

THE UTILIZATION OF SOCIAL MEDIA BY GENERATION Z IN BUILDING A SUSTAINABLE CREATIVE ECONOMY IN MANADO

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Abstract

This paper explores the utilization of social media by Generation Z in Manado as a catalyst for building a sustainable creative economy amid growing global uncertainties. As digital natives, Gen Z has demonstrated a strong affinity for digital platforms, particularly social media, which not only serve as tools for communication and self-expression but also as strategic instruments for economic innovation and entrepreneurship. By leveraging social media, young entrepreneurs in Manado are creating new economic opportunities, promoting local culture, and developing environmentally conscious business models aligned with the principles of the green economy.

The study analyzes how sustainable business practices and social media-driven digital ecosystems intersect to foster economic resilience. In particular, it examines how Gen Z's entrepreneurial initiatives contribute to green economic transitions through low-carbon digital products, ethical consumption campaigns, and eco-conscious branding thereby reducing environmental impact while boosting inclusive growth. Furthermore, the paper investigates the role of policy innovation in facilitating this transition, highlighting the need for adaptive, science-based policies that support digital entrepreneurship, environmental sustainability, and inclusive economic frameworks.

This study identifies best practices and models of sustainability that can be replicated or scaled. The findings aim to generate actionable, research-based recommendations for integrating sustainable business strategies into local development plans and national policy agendas.

This paper contributes to enhancing awareness, understanding, and the capacity of academics, practitioners, and policymakers to address global economic challenges through sustainable, innovative, and science-based approaches. It emphasizes the importance of collaborative action between the digital generation and institutional stakeholders in accelerating the transition toward a resilient green economy.

Keywords: Gen Z, Social Media, Creative Economy, Green Economy, Sustainable Business

Introduction

Indonesia currently experiencing a demographic bonus, is witnessing a significant transformation in its social and economic landscape, largely influenced by Generation Z those born between 1997 and 2012. This generation, numbering approximately 71.5 million people, constitutes more than a quarter of the national population. Gen Z's digital nativity is a defining feature, with most of its members having grown up surrounded by smartphones, social media, and internet connectivity. On average, they spend over six hours daily on digital platforms, not just for entertainment or social interaction, but also for learning, self-expression, entrepreneurship, and activism.

This deep engagement with digital tools presents a strategic advantage particularly in the context of building a sustainable creative economy. Unlike previous generations, Gen Z is more aware of global issues such as climate change, social justice, and ethical consumption. As a result, many of their digital initiatives are aligned with principles of sustainability, inclusivity, and innovation. They are not only content consumers but also content creators, brand builders, and community mobilizers who leverage social media to promote products, share knowledge, and shape public discourse.

In Manado the capital city of North Sulawesi, these global trends converge with local dynamics. Known for its rich biodiversity, vibrant culture, and religious harmony, Manado is positioning itself as a hub for tourism and the creative economy. With a population of around 459,409 and a GDP of approximately IDR 48.6 trillion (USD 3.2 billion), the city enjoys steady economic growth (5.5% annually) and boasts a Human Development

Index (HDI) of 0.814, placing it in the “Very High” category nationally. These indicators highlight the city’s readiness to adopt and scale innovation-driven, youth-led economic models.

Table 1 Population By Age Group and Gender in Manado City, 2024

Age	Man (Thousand)	Woman (Thousand)	Population (Man + Woman) (Thousand)
0-4	14,356	13,277	27,633
5-9	17,828	16,584	34,412
10-14	18,649	17,525	36,174
15-19	19,079	17,800	36,879
20-24	20,651	19,212	39,863
25-29	19,545	18,546	38,091
30-34	18,702	7,818	36,520
35-39	16,940	16,246	33,186
40-44	17,365	16,576	33,941
45-49	16,261	16,209	32,470
50-54	14,730	15,289	30,019
55-59	12,600	13,437	26,037
60-64	9,480	10,682	20,162
65-69	7,208	8,218	15,426
70-74	4,416	5,534	9,950
75+	3,189	5,457	8,646
Jumlah/Total	230,999	228,410	459,409

Source: BPS Manado, 2024

The growing role of the digital creative economy as a driver of inclusive and sustainable growth in the era of Industry 4.0 demands greater attention to segments of the population with high potential but who still face structural limitations. One such group is Generation Z, which demographically dominates the productive age population and possesses a high level of digital literacy. Amid rapid technological advancement and connectivity, Gen Z tends to be highly innovative, capable of personal branding, and often manages creative businesses independently through social media platforms.

However despite the abundance of digital opportunities, the extent to which Gen Z participates in building a sustainable creative economy is heavily influenced by the supporting policy ecosystem. Local and national regulations, the quality of digital infrastructure, access to capacity-building programs, and funding availability are all critical factors that determine whether their potential can be fully realized. Disparities in infrastructure, limited institutional support, and a lack of affirmative policies often become major obstacles hindering the development of sustainable digital entrepreneurship among youth.

