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The Role of Digital Marketing Resilience in Mediating the Relationship Between Entrepreneurial Marketing and Business Performance in Service SMEs

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ABSTRACT. This study aims to examine the role of Entrepreneurial Marketing in enhancing Business Performance through the mediation of Digital Marketing Resilience in small and medium-sized enterprises (SMEs) in the service sector in Indonesia. The research adopts a quantitative approach with a sample of 100 SMEs, selected using Slovin's formula with a 10% margin of error. Data were collected through a survey using Google Forms, and the analysis was conducted using SmartPLS. The study investigates the relationships between the three key variables: Entrepreneurial Marketing, Digital Marketing Resilience, and Business Performance. The results show that Digital Marketing Resilience has a significant positive effect on Business Performance. However, Entrepreneurial Marketing does not have a direct effect on Business Performance, but it significantly influences business performance when mediated by Digital Marketing Resilience. This indicates that entrepreneurial marketing strategies, such as innovation, proactivity, and risk-taking, enhance business performance indirectly through building digital resilience. The findings highlight the importance of integrating entrepreneurial marketing with resilient digital marketing strategies to drive better business performance. This research provides valuable insights for SMEs aiming to optimize their marketing strategies and adapt to the challenges of the digital era.

Keyword: Entrepreneurial Marketing; Digital Marketing Resilience; Business Performance JEL Classification: M1, M2

INTRODUCTION

In the dynamic and increasingly competitive global business landscape, small and medium-sized enterprises (SMEs) serve as crucial drivers of economic growth, innovation, and employment creation (Al-Shaikh & Hanaysha, 2023). Despite their significant contributions, SMEs often face numerous challenges, particularly in adapting to the rapidly evolving market demands and leveraging technological advancements (Hasibuan et al., 2024). Service-based SMEs, in particular, encounter unique pressures to meet customer expectations and maintain competitiveness in a digital economy characterized by rapid technological disruption and shifting consumer behaviors (Arshi et al., 2023). These challenges underscore the importance of innovative strategies in marketing and business operations to ensure sustained growth and resilience (Hasibuan et al., 2021).

Entrepreneurial marketing, a discipline that integrates entrepreneurial thinking with marketing practices, has emerged as a vital approach for SMEs to navigate these complexities (Alqahtani & Uslay, 2020). Unlike traditional marketing, entrepreneurial marketing emphasizes creativity, adaptability, and proactive strategies tailored to capitalize on emerging opportunities (Buccieri & Park, 2022). This approach enables SMEs to optimize their marketing efforts, fostering stronger customer relationships and enhancing overall market positioning (Gao & Xing, 2023). However, as digitalization transforms the business environment, the resilience of digital marketing strategies becomes increasingly critical for sustaining entrepreneurial marketing efforts and driving business success (Gounaris, 2005).

Digital marketing resilience, defined as the capacity to adapt and innovate in the face of digital challenges and opportunities, has become a key factor in determining organizational performance (Mahdi et al., 2024). By effectively harnessing digital tools and platforms, SMEs can achieve greater reach, efficiency, and engagement with their target audiences. Resilience in digital marketing ensures that SMEs can maintain continuity and effectiveness even during periods of technological disruption or market volatility. This capability is particularly relevant for service SMEs, where customer interactions and experiences are heavily influenced by digital touchpoints (Valentika et al., 2020).

Given the pivotal role of entrepreneurial marketing and digital resilience, their combined impact on business performance warrants further exploration (Ouragini & Lakhal, 2024). Understanding how digital marketing resilience mediates the relationship between entrepreneurial marketing and business performance can provide valuable insights for service SMEs seeking to enhance their competitive advantage (Hacioglu et al., 2012). Such insights not only contribute to theoretical advancements in economic and management studies but also offer practical implications for developing robust strategies that align with the dynamic demands of the modern marketplace (Medase & Barasa, 2019).

Despite the growing recognition of SMEs as key economic contributors, many face persistent challenges in achieving sustainable business performance. Data from the World Bank indicates that SMEs account for approximately 90% of global businesses and more than 50% of employment worldwide, yet many struggle to maintain growth due to limited resources, constrained access to technology, and the inability to adapt to digital advancements. In Indonesia, SMEs contribute 60.5% to the national GDP and absorb 96.9% of the workforce, according to the Ministry of Cooperatives and SMEs. However, a study by (Hasibuan et al., 2024) revealed that only 25% of Indonesian SMEs have effectively adopted digital marketing strategies, leaving a significant gap in their potential to compete in the increasingly digitized marketplace. This lack of digital readiness highlights a pressing need for SMEs to build resilience in their digital marketing practices to sustain their competitive edge (Hasibuan et al., 2024).

