & -, 2024) (Sufianur & Rona, 2025).

Instagram and TikTok have become the most influential social media platforms among Generation Z due to their algorithm-driven content distribution, user-generated content, and viral potential(Haque et al., 2024). Previous studies have shown that social media marketing significantly affects brand awareness and customer engagement for MSMEs(Soni et al., 2024). Nevertheless, many MSMEs still lack structured strategies to optimize these platforms effectively. This research addresses this gap by analyzing optimization strategies for Instagram and TikTok tailored to Generation Z behavior, contributing novelty through an integrated digital engagement perspective (Titin et al., 2024).

Recent studies emphasize the importance of social media in MSME digital marketing transformation. Research by (Astawa et al., 2025) highlights Instagram and TikTok as key drivers of digital engagement. Research by (Cheng, 2024)

demonstrate that content trends and live streaming significantly increase interaction. The identify Generation Z as digital change agents for MSMEs (Sofiana et al., 2025). However, existing studies often focus on isolated platforms or limited case studies. This research integrates cross-platform optimization strategies and Generation Z behavioral insights.

II. RESEARCH METHODOLOGY

This research employs a qualitative descriptive approach with a conceptual modeling orientation. The method is designed to identify, structure, and validate optimization components of Instagram and TikTok marketing strategies for MSMEs targeting Generation Z.

The research stages consist of: Platform Feature Identification: Mapping Instagram and TikTok features relevant to content distribution, engagement, and visibility(Bishqemi & Crowley, 2022). Generation Z Behavior Analysis: Identifying dominant behavioral traits such as short attention span, preference for authenticity, and trend responsiveness(Lestari et al., 2024). Engagement Indicator Mapping: Defining measurable engagement indicators including likes, comments, shares, saves, watch time, and follower growth(Trunfio & Rossi, 2021). Framework Construction: Integrating platform features, content strategies, and engagement indicators into a structured optimization framework. The validity of the framework is supported through triangulation of recent empirical studies and

observational consistency across multiple MSME social media accounts.

Table 1. Instagram and TikTok Feature–Impact Mapping

Platform Feature	Optimization Strategy	Expected Impact on Gen Z
Reels / Short Video	Trend-based storytelling	Increased engagement rate
Hashtags & Sounds	Algorithm alignment	Higher content reach
Live Streaming	Real-time interaction	Trust and authenticity
Comments & DM	Two-way communication	Customer loyalty

III. RESULTS AND DISCUSSION

The research results contain the results of system analysis/implementation (if available, complete with tables/photos/images/), hypothesis testing/system testing, etc. Social media optimization landscape emphasizes a three-layered framework that aligns technology, creativity, and performance:

1. Platform Algorithms (Foundation): Algorithms on platforms like Instagram and TikTok utilize AI-driven "intent modeling" and cascading filters to personalize content discovery. This layer dictates how and to whom content is distributed based on behavioral signals rather than just account size.
2. Content Strategy (Execution): This middle layer focuses on creating valuable, differentiated, and relevant assets tailored to the audience's needs. Strategy involves choosing the right formats (visuals, storytelling) and optimizing them for the specific technical requirements of the underlying algorithms.
3. Engagement Outcomes (Results): The final layer measures the effectiveness of the strategy through indicators like likes, comments, and conversion rates. High-quality engagement such as active customer interaction and social sharing is the primary driver of brand loyalty and sustainable marketing results

Conceptual Framework for Social Media Optimization in Figure 1.



Figure 1. Framework Social Media Optimization

Based on the analysis, this study proposes a Generation Z Social Media Optimization Framework for MSMEs, as illustrated in Figure 1. The framework consists of three main layers: platform algorithms, content strategy, and engagement outcomes.

Layer 1: Platform Algorithms: Instagram and TikTok algorithms prioritize watch time, interaction velocity, and relevance. MSMEs aligning content with trending formats and audio increase visibility on Explore and For You Page (FYP).

Layer 2: Content Strategy: Effective strategies include short-form videos, authentic storytelling, behind-the-scenes content, and user-generated content adaptation.

Layer 3: Engagement Outcomes: Optimized content results in higher engagement metrics, brand awareness, and purchase intention among Generation Z.

Comparative analysis with prior studies indicates that this integrated framework extends existing single-platform approaches by emphasizing cross-platform synergy and algorithm-aware content design. The framework demonstrates practical applicability for MSMEs with limited marketing resources.

The analysis reveals that MSMEs utilizing short-form videos, trending audio, and storytelling content achieve higher engagement among Generation Z users. Consistent posting schedules and interactive features such as live sessions and comment replies enhance brand credibility. These findings align with prior research but extend understanding by demonstrating cross-platform synergy effects. The proposed optimization framework successfully addresses MSME marketing limitations.

IV. CONCLUSION

This study concludes that optimizing Instagram and TikTok significantly supports MSMEs in reaching Generation Z customers. Key success factors include creative content, platform feature utilization, and authentic interaction. Limitations include the qualitative scope and absence of quantitative metrics. Future research may employ experimental or SEM-based methods to measure

causal relationships. The findings provide practical implications for MSME digital marketing strategies.

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