In the local context Manado City presents unique characteristics. As a growing city with strong potential in cultural and tourism-based creative industries, Manado offers a significant opportunity for Gen Z to become not only innovative economic actors but also those with environmental and social awareness. However, few studies have specifically explored how regional policies support or inhibit the active involvement of Gen Z in the sustainable digital economy.

Methods

This research employed a mixed-methods approach that combined quantitative and qualitative data collection techniques. A total of 300 respondents aged 16 to 24 were surveyed using an online questionnaire distributed via Instagram, WhatsApp, and university networks. The survey instrument included demographic profiling, questions on social media behavior, sustainable business practices, and perceptions of public policy support.

In addition twenty in-depth interviews were conducted with key stakeholders, including young entrepreneurs, digital influencers, environmental activists, and local government officials from agencies such as the Department of Tourism and the Office of Creative Economy. A semi-structured interview format allowed for a deeper exploration of motivations, barriers, and policy interactions related to digital green entrepreneurship.

Quantitative data were analyzed using descriptive statistics and multiple linear regression to explore correlations between social media usage and the adoption of sustainable business practices. The qualitative data were examined using thematic content analysis, which revealed recurring themes related to digital literacy, business innovation, and institutional support.

Benchmarking with existing national studies, such as Tortorici (2024) on influencer impact on Gen Z and Erwin et al. (2023) on consumer behavior influenced by social media, provided comparative insights and strengthened the study's validity.

Results and Discussions

The results reveal several important findings about Generation Z in Manado. First, the demographic analysis showed an average age of 19.6 years ($SD \pm 2.3$), with the majority of respondents spending approximately 5.2 hours per day on social media. The most used platforms were Instagram (58%), YouTube (16%), Facebook (4%) and TikTok (32%), mirroring national trends.

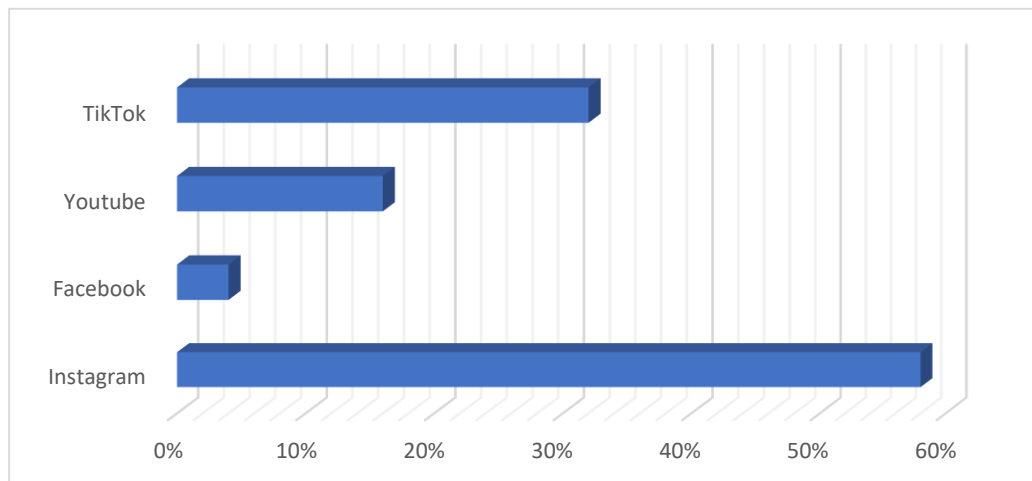


Figure 1
Platforms Most Used by Generation Z in Manado

The findings of this study underscore the pivotal role of social media as a catalyst for sustainable entrepreneurship among Generation Z in Manado. A significant correlation ($p < 0.05$) was identified between the level of social media engagement and the adoption of sustainable business practices. Further regression analysis revealed an R^2 value of 0.62, indicating that approximately 62% of the variation in eco-conscious entrepreneurial behavior can be explained by the intensity of social media usage. This robust relationship highlights the extent to which digital interaction influences not only commercial outcomes but also the values and ethical considerations embedded in entrepreneurial activity.

Social media platforms such as Instagram, Facebook, Youtube and TikTok were perceived not merely as marketing tools, but as virtual storefronts and value-driven communication spaces. Through these platforms, young entrepreneurs are able to educate their audiences about sustainability, build brand identity around green values, and engage in direct dialogues with conscious consumers. Influencer culture also emerged as a key factor, with many respondents citing that their environmental awareness and product preferences were influenced by digital figures advocating for ethical consumption and green living.

Moreover the intrinsic characteristics of digital business models which often require fewer physical resources and infrastructure contribute to lower environmental footprints, notably by minimizing logistics-related emissions and reducing packaging waste. This demonstrates that sustainable entrepreneurship in the digital era is not only an ideological choice but also a structural advantage afforded by the medium itself.