Furthermore, service-based SMEs face additional hurdles due to the intangible and experiential nature of their offerings. Effective entrepreneurial marketing strategies can help bridge these gaps by fostering innovation and responsiveness to market dynamics (Shukla et al., 2024). However, studies show that without digital marketing resilience, even well-crafted entrepreneurial marketing strategies may fail to yield optimal results. For example, research conducted by (Reimann et al., 2022) indicates that 60% of SMEs in Southeast Asia reported a decline in customer engagement when their digital strategies were disrupted. This underscores the critical importance of integrating resilience into digital marketing practices to mitigate risks and enhance business performance (Morgan, 2012). Consequently, the interplay between entrepreneurial marketing, digital marketing resilience, and business performance emerges as a compelling area of investigation, particularly for service-based SMEs operating in dynamic and competitive environments (Kamboj & Rahman, 2015).

While numerous studies have explored the impact of entrepreneurial marketing on business performance, as well as the role of digitalization in enhancing marketing effectiveness, research addressing the specific mediating role of digital marketing resilience remains limited (Hu & Lyu, 2024). Existing literature often treats digital marketing as a static capability rather than a dynamic resilience factor that enables organizations to adapt to disruptions and capitalize on opportunities in a volatile digital landscape (Sayed & Dayan, 2024). Moreover, few studies have specifically examined this relationship within the context of service-based SMEs, which are uniquely dependent on customer engagement and experiential marketing (Pham et al., 2017). This gap underscores the need for empirical investigations to bridge the theoretical and practical understanding of how digital marketing resilience mediates the relationship between entrepreneurial marketing and business performance, offering insights that are both contextually relevant and actionable for SMEs in service industries (Bag et al., 2023).

The novelty of this research lies in its focus on digital marketing resilience as a mediating variable in the relationship between entrepreneurial marketing and business performance, particularly within the context of service-based SMEs (Hasibuan et al., 2024). Unlike previous studies that primarily examine entrepreneurial marketing or digital strategies in isolation, this study integrates these dimensions to highlight the adaptive capacity required for SMEs to thrive in a rapidly evolving digital economy (Amin et al., 2024). By situating digital marketing resilience as a dynamic enabler rather than merely a supportive function, this research provides a fresh perspective on how SMEs can sustain competitive advantage amidst technological disruptions. Additionally, this study contributes to the underexplored context of service-based SMEs, offering unique insights into how these enterprises can leverage resilience in their digital marketing efforts to drive superior business outcomes (Banerji & Singh, 2024).

The novelty of this study is grounded in the Resource-Based View (RBV) Theory, which emphasizes the strategic importance of unique, valuable, and inimitable resources in achieving competitive advantage (Amin et al., 2024). Digital marketing resilience aligns with this theoretical framework as a dynamic capability that enables SMEs to adapt to technological changes and market uncertainties. By examining how digital marketing resilience mediates the relationship between entrepreneurial marketing and business performance, this study extends RBV Theory by framing resilience not only as a resource but also as a process that amplifies the effectiveness of entrepreneurial marketing strategies (Salameh et al., 2022). The RBV Theory is particularly relevant because it provides a robust lens to analyze how service-based SMEs can optimize their internal capabilities to achieve sustainable business outcomes, especially in a digitalized and competitive environment. This theoretical alignment underscores the contribution of this research to both academic discourse and practical applications (Algharabat, 2017).

The primary objective of this research is to examine the mediating role of digital marketing resilience in the relationship between entrepreneurial marketing and business performance within

the context of service-based SMEs. Specifically, the study aims to identify how entrepreneurial marketing strategies, characterized by innovation, adaptability, and proactiveness, contribute to business performance when complemented by robust digital marketing resilience. By exploring this relationship, the research seeks to provide empirical evidence on the strategic importance of integrating resilience into digital marketing practices, offering actionable insights for SMEs to enhance their competitive advantage and sustain growth in an increasingly dynamic and digitalized market environment.

