The recommended workflow is to use *File > Place* (not paste) to import Word content (with or without tables) and Excel spreadsheets into InDesign. They will come in as a table, and you can create a table style to control the look of the table, including nesting cell styles (to differentiate the formatting between the heading rows and body rows) and even nesting paragraph styles into the cell styles to format the text automatically. One click can format an entire table once the nesting is in place.

https://helpx.adobe.com/indesign/using/table-cell-styles.html

You mentioned data merge—which is certainly a feature of InDesign — but I'm not sure if I understand how it fits into your workflow. We use data merge to merge records coming from spreadsheets or a database into InDesign, but not from Word. If you're thinking that data merge is going to automate this process, we probably need a little bit more information from you.

https://helpx.adobe.com/indesign/using/data-merge.html

Either way, what will help you automate the layout is to focus on using *styles*. If you're not already up to speed on styles, take some time to learn how to leverage styles. If you have styles already set up in Word, you can map the word styles to the InDesign styles and the text will come in formatted.

https://helpx.adobe.com/indesign/using/map-export-managestyles.html