From the qualitative interviews, three dominant sustainable business models emerged:

1. Eco-fashion and accessories: These ventures focus on the design and sale of products made from upcycled or recycled materials, integrating sustainability into both production and branding. Entrepreneurs in this segment report an average monthly income of IDR 5 million, with estimated CO₂ savings of 0.01 tons per month, primarily from reduced material waste and transportation needs.
2. Digital creative services: Including activities such as graphic design, social media management, and green content creation, these businesses operate entirely online. As such, they offer lower overhead costs and minimal carbon emissions, while still providing a viable income averaging around IDR 8 million per month. Many of these enterprises explicitly integrate environmental themes into their content and client work.
3. Community-based digital campaigns: Although not revenue-oriented, these initiatives—such as @Blajar Di Kobong Community—focus on advocacy and public education. Campaigns on topics like plastic reduction and zero-waste living have gained significant traction online, fostering collective environmental consciousness among Gen Z communities. Their impact lies in social value creation rather than financial returns, contributing to long-term behavioral change.



Figure 2
Blajar Di Kobong Community's Facebook

However despite these promising developments, several structural challenges persist. Young entrepreneurs often face:

- Limited access to capital, particularly for scaling sustainable ideas into profitable enterprises.
- Weak legal protection and the absence of formal registration, which limits their participation in institutional markets and access to government programs.
- Insufficient integration of sustainability and digital entrepreneurship in formal education, which leaves many Gen Z entrepreneurs without the necessary foundational knowledge or support networks.

Although several local government initiatives such as digital marketing workshops and eco-business training have begun to emerge, field findings reveal that these efforts remain fragmented, short-term, and not specifically tailored to the needs of Generation Z. Among the total survey respondents, only 27% reported being aware of local government-run entrepreneurship programs, and just 9% had ever participated in them. Of those who did, most gave a moderate effectiveness score of 3 out of 5, citing the lack of follow-up mentoring and insufficient relevance to the realities of digital business.

In terms of infrastructure, the availability of reliable digital support systems remains a challenge. While most Gen Z respondents have access to personal internet connections, 41% expressed dissatisfaction with connection stability, which directly affects their ability to create and distribute digital content. Public support facilities such as co-working spaces, business incubators, or tech-based training centers are also scarce, with only two districts in Manado hosting accessible digital innovation hubs.

From an educational standpoint, formal institutions at both high school and university levels have not yet fully integrated sustainable digital entrepreneurship into their curricula. Around 65% of respondents felt that entrepreneurship content remains too theoretical and lacks practical insights on sustainability or strategic digital engagement. Few institutions collaborate with the local creative industry or offer startup incubation programs aligned with emerging green business models.

Another prominent issue is low financial literacy and limited access to sustainable financing schemes. About 72% of young entrepreneurs admitted they lack the skills to manage business cash flow, write funding proposals, or understand micro-business taxation. Moreover 81% were unaware of how to access alternative financing such as crowdfunding, green microloans, or fiscal incentives for environmentally sustainable enterprises.

This study confirms that Generation Z in Manado is actively leveraging digital platforms to build a sustainable and inclusive creative economy. Their entrepreneurial efforts reflect a dynamic convergence of environmental awareness, digital innovation, and cultural expression. Through social media, they are not only creating new economic opportunities but also advancing eco-conscious values and contributing to the broader green economic transition.

However the full transformative potential of this generation remains untapped due to structural barriers such as limited policy support, inadequate financial access, and fragmented institutional collaboration. The findings highlight an urgent need for responsive and youth-centered policies that are grounded in long-term commitments to digital sustainability, financial inclusion, and cross-sector collaboration.

Moving forward coordinated efforts among governments, educational institutions, the private sector, and local creative communities are essential to foster an enabling ecosystem. These stakeholders must work together to mainstream sustainability into both education systems and economic development agendas, ensuring that young digital entrepreneurs are not only empowered, but also supported in shaping a resilient and inclusive green economy.

Acknowledgement

The authors would like to express their sincere gratitude to the Statistics Department (Badan Pusat Statistik kota Manado) and Department of Tourism and Creative Economy of Manado for their invaluable support, facilitation, and access to relevant public data that significantly enriched the scope and depth of this research. Their openness to collaboration and commitment to sustainable development provided essential institutional context for this study.

Appreciation is also extended to the @Blajar Di Kobong Community, whose grassroots advocacy and digital campaigns have served not only as a case study but also as an inspiration for the integration of environmental values into youth-led innovation. We are equally thankful to all the young entrepreneurs and creative actors in Manado who generously contributed their time, perspectives, and lived experiences during interviews and surveys. Their real world insights were instrumental in shaping the empirical and analytical foundation of this paper.

Furthermore, we gratefully acknowledge the research assistance of students from Manado State Polytechnic, whose dedication in coordinating fieldwork, distributing questionnaires, and transcribing qualitative data was essential to the successful completion of this study. Their contributions reflect the collaborative spirit between academia and the local community in advancing knowledge on sustainable and inclusive economic transformation.

Finally, the authors would like to thank all individuals and institutions, named and unnamed, who supported the research process in various capacities. Without their collective efforts, this work would not have been possible.

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