Entrepreneurial Marketing

Entrepreneurial marketing refers to the strategic application of entrepreneurial principles to marketing activities, characterized by innovation, risk-taking, proactiveness, and resource leveraging (Jamil et al., 2022). Unlike traditional marketing, which tends to be more structured and reactive, entrepreneurial marketing is often marked by creativity and flexibility in responding to opportunities and challenges in the market. It involves dynamic and aggressive approaches to market development, customer engagement, and competitive positioning. Key aspects of entrepreneurial marketing include identifying niche markets, taking calculated risks, and rapidly adapting to market changes to gain a competitive edge (Khaki & Khan, 2024).

For service-based SMEs, entrepreneurial marketing is particularly vital due to the intangible and experiential nature of their offerings. Service SMEs must innovate continuously and adapt quickly to customer preferences, technological trends, and market changes to remain competitive (Banerji & Singh, 2024). Entrepreneurial marketing enables these businesses to differentiate themselves by crafting unique customer experiences and creating a strong brand identity in crowded markets. Additionally, service SMEs often face resource constraints, making entrepreneurial marketing an effective tool for leveraging limited resources to maximize their market reach and impact, thereby increasing their chances of long-term survival and growth (Al-Dmour et al., 2023).

H1: Entrepreneurial marketing has an impact on the performance of MSME businesses.

H2: Entrepreneurial marketing has an impact on digital marketing resilience

Digital Marketing Resilience

Digital marketing resilience refers to the ability of a company to adapt and thrive in the face of digital disruptions, evolving technologies, and changes in consumer behavior (Wibowo et al., 2020). It encompasses the strategic and operational capacity to not only recover from challenges but also innovate and capitalize on digital opportunities to enhance marketing efforts. Digital marketing resilience involves agility in adopting new tools, platforms, and strategies, and ensuring continuity of marketing functions during technological shifts or crises. It allows businesses to sustain their digital marketing operations, ensuring that they remain effective and responsive to external pressures, such as shifts in online platforms or changes in consumer expectations (Hu & Lyu, 2024).

For service SMEs, digital marketing resilience is crucial due to their reliance on digital touchpoints to interact with customers and deliver services (Ao et al., 2023). As service SMEs often have limited resources and digital infrastructure, building resilience in digital marketing practices allows them to adapt to changes in digital platforms, such as social media algorithms or e-commerce tools, while maintaining customer engagement. By enhancing digital marketing resilience, service SMEs can ensure that their marketing efforts remain consistent and effective, even in the face of challenges like technological disruptions or market shifts (Umair Manzoor et al., 2020). This adaptability not only helps sustain customer loyalty but also enables service SMEs to seize new opportunities in the ever-evolving digital landscape.

H3: Digital marketing resilience has an impact on the MSME businesses.

H4: Digital marketing resilience mediates entrepreneurial marketing on MSME business performance.

Business Performance

Business performance is a measure of an organization's ability to achieve its objectives, both financially and operationally (Tafesse & Wien, 2018). It encompasses various dimensions, such as profitability, market share, customer satisfaction, and growth. Business performance is typically evaluated through key performance indicators (KPIs) that assess both short-term outcomes and long-term sustainability. Strong business performance is often a result of effective strategy implementation, efficient resource management, and the ability to respond to market conditions (Alalwan, 2018). The relationship between marketing strategies and business performance is well-documented, with effective marketing driving customer acquisition, retention, and overall market success.

For service SMEs, business performance is intricately tied to customer satisfaction and retention, making effective marketing strategies critical to their success (Nuryakin & Ardyan, 2018). Since service delivery relies heavily on customer interactions, enhancing business performance requires delivering exceptional customer experiences and maintaining strong customer relationships (Joshi et al., 2023). Entrepreneurial marketing and digital marketing resilience play pivotal roles in driving business performance by ensuring that service SMEs can adapt to customer needs, differentiate themselves in a competitive market, and continuously innovate their service offerings. By improving marketing strategies and building resilience, service SMEs can improve both their financial performance and operational efficiency, leading to sustainable growth and a strong market presence (Godey et al., 2016).

Digital Marketing Resilience H3

Entrepreneurial Marketing H1

Entrepreneurial Marketing H1

Figure 1. Empirical Model

Source: Processed by researchers

METHODS

Using a quantitative research strategy (Edmonds & Kennedy, 2017), this study looks at how service-based SMEs' entrepreneurial marketing, digital marketing resilience, and company performance are related. Since this study will include measuring variables and evaluating hypotheses to determine statistical relationships, quantitative research is the way to go. The research will center on small and medium-sized service businesses in Indonesia, which are an important part of the country's economy but encounter special difficulties when it comes to using digital marketing and staying in business.

According to the Indonesian Ministry of Cooperatives and SMEs, 13,118 small and medium-sized enterprises (SMEs) providing services make up the population for this study. One hundred

participants are determined to be an adequate sample size by applying the Slovin method and assuming a 10% margin of error. The results will be reliable and valid because this sample size is big enough to be representative of the population. Our sample strategy guarantees that our findings are representative of Indonesia's service-based SMEs as a whole.

Table 1. Conceptual Definitions

| Table 1. Conceptual Definitions | | | | | | |
|---------------------------------|---|---|--|--|--|--|
| Variable | Definition | Indicator | | | | |
| Entrepreneurial Marketing | Entrepreneurial marketing refers to the strategic application of entrepreneurial principles to marketing activities, characterized by innovation, risk-taking, proactiveness, and resource leveraging. | Innovativeness Proactiveness Risk-taking Resource Leveraging Customer Intimacy (Joshi et al., 2023) | | | | |
| Digital Marketing Resilience | Digital marketing resilience refers to the ability of a company to adapt and thrive in the face of digital disruptions, evolving technologies, and changes in consumer behavior. It encompasses the strategic and operational capacity to not only recover from challenges but also innovate and capitalize on digital opportunities to enhance marketing efforts. | Adaptability to Technological Change Continuous Innovation Crisis Management Data-Driven Decision Making Customer Engagement Continuity Agility in Digital Campaigns (Edmonds & Kennedy, 2017) | | | | |
| Business Performance | Business performance is a measure of an organization's ability to achieve its objectives, both financially and operationally. It encompasses various dimensions, such as profitability, market share, customer satisfaction, and growth. Business performance is typically evaluated through key performance indicators (KPIs) that assess both short-term outcomes and long-term sustainability. | Profitability Market Share Growth Customer Satisfaction Operational Efficiency Revenue Growth (Wibowo et al., 2020) | | | | |

Source: Processed by researchers

A systematic questionnaire will be distributed through Google Forms in order to gather data. This approach permits extensive and efficient data collecting, allowing participants from many places to take part in the research (Edmonds & Kennedy, 2017). An appropriate method for investigating

intricate correlations between numerous variables, SmartPLS is a Partial Least Squares Structural Equation Modeling (PLS-SEM) approach that will be used to analyze the gathered data. By using this method, we can examine the mediating role of digital marketing resilience in the connection between entrepreneurial marketing and company success, as well as its direct and indirect consequences.

RESULT AND DISCUSSION

In order to establish the indicators' validity and reliability, the outer model is first measured. According to Edmonds and Kennedy (2017), the loading factor value shouldn't be less than 0.7; also, if the correlation value is less than 0.7, the indication is eliminated. All indicators surpass 0.7, demonstrating strong convergent validity, according to the test results (Figure 2 and Table 2).

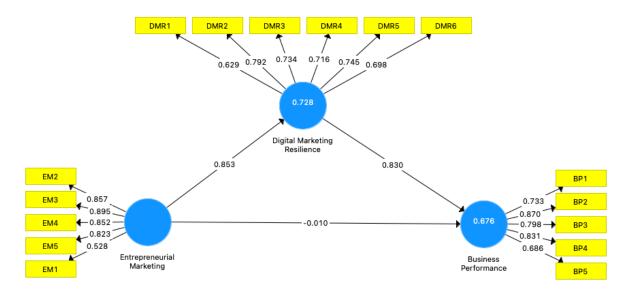


Figure 2. Loading Factor

Source: Processed by researchers

Table 2. Variables, Indicators, Loading Factors

| Indicator | Business Performance | Digital Marketing Resilience | Entrepreneurial Marketing | |
|-----------|-------------------------|---------------------------------|------------------------------|--|
| BP1 | 0,733 | | | |
| BP2 | 0,870 | | | |
| BP3 | 0,798 | | | |
| BP4 | 0,831 | | | |
| BP5 | 0,786 | | | |
| DMR1 | | 0,629 | | |
| DMR2 | | 0,792 | | |
| DMR3 | | 0,734 | | |
| DMR4 | | 0,716 | | |
| DMR5 | | 0,745 | | |
| DMR6 | | 0,798 | | |
| EM2 | | | 0,857 | |
| EM3 | | | 0,895 | |

| EM4 | 0,852 |
|-----|-------|
| EM5 | 0,823 |
| EM1 | 0,728 |

Source: Processed by researchers

The validity of the indicators was assessed using SmartPLS, with the results showing satisfactory loadings for all items across the three constructs. For Business Performance, the indicator loadings ranged from 0.733 to 0.870, indicating strong convergent validity, as all values exceeded the threshold of 0.70. Similarly, for Digital Marketing Resilience, the loadings ranged from 0.629 to 0.798, with most indicators above the acceptable threshold, except for DMR1, which had a loading of 0.629, suggesting that it might require further evaluation or refinement. In the case of Entrepreneurial Marketing, the loadings varied from 0.728 to 0.895, with all indicators exceeding the 0.70 threshold, demonstrating strong construct validity. Overall, the results suggest that all constructs exhibit adequate validity, as the indicator loadings are consistent with the standards for acceptable measurement model fit.

The value of the reliability construct for each variable is examined in the second step. If the calculated value of the reliability construct for each variable is greater than 0.6, then the model construct is considered to have a good one. This is shown in table 3.

Table 3. Reliability Construct

| Variable | Cronbach's Alpha | rho_A | Composite Reliability | Average Variance Extracted (AVE) |
|---------------------------------|---------------------|-------|--------------------------|-------------------------------------|
| Business Performance | 0,844 | 0,857 | 0,889 | 0,618 |
| Digital Marketing Resilience | 0,814 | 0,818 | 0,866 | 0,519 |
| Entrepreneurial Marketing | 0,853 | 0,877 | 0,898 | 0,644 |

Source: Processed by researchers

The reliability and validity of the measurement model were assessed using several indices, including Cronbach's Alpha, rho_A, Composite Reliability (CR), and Average Variance Extracted (AVE). For Business Performance, the Cronbach's Alpha (0.844) and rho_A (0.857) indicate good internal consistency, while the Composite Reliability (0.889) suggests that the construct is highly reliable. The AVE value of 0.618 exceeds the recommended threshold of 0.50, indicating adequate convergent validity. For Digital Marketing Resilience, the Cronbach's Alpha (0.814) and rho_A (0.818) also demonstrate good internal consistency, and the Composite Reliability (0.866) is above the acceptable threshold, reflecting strong reliability. However, the AVE value of 0.519 is slightly below the ideal threshold of 0.60 but still indicates acceptable convergent validity. Finally, Entrepreneurial Marketing shows excellent internal consistency with a Cronbach's Alpha of 0.853 and rho_A of 0.877, while the Composite Reliability (0.898) confirms its reliability. The AVE of 0.644 is well above the 0.50 threshold, confirming strong convergent validity. Overall, these results demonstrate that all variables possess satisfactory reliability and validity, supporting the robustness of the measurement model in this study.

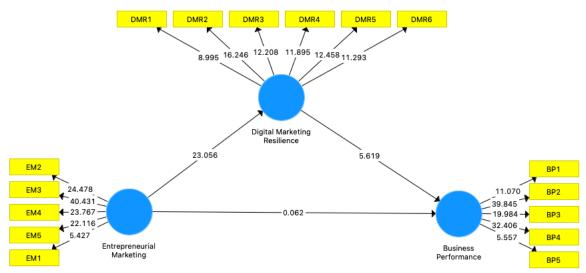
To assess the anticipated association between hidden variables or structural models, the next step is to examine R-square. The structural model is displayed in Figure 3, and the R-squared values are displayed in Table 4.

Table 4. Value of R Square

| Variable | R Square | R Square Adjusted |
|---------------------------------|----------|-------------------|
| Business Performance | 0,676 | 0,669 |
| Digital Marketing Resilience | 0,728 | 0,725 |

Source: Processed by researchers

Figure 3. Structural Equation Model



Source: Processed by researchers

The R-squared (R²) and Adjusted R-squared (R² adjusted) values indicate the explanatory power of the model and how well the independent variables predict the dependent variables. For Business Performance, the R² value of 0.676 suggests that approximately 67.6% of the variation in business performance is explained by the model, which is considered a substantial level of explanation in social sciences. The adjusted R² value of 0.669, which accounts for the number of predictors in the model, is slightly lower but still indicates a strong model fit, showing that the variables in the model have a meaningful contribution to explaining business performance.

For Digital Marketing Resilience, the R² value of 0.728 indicates that 72.8% of the variance in digital marketing resilience is explained by the model, which is relatively high, suggesting a strong relationship between the predictors and digital marketing resilience. The adjusted R² value of 0.725 further confirms the robustness of the model, showing that after adjusting for the number of predictors, the model remains highly effective in explaining the variance in digital marketing resilience. Overall, these R² values reflect that the model has a good explanatory power for both business performance and digital marketing resilience.

Last of the level, in SmartPLS, hypothesis testing is primarily based on evaluating path coefficients, t-values, and p-values. To assess the significance of relationships between constructs, the path coefficients indicate the strength and direction of the relationships. A path coefficient above 0.10 is generally considered meaningful. The t-value, derived from bootstrapping, must exceed 1.96 (for a two-tailed test at a 5% significance level) to indicate statistical significance. If the t-value is greater than 1.96, the relationship is deemed significant, while a p-value less than 0.05 confirms the significance of the path. Additionally, for model quality, the R² value is used to assess the model's explanatory power, with values above 0.50 indicating a substantial fit. AVE (Average Variance Extracted) should be above 0.50 to ensure convergent validity, while Cronbach's Alpha and

Composite Reliability values above 0.70 ensure construct reliability. These criteria collectively determine the robustness and validity of the hypotheses tested in SmartPLS.

Table 5. Hypothesis Test

| | Tuble of Thypotheolo Test | | | | |
|-------------------|---------------------------|--------------------|----------------------------------|--------------------------|----------|
| Hypothesis | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
| Digital Marketing | | | | | |
| Resilience -> | 0.020 | 0.020 | 0,148 | 5,619 | 0,000 |
| Business | 0,830 | 0,828 | | | |
| Performance | | | | | |
| Entrepreneurial | | | | | |
| Marketing -> | 0.010 | 0.002 | 0.171 | 0.062 | 0.051 |
| Business | -0,010 | -0,003 | 0,161 | 0,062 | 0,951 |
| Performance | | | | | |
| Entrepreneurial | | | | | |
| Marketing -> | 0.052 | 0.052 | 0.027 | 22.056 | 0.000 |
| Digital Marketing | 0,853 | 0,853 | 0,037 | 23,056 | 0,000 |
| Resilience | | | | | |
| Entrepreneurial | | | | | |
| Marketing -> | | | | | |
| Digital Marketing | 0.700 | 0.707 | 0.125 | E //E | 0.000 |
| Resilience -> | 0,708 | 0,706 | 0,125 | 5,665 | 0,000 |
| Business | | | | | |
| Performance | | | | | |
| C D 114 | 2024 | | | | |

Source: Processed data, 2024

DISCUSSION

Entrepreneurial marketing has an impact on the performance of MSME businesses.

The results of the hypothesis testing show that the path coefficient between Entrepreneurial Marketing and Business Performance is not statistically significant, with a t-statistic of 0.062 and a p-value of 0.951. Since the t-statistic is well below the critical value of 1.96 and the p-value is much higher than 0.05, the null hypothesis cannot be rejected. This indicates that Entrepreneurial Marketing does not have a significant direct effect on Business Performance in this study, suggesting that other factors may play a more substantial role in determining the performance outcomes of businesses in this context.

Several previous studies provide insights into why Entrepreneurial Marketing might not directly influence business performance in some contexts. For example, a study by (Farrukh et al., 2023) found that while entrepreneurial behaviors, such as risk-taking and innovation, can contribute to business success, the effects are often mediated by other variables such as market conditions or internal capabilities. Similarly, research by (Hidayat & La Are, 2018) suggests that the impact of entrepreneurial marketing strategies on business performance can be indirect, often requiring a combination of factors like organizational resources, management capabilities, and customer relations to fully realize performance improvements.

This finding can be understood through the lens of Resource-Based View (RBV) theory, which emphasizes that sustainable competitive advantage and business performance are often driven by the unique resources and capabilities a firm possesses. Entrepreneurial marketing, which involves risk-taking, innovation, and proactivity, may enhance business opportunities, but its direct impact on performance might be contingent upon how these entrepreneurial behaviors align with the

firm's internal resources and market conditions. Therefore, while entrepreneurial marketing is essential, it may not always produce immediate or direct results unless complemented by other strategic elements.

From a practical standpoint, the lack of direct impact observed in this study highlights the complexity of business performance. Entrepreneurial marketing may play an important role in shaping a firm's culture and future opportunities, but it alone may not be sufficient to drive significant improvements in performance. Businesses, especially SMEs, need to recognize that entrepreneurial marketing strategies should be integrated with other factors such as effective resource management, technological adoption, and customer relationships. As a result, firms should consider a holistic approach, where entrepreneurial marketing is one part of a broader strategy that includes innovation, resilience, and efficient operations to achieve measurable business success.

Entrepreneurial marketing has an impact on digital marketing resilience

A t-statistic of 23.056 and a p-value of 0.000 indicate that the hypothesis testing findings demonstrate a highly significant path coefficient between Entrepreneurial Marketing and Digital Marketing Resilience. With a p-value lower than 0.05 and a t-statistic much higher than the critical value of 1.96, the null hypothesis is rejected. It may be concluded that Entrepreneurial Marketing greatly enhances Digital Marketing Resilience. Digital marketing campaigns that embrace entrepreneurial mindsets—ones that prioritize innovation, risk-taking, and proactive measures—are more likely to succeed.

Several previous research have found support for this association. When it comes to establishing resilience in the face of changing market conditions and technological breakthroughs, research by Wikaningtyas et al. (2022) reveals that entrepreneurial marketing generates an environment of creativity and flexibility. In a similar vein, research by Ernita et al. (2024) shows that companies whose marketing departments are more entrepreneurial are better able to respond to digital disruptions by embracing new technology, improving their methods for engaging customers, and retaining their competitive advantages. According to these results, digital marketing resilience is driven in large part by the proactive and innovative marketing activities that are characteristic of entrepreneurial marketing.

This connection is in line with Dynamic Capabilities Theory, which states that adapting to new surroundings depends on a company's capacity to integrate, develop, and reorganize its internal and external skills. To become resilient in the face of digital marketing challenges, businesses can adopt an entrepreneurial marketing strategy that prioritizes being proactive and adaptable. Adapting and evolving digital marketing tactics is crucial for firms to succeed in today's fast-paced digital world. Entrepreneurial marketing plays a key role in this process.

From a more pragmatic standpoint, the findings of this study highlight the significance of cultivating an entrepreneurial attitude in marketing in order to strengthen digital marketing resilience. Businesses in today's fast-paced digital world need to innovate often and take smart risks if they want to survive. A culture that is open to new ideas, quick to adapt, and responsive to shifts in the market can be fostered through entrepreneurial marketing. This ensures the success of digital marketing campaigns over the long term by helping firms adapt to new technology, stay engaged with customers, and endure digital disruptions.

Digital marketing resilience has an impact on the MSME businesses.

There is a statistically significant relationship between digital marketing resilience and business performance, according to the hypothesis testing results (t-statistic = 5.619, p-value = 0.000). There is a positive and statistically significant relationship between digital marketing resilience and

business performance, since the t-statistic is higher than the significance level of 1.96 and the p-value is lower than 0.05. Hence, the null hypothesis is rejected. Consistent with the predictions of the research model, this proves that companies with stronger digital marketing resilience generally have superior performance results.

Digital marketing resilience is positively correlated with company performance, according to previous research. For example, according to studies (Ozdemir et al., 2023), companies that can swiftly adjust and bounce back from digital disruptions have a better chance of retaining their competitive edge and performing at a higher level. Digital marketing resilience also aids companies in keeping up with the ever-shifting digital world, which is crucial for maintaining or enhancing market positions, according to research (Godey et al., 2016). These results provide more evidence that robust digital marketing tactics are critical to modern company success.

The ability to adjust, bounce back, and prosper in the face of adversity is a key component of long-term success, according to Resilience Theory, which lends credence to these findings. The capacity to swiftly modify marketing tactics, incorporate new technology, and sustain consumer involvement in the face of market or technology upheavals is what we mean when we talk about resilience in the context of digital marketing. The study found a positive association between digital marketing resilience and business performance, which may be explained by the importance of this adaptive capacity in maintaining performance despite adversities.

Practically speaking, the occurrence highlighted by this study illustrates how crucial it is to be nimble and adaptable in the digital marketing sphere. More and more companies are putting their marketing efforts on digital platforms. To succeed in the long run, you need to be able to adapt fast to changes in technology, client expectations, and outside influences. Businesses can't just survive, they can thrive, when they can maintain effective digital marketing strategies in everchanging circumstances. In particular, this is true for SMEs, who have a harder time keeping up with the latest digital trends yet stand to gain a lot by building resilience in their digital marketing strategies.

Digital marketing resilience mediates entrepreneurial marketing on MSME business performance.

A t-statistic of 5.665 and a p-value of 0.000 reflect the statistical significance of the indirect influence of entrepreneurial marketing on business performance through digital marketing resilience, according to the results of the hypothesis testing. Digital marketing resilience strongly mediates the association between entrepreneurial marketing and business performance, since the t-statistic is greater than 1.96 and the p-value is less than 0.05, rejecting the null hypothesis. What this means is that digital marketing resilience mediates the influence of entrepreneurial marketing, which may not have an effect on business performance directly but leads to better performance results.

This result agrees with earlier studies that looked at resilience's mediating function in company strategy. For instance, according to studies conducted by (Alalwan, 2018), firms can boost the effectiveness of entrepreneurial marketing tactics by building resilience, especially in the digital sphere. The capacity to swiftly adopt new marketing strategies and adjust to digital disruptions are crucial components of digital marketing resilience, according to research (Kikawa et al., 2022), which aids companies in sustaining or enhancing performance in the face of market fluctuations and uncertainty. In order to obtain better business results, these studies highlight the significance of combining entrepreneurial marketing with digital resilience.

Resource-Based View (RBV) and Dynamic Capabilities Theory provide light on the findings. In order to be competitive in ever-changing markets, businesses need marketing techniques that foster innovation and entrepreneurship. Businesses have a better chance of turning these capabilities into

performance benefits when they combine these strategies with digital marketing resilience, which is the capacity to quickly adjust and optimize digital channels. The mediation effect of digital marketing resilience suggests that entrepreneurial marketing's emphasis on flexibility and new ideas can only boost company performance when backed by digital marketing strategies that are resilient enough to weather market fluctuations and technological advancements.

From a more pragmatic standpoint, this finding emphasizes the significance of combining entrepreneurial marketing strategies with digital marketing resilience to boost company performance. Organizations that prioritize innovation, boldness, and initiative (as exhibited in entrepreneurial marketing) ought to also put resources into cultivating the adaptability and flexibility necessary for digital resilience. Doing so will allow businesses to better handle digital disruptions and use these skills to their advantage for improved performance. This strategy works wonders for SMEs, or small and medium-sized businesses. By establishing a solid groundwork in digital marketing resilience and integrating entrepreneurial marketing strategies, SMEs can gain a competitive edge and thrive in the ever-changing digital marketplace.

CONCLUSION

The connections between entrepreneurial marketing, digital marketing resilience, and company performance are elucidated in this study. Research shows that digital marketing resilience significantly improves company performance. This means that companies who are more resilient in this area are more likely to succeed. In addition, the study discovered that entrepreneurial marketing has a significant influence on improving business success through the mediation of digital marketing resilience, even if it does not directly affect business performance. This indicates that resilient digital marketing tactics, which include entrepreneurial marketing tactics like innovation and risk-taking, are more effective in enhancing performance.

Although this study did offer some useful insights, it does have a few drawbacks that need to be pointed out. To start with, it's hard to tell how relationships have changed over time or how long-term impacts have been felt because the research is cross-sectional, meaning it only records data at one point in time. Additionally, the study's narrow scope on Indonesian SMEs in the service sector limits the study's potential applicability to other sectors or nations. The results may also be skewed due to biases introduced by self-reported survey data, such as social desirability or erroneous self-evaluation.

Additionally, this study has many shortcomings related to its methodology. The possibility of omitted variable bias is one such constraint. This occurs when the model fails to account for relevant elements that may impact company performance, such as external market conditions, organizational culture, or managerial talents. The static and complex character of digital resilience in different settings and sectors may not have been adequately captured by the few measures used to quantify digital marketing resilience.

To get around these constraints, future studies should use a longitudinal design to look at how entrepreneurial marketing and digital marketing resilience affect company performance in the long run. The results would be more applicable to a broader range of situations if the research had included a larger range of sectors and locations. To fully understand the connection between entrepreneurial marketing and company success, future research might look at additional mediating variables including customer loyalty and organizational innovation. In order for companies to succeed in the ever-changing digital world, this kind of research would help them better understand how to maximize their marketing strategy.

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