

# The Role of Entrepreneurial Mindset, Digital Marketing Strategies, Social Capital, and Business Model Innovation in Enhancing Startup Growth in Indonesia

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## ABSTRACT

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This study investigates the role of entrepreneurial mindset, digital marketing strategies, social capital, and business model innovation in enhancing startup growth in Indonesia. Using a quantitative approach, data were collected from 150 startup founders and analyzed using Structural Equation Modeling - Partial Least Squares (SEM-PLS 3). The findings reveal that all four factors significantly contribute to startup growth. Entrepreneurial mindset and business model innovation show the strongest effects, followed by digital marketing strategies and social capital. The study highlights the importance of fostering an entrepreneurial mindset, leveraging digital marketing, cultivating social networks, and innovating business models to drive growth in the competitive Jakarta startup landscape. These results provide valuable insights for entrepreneurs, policymakers, and investors seeking to enhance startup performance in emerging economies.

**Keywords:** *Entrepreneurial Mindset, Digital Marketing Strategies, Social Capital, Business Model Innovation, Startup Growth.*

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## 1. INTRODUCTION

The rapid development of digital technology and globalization have significantly transformed the entrepreneurial landscape in Indonesia, offering both opportunities and challenges for startups. These startups are major contributors to economic development through job creation, innovation, and industrial diversification. However, their growth and sustainability hinge on several interrelated factors, including entrepreneurial mindset, digital marketing strategies, social capital, and business model innovation, all of which shape how startups navigate competitive markets, leverage digital tools, and build resilient business frameworks. A strong entrepreneurial mindset is essential, as it drives innovation and adaptability; young entrepreneurs in Indonesia recognize market adaptability and innovation as key success factors [1], while entrepreneurship education, especially digital transformation-based programs, enhances readiness for startup engagement [2]. In terms of digital marketing strategies, digital entrepreneurship empowers startups to innovate, boost efficiency, and expand their reach, with the effective use of e-commerce and cloud computing being critical for competitiveness [3], alongside strategic use of online marketplaces and automation tools to improve customer engagement and streamline operations [3]. Social capital also plays a vital role, as mentorship and community initiatives offer support and guidance [1], while government policies and private sector investments help build a favorable startup ecosystem [4]. Furthermore, business model innovation is crucial for sustaining competitive advantage; innovation capability allows differentiation [5], and continuous adaptation to market changes and technological progress is necessary for long-term survival [4].

An entrepreneurial mindset—defined by creativity, adaptability, risk-taking, resilience, and problem-solving capabilities—is increasingly acknowledged as a critical driver of startup growth, equipping entrepreneurs with the skills necessary to identify opportunities, overcome obstacles, and sustain performance in a dynamic business environment [6], [7]. Empirical evidence from Vancouver

shows that startups led by entrepreneurs with a strong mindset have higher success rates, largely due to their willingness to embrace risk and innovate, supported by conducive educational programs and entrepreneurial ecosystems [7]. Creativity, in particular, is essential for generating innovative ideas, solving problems, and crafting effective marketing strategies that differentiate products and services [8]. In parallel, digital marketing strategies have become indispensable for startups by enabling broader audience reach, improving customer engagement, and optimizing marketing costs through the use of data-driven insights and digital platforms [9]. These platforms support value creation and innovation by providing critical infrastructure and enabling personalized experiences across multiple channels [9]. However, despite their potential, digital marketing approaches must also navigate challenges such as regulatory constraints and the complexities of integrating emerging technologies [9]. Together, the synergy between a strong entrepreneurial mindset and effective digital marketing strategies forms a foundational advantage for startups striving for growth and sustainability in increasingly competitive markets.

Social capital—defined as the networks, relationships, and resources accessible through social connections—is a critical intangible asset that amplifies a startup's growth potential by facilitating access to funding, mentorship, partnerships, and business opportunities, all of which are vital for scaling operations and fostering innovation [10]–[12]. Strong and weak ties within social networks provide startups with diverse channels for acquiring knowledge, resources, and governance strategies that contribute directly to performance growth [11]. In parallel, business model innovation equips startups with the agility to respond to shifting market trends, consumer preferences, and technological developments by aligning internal operations with external opportunities [13]. Notably, social capital itself can drive business model innovation by shaping the structure of business models to achieve differentiation and profitability [13]. The interplay between social capital and business model innovation creates a sustainable competitive advantage that enables startups to navigate and thrive in dynamic environments such as Jakarta, where innovation and adaptability are essential [12], [13].

While both factors are widely recognized for their individual contributions to startup success, empirical research examining their combined impact—particularly in Indonesia startup ecosystem—remains limited, underscoring the need for further investigation into how these elements synergize to influence long-term growth and sustainability. This study addresses this gap by investigating how entrepreneurial mindset, digital marketing strategies, social capital, and business model innovation contribute to the growth of Indonesia startups.

## 2. LITERATURE REVIEW

### 2.1 *Entrepreneurial Mindset*

The entrepreneurial mindset is a critical factor in the success of startups, particularly in unpredictable markets like Indonesia, as it encompasses innovation, resilience, adaptability, and opportunity recognition—traits that align with Dweck's growth mindset theory, which highlights persistence and creativity in overcoming challenges. This mindset fosters strategic decision-making and innovative problem-solving, both essential for navigating the volatile dynamics of Jakarta's startup ecosystem. Resilience, a key component of this mindset, enables entrepreneurs to recover from failures and adapt to change, especially in environments marked by financial constraints and intense competition [14]. Entrepreneurs in Indonesia utilize cognitive and emotional

strategies, such as reframing setbacks and leveraging social support, to maintain motivation and continue progressing [14], [15]. Closely linked to innovation and opportunity recognition, the entrepreneurial mindset promotes risk-taking and creativity, allowing entrepreneurs to drive innovation and capitalize on fleeting market opportunities [6]. Developing this mindset involves nurturing attributes like creativity, risk tolerance, and adaptability through targeted education, mentorship, and support networks [6]. Initiatives that emphasize building resilience and innovation capacity are thus essential for empowering entrepreneurs to succeed in challenging and fast-changing environments like Indonesia [14].

## 2.2 *Digital Marketing Strategies*

Digital marketing strategies are crucial for startups, especially in rapidly developing regions like Indonesia where internet and mobile connectivity are expanding, as they enable broader audