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**THE ROLE OF GEN Z IN THE 2024 ERAU FESTIVAL OF THE KUTAI ING MARTADIPURA SULTANATE**

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**Abstract:**

This study aims to analyze the role of Generation Z as digital marketers and active consumers in increasing the turnover of economic transactions at the Erau Festival of the Kutai Ing Martadipura Sultanate in Tenggarong, East Kalimantan. This phenomenon is interesting because the Erau Festival is not only a means of cultural preservation, but also a driver of the local economy through community participation, especially the younger generation. This study uses a mixed methods approach with a sequential explanatory design, which combines quantitative and qualitative analysis. Primary data was collected through a survey of 272 Generation Z respondents using purposive and quota sampling techniques. Data analysis was carried out using the multiple linear regression (OLS) method with the help of SPSS. The results showed that the variables Digital Marketer (B = 0.294; p < 0.001) and Active Consumer (B = 0.234; p < 0.001) had a positive and significant effect on the turnover of economic transactions, with an R<sup>2</sup> value of 0.561. It means that 56.1% of transaction turnover variations can be explained by the role of Generation Z, while the rest are influenced by other factors such as government support and cultural appeal. These findings confirm that Generation Z plays a strategic role in strengthening the culture-based creative economy through digital activities and direct consumption. Therefore, policies are needed that encourage collaboration between the local government, the Sultanate of Kutai, and the Generation Z community in the development of digital promotion, creative marketing training, and sustainable cultural economic facilitation.

**Keywords:** Generation Z, Digital Marketers, Active Consumers, Erau Festival, Transaction Turnover, Creative Economy.

**INTRODUCTION**

Continuous population growth, accompanied by increasingly rapid globalization, has brought significant changes to various aspects of people's lives. The era of globalization has had a significant impact on local cultures, as people tend to focus more on a fast-paced and instantaneous modern lifestyle. Consequently, traditions passed down through generations are slowly shifting (Sumantri & Tanjung, 2023).

Many regional traditions are experiencing shifting values and even facing the potential for fading due to the dominance of modernization and society's orientation toward a practical, instantaneous lifestyle (Wulandari & Parameswara, 2020). The Longser tradition, a theatrical art form from West Java, serves as a concrete example of this. This art form is considered rare due to its decline due to the popularity of other forms of modern entertainment. However, in contrast to this situation, the Kutai Ing Martadipura Sultanate, located on Borneo, specifically in Tenggarong, East Kalimantan, has managed to maintain its existence to this day. The oldest sultanate in Indonesia remains alive through the implementation of various traditional ceremonies and traditions that are solemnly maintained. (Yulianingrum, Kholik, Ningsih, & Arman, 2024) One of the most prominent is the Erau Festival, a cultural celebration that is not only the identity of the Kutai Kartanegara



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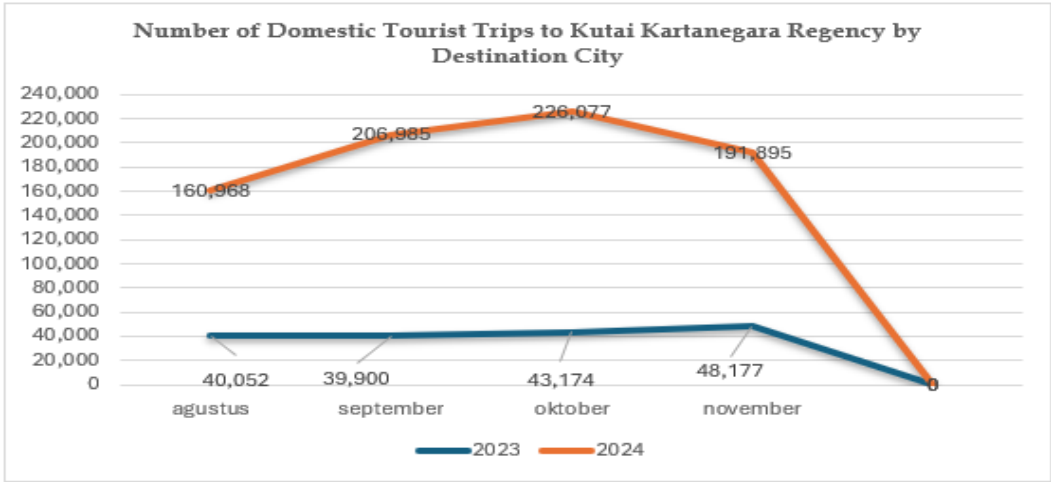
community but also a tourist attraction and a driver of the regional economic cycle (Taufiq, Sukma, Suparno, & Yulianingrum, 2025).

According to Todaro & Smith (2020) in the journal (Nailul, 2025), a festival like this will have a very positive impact and has the potential to create a multiplier effect, namely increased consumption, money circulation, and can temporarily open up employment opportunities, including Erau, one of the cultural heritages that has spiritual, social and economic dimensions. From an economic perspective, according to Keynesian Theory, a festival like this will have a very positive impact and has the potential to create a multiplier effect, namely increased consumption, money circulation, and temporarily open up employment opportunities. It is confirmed by Archer (1995). According to Archer, Transaction Circulation Theory explains that tourists who come will spend their money so that the money will circulate in a chain in the local economy (Karyatun, Wiweka, Demolingo, Adnyana, & Nurfikriyani, 2020). It creates a multiplier effect that can provide an increasing effect in terms of the welfare of the Erau community. It has become one of the cultural icons in East Kalimantan that has been recognized nationally and internationally. It increases the potential to support the local economy, which is quite large.

This Cultural Festival is centered in Tenggarong City. Tenggarong is not only the administrative capital of Kutai Kartanegara Regency but also the cultural heart of the Kutai Sultanate. The city is home to the Kutai Ing Martadipura Sultanate and several historical sites such as the Mulawarman Museum and Kumala Island. It makes Tenggarong an authentic location for the Erau Festival (Hubaib, 2021). Furthermore, the Tenggarong area serves as a buffer zone that can support and encourage national development, making cultural preservation and local economic development crucial (Regional Revenue Agency, 2025). The Erau Festival in the Kutai Ing Martadipura Sultanate is held annually and not only serves as a forum for cultural preservation but is also expected to drive the economy, positively impacting the local community (Personnel and Human Resource Development Agency, 2025). Community involvement is expected to maximize the economic benefits of the cultural festival, especially for the younger generation (Handayani et al., 2024). The younger generation, or what is commonly called Gen Z, born between 1997 and 2012, is a generation with unique patterns and distinctive characteristics. As digital natives, Gen Z can act as voluntary digital marketers who share their surroundings during the Festival through various social media platforms (Fibri & Ernawati, 2025). Their ability to organically disseminate user-generated content makes them an effective and authentic group of marketers. It is reinforced by the findings of Kartika and Hidayat (2023) in the journal (Tarigan, Gusfira, & Hasibuan, 2025), that the involvement of Generation Z in digital promotions can significantly increase consumer engagement. Gen Z also has an open mind about new things that tend to have a positive effect, but at the same time, they are often considered to have less interest or a strong attachment to traditional culture, which they consider old-fashioned (Yuliana & Pratiwi, 2023). According to Priporas et al (2017) in the journal (Mubarak, Basalamah, & K, 2024), Generation Z Consumer Behavior Theory emphasizes that this generation is not only a passive consumer but becomes an active consumer in supporting brands or events that align with personal values and events that are considered to provide real benefits to their community, this generation is also driven by the values of authenticity, experiences, and social impact. It is reinforced by the opinion (Pichler, Schade, & Kleine-Kalmer, Gen Z brand consumption: Findings from a mixed-method study, 2020), where Generation Z Consumer Theory emphasizes that this generation tends to allocate its spending to obtain experiences that are considered rare, authentic and can be shown off on social media. Not only authentic values, but they are also willing to spend money on goods or products that align with their identity and personal values.



Generation Z's role as active consumers in the Erau Festival is directly reflected in their spending patterns, which are heavily influenced by Generation Z's Participation Intention. This interest has an impact: the higher the participation intention, the higher the Generation Z spending patterns, resulting in higher economic transaction turnover, and vice versa. Thus, it is clear evidence that Generation Z plays a role as an economic driver at the Festival (Dolan, Conduit, & Fahy, Social Media Engagement Behavior: A Framework for Gen Z, 2021). The Erau Festival has been proven to have a positive impact on the economic turnover in Tenggarong. According to data (Central Statistics Agency, 2023), this macro impact was confirmed in Kutai Kartanegara Regency in 2024, with a surge in tourist visits during the month of the Erau Festival compared to surrounding months, as seen in Graphs 1 and 2 below:



**Figure 1.** Data on the Number of Domestic Tourist Trips by Regency by Destination City in 2023

The surge in these macro indicators demonstrates a significant increase in transaction turnover during the festival, given the dominant Generation Z population in Kutai Kartanegara, which represents 207,061 out of a total population of 789,767. This calculation is based on the population by age group 15-29 (Central Statistics Agency, 2024). Based on this data, it is strongly suspected that there was a significant increase in Generation Z spending during the Erau Festival.

Several previous studies have discussed the impact of Cultural Festivals from various aspects, one of which is research (Sari & Wijaya, 2020) on the macroeconomic impact on local communities, while Zhang (2022) examines the exploration of community participation factors in tourism development. Recent studies have begun to highlight the role of Generation Z, but other studies tend to separate the discussion between economic impacts, participation, and the role of the younger generation. Based on this research gap, researchers are interested in combining these three aspects by specifically examining the mechanism of the role of Generation Z as Digital Marketers and Active Consumers towards the Erau Festival of the Kutai Ing Martadipura Sultanate of Tenggarong, East Kalimantan in 2024. Therefore, this study aims to analyze the role of Generation Z in the Erau Festival on Economic Transaction Turnover in Tenggarong. In addition, this study also wants to examine whether the role of Gen Z as digital marketers and active consumers can influence transaction turnover at the Erau Festival. Through this research, it is hoped that it can provide theoretical contributions by enriching the literature on the influence of cultural festivals on the economy and the active role of Generation Z, as well as strengthening the Transaction Circulation theory and Consumer Behavior Theory, which view Generation Z as active consumers and digital





marketers. It can be concluded that this study places the Economic Transaction Turnover as the dependent variable (Y) and the Role of Generation Z as the independent variable (X). Therefore, this study has a novelty by focusing on the Role of Gen Z in the Erau festival, which takes place every year in Tenggara, one of the cities in the Kutai Ing Martadipura Sultanate.

## METHODS

This study uses a mixed methods approach with an explanatory sequential design (Creswell & Plano Clark, 2023). This approach was chosen because it is capable of providing a deeper understanding by combining quantitative data to test hypotheses and qualitative data to deepen the meaning behind the quantitative findings. This study also employs the philosophy of pragmatism (Morgan, 2014). Pragmatism allows for the integration of quantitative evidence regarding variable relationships with a qualitative understanding of the mechanisms and meaning behind those relationships. This research will be conducted in Tenggara City, the center of the Kutai Ing Martadipura Sultanate, and thus the location where the Erau Festival takes place. A questionnaire was distributed via G-Form. The research period will be from September until completion.

The sample refers to a portion of the population selected to represent the entire population in a research study. The sampling process aims to achieve research efficiency and effectiveness while considering constraints related to time, cost, and human resources (Enago, 2023). This study uses non-probability sampling techniques, specifically purposive sampling and quota sampling. Quota sampling was used to ensure proportional representation of participants according to the demographic characteristics of the Tenggara area. This combination of sampling techniques is expected to produce a sample with relevant and representative characteristics (Memon, Ting, & Ramayah, 2024). This technique was chosen based on the consideration that the Generation Z population attending the Erau Festival has specific characteristics that must meet the research inclusion criteria, including:

**Table 1.** Respondent Characteristics

No	Information	Amount
1	Generation Z (Born 1997-2012).	10,353 (Generation Z Population in Tenggara)
2	Resident or visiting Tenggara during the Festival	11,303 (Average Visits to Tenggara City by Destination City)
3	Physically present at least once during the festival	270 (Target Sample)

The sample size in this study was targeted at 270 Generation Z respondents in Tenggara District. With a population of 10,353 people (Central Statistics Agency, 2024), the sample size provides a 95% confidence level. The confidence level is a probability that indicates how confident we are that the sample results will reflect the actual state of the population (DQLab, 2023). In social and business research, a 95% confidence level is considered standard because it provides a good balance between confidence and resource efficiency (Syahada, 2021). It means that if we conduct 100 samples, approximately 95% of the results will cover the actual population parameters within the specified error limit (Cakrawala, 2025). The margin of error is 5.9%. This result is obtained using the Lemeshow formula:

$$n = \frac{Z^2 x p x (1 - p)}{d^2}$$



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Description:

n = Target sample

Z = Z-score value at a certain confidence level (for 95% it is 1.96)

p = Estimated population proportion (if unknown, use 0.5)

d = Margin of error or allowable error rate (in decimal)

Known Data

n = 270 (target sample)

Z = 1.96 (95% confidence level)

p = 0.5 (heterogeneous population proportion)

Therefore:

$$d = \sqrt{\frac{Z^2 \times P \times (1-P)}{n}}$$

$$d = \sqrt{\frac{1,96^2 \times 0,5 \times (1-0,5)}{270}}$$

$$d = \sqrt{\frac{3,8416 \times 0,2}{270}}$$

$$d = \sqrt{\frac{0,9604}{270}}$$

$$d = \sqrt{0,003557}$$

$$d = 0,059 = 5,9\%$$

Therefore, we can conclude that the accuracy status is:

Margin of Error: 5.9%

Confidence Level: 95%

Sample Size: 270 respondents

**Analysis Model.** This study used the Ordinary Least Squares (OLS) regression method and processed it using SPSS software. The questionnaire data are ordinal, so before processing them with SPSS, they must first be converted to interval data. Transforming ordinal data into interval data can be done using the Monotone Scaling Interval (MSI) method. It is done because ordinal data only shows the order of categories without equal distance between categories, thus failing to meet the parametric statistical assumptions required for OLS, as stated by Hancock & Mueller (2017) in the journal Statistician (Statistician, 2023). The data used for OLS is interval data for valid and reliable results.

The MSI method is a mathematical technique that can convert ordinal data into interval data by calculating frequencies, cumulative proportions, and z-scores of these proportions. Then, interval values are determined based on a normal distribution. According to Sarwono (2025), the MSI method is often chosen because it can improve data quality and produce valid interval data without assuming equal distance between ordinal categories, thus producing valid interval data. The MSI process can also help approximate data distribution toward normality, thus meeting the requirements for using OLS. The OLS formula used in this study is as follows:



$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \varepsilon$$

Where:

Y = transaction turnover

X<sub>1</sub> = Generation Z's role as digital marketers

X<sub>2</sub> = Generation Z's role as active consumers

β<sub>0</sub> = intercept

β<sub>1</sub>, β<sub>2</sub> = regression coefficients indicating the influence of each independent variable on the dependent variable

ε = error term

This study analyzes Generation Z as a dual role in Increasing Transaction Turnover in the Erau Festival, namely as digital marketers and active consumers. The Erau Festival was held in Tenggarong, East Kalimantan. The data used were data from the distribution of G-form questionnaires on social media, with a target sample of 270 Generation Z respondents (Ages 17-28) who resided or had visited Tenggarong during the Erau Festival. The data was converted into interval data and then processed using SPSS software. Based on the results of the descriptive analysis, the average (mean) value of the active consumer variable was 2,104.87, while the digital marketer variable was 5,260.17. The level of participation of Generation Z in promoting via digital and consumption is relatively high at the Erau Festival. The relatively moderate standard deviation illustrates that respondents' perceptions are quite homogeneous regarding their experiences during participation in the festival. The reliability test using Cronbach's Alpha produced a value of 0.809. This figure indicates that the data obtained is reliable and consistent in measuring the same construct. The communalities values ranged from 0.764 to 0.884, indicating that each variable's indicators contributed significantly to the main factor. The factor analysis yielded a total variance explained of 79.42%, meaning the three variables explained nearly 80 percent of the variation in the model, indicating that the data were suitable for further regression testing.

**Table 3.** Linear Regression Estimation Results for Transaction Turnover

Variable	Coefficient	Standard Error	T statistic	Probability
Constanta (C)	819.665	111.265	7.367	<0.001
Active Consumer	0.234	0.058	4.068	<0.001
Digital Marketer	0.294	0.029	9.904	<0.001
<i>R squared</i>	0.561			
Prob ( <i>F-statistic</i> )	<0.001			

Source: Data Processed (SPSS 2025)

Table 3 shows that the R<sup>2</sup> result = 0.561, which indicates that 56.1% of transaction turnover in the Erau festival is influenced by the role of Generation Z, namely as an active consumer variable and digital marketer, while the remaining 43.9% is influenced by other things such as cultural appeal, government support, and conventional media promotion. The R-squared finding in this study is reasonable and even considered strong in a similar research field. (Priporas, Stylos, & Fotiadis, 2017) Reported only 54% in predicting sustainable consumer behavior, while (Dolan, Conduit, & Fahy, social media engagement behavior: A framework for Gen Z, 2021) found a value of 58% for the Gen Z social media engagement model. It proves that this study is not only acceptable but also shows consistency with previous literature. Furthermore, (Ghozali, 2018) emphasized that the interpretation of the coefficient of determination should not be used as a sole measure in assessing the quality of a regression model, but rather should be accompanied by a significance











consumers, 2023). Another unique characteristic of Gen Z is that they like to mix modern and traditional cultures to stay up to date but look authentic and aesthetic. The combination of cultural values and modernity makes the Erau festival have a special attraction that encourages a larger allocation of spending than usual (Thompson, Brown, & Davis, Demonstration effect and FOMO behavior in Gen Z consumers, 2023)

This study shows the synergy between the roles of Digital Marketers and Active Consumers, as explained by Chen, Wang, & Li (2024), through the Synergy Effect Theory, namely the creation of a positive reciprocal relationship (positive feedback loop) between digital activities and consumption behavior. It is in accordance with the Integrative Theory by (Chen, Wang, & Li, 2024), and the Synergy effect Theory by (Thompson, Brown, & Davis, Demonstration effect and FOMO behavior in Gen Z consumers, 2023), stating that there is a synergistic relationship between the roles of Generation Z as Digital Marketers and Active Consumers in driving increased Economic Transaction Turnover. This relationship is realized through a positive feedback loop between digital marketers that strengthens the impact as active consumers and vice versa. The mechanism is through digital amplification, with promotional content created before the festival can build positive expectations from the audience, so that with real consumption experiences during the Erau Festival can be made into new, authentic and persuasive content that results in many audiences feeling called and wanting to follow or experience the same as the content creator. In addition, there is a consumption multiplier effect created during the Erau festival, namely, every economic transaction carried out will flow and rotate so that there is a circulation of money and products that have been purchased can be used as content by Generation Z after making product buying and selling transactions during the Festival. This content is expected to create other transactions. The cultural value of the Erau Festival can also strengthen the authenticity of the digital content created while increasing the meaningfulness of the consumption experience or commonly known as the cultural authenticity effect, so that it can strengthen the causal relationship between the two roles of Generation Z and the economic cycle. Generation Z can also turn personal consumption into a persuasive promotional asset. This Virtuos Cycle creates a sustainable economy that not only relies on direct visits but also digital promotions to expand the economic impact of the festival.

## CONCLUSION

Based on the research conducted, Generation Z plays a very significant and strategic role in strengthening the economic transaction cycle during the 2024 Erau Festival of the Kutai Ing Martadipura Sultanate in Tenggarong, East Kalimantan. Within the Erau Festival, Generation Z has been shown to play a role as volunteer digital marketers, creating and disseminating authentic content through social media platforms such as Instagram and TikTok, strengthening the image of Kutai culture while increasing public exposure to the festival. Within the Erau Festival, economic activities undertaken by Generation Z, ranging from purchasing local products and consuming traditional foods to using transportation services, have become the primary drivers of money circulation in the Tenggarong community. The analysis shows a consumption multiplier effect, where each transaction made by Generation Z creates a chain of subsequent transactions between MSMEs and the local community. This phenomenon demonstrates that digital participation and the consumptive behavior of the younger generation can create a sustainable real economic impact.

Furthermore, the results of this study also demonstrate a synergy between the roles of Digital Marketers and Active Consumers. When Generation Z creates pre-festival content (anticipatory content), they build audience expectations. During the festival (real-time content), they strengthen social interactions and economic transactions. After the festival ends (reflective content), they foster









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