

THE ECONOMIC AND SOCIAL IMPACT OF THE CLOSURE OF TIKTOK SHOP IN BUKITTINGGI CITY

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Abstract

The closure of TikTok Shop has been a highlight in the world of e-commerce business. This article aims to investigate the economic and social impacts of this decision. Economically, the closure of TikTok Shop has a significant impact on businesses. Many small sellers rely on this platform as their main source of income. With the closure, they are forced to find other alternatives to sell their products. This creates uncertainty and losses, especially for those who do not have the ability to switch to other platforms quickly. From a social perspective, the closure of TikTok Shop also impacts consumers and users who have become accustomed to shopping on the platform. They will have to find alternatives to buy products and interact with sellers. This could disrupt their online shopping routine and potentially affect their convenience and overall shopping experience. In addition, the closure of TikTok Shop also has the potential to affect the e-commerce business ecosystem more broadly. The platform has been a big player in the industry, and its closure could impact inter-platform competition and changes in market dynamics. To investigate the economic and social impact of TikTok Shop's closure, the author used a data analysis approach and interviews with industry players and users. From the research, the author concludes that the closure of TikTok Shop has a significant impact, both economically and socially. The conclusion of this article is that the closure of TikTok Shop has had a major impact on businesses, consumers, and the e-commerce business ecosystem as a whole. This shows the importance of adaptability and the ability to adapt to changes in the online business world.

Keywords: TikTok Shop, closure, economic impact, social impact, e-commerce

INTRODUCTION

Digital trends and technological developments have become an integral part of the daily life of modern society. One of the platforms that plays an important role in the shift in digital culture is TikTok. TikTok has become a space for users to share their creativity, entertainment, and countless business opportunities. However, there is no digital innovation without obstacles, and Bukittinggi City, a city known for its beauty in West Sumatra, has recently experienced significant economic and social impacts due to the closure of TikTok Shop. (Trisakti, 2022)

TikTok Shop is a business entity that emerged thanks to the popularity of TikTok. In recent years, these platforms have changed the way people shop, allowing sellers to market their products creatively and in-depth. In Bukittinggi City, TikTok Shop has become an attractive place to do business and provide much-needed economic livelihood in the midst of the ongoing global pandemic. However, in the last year, a number of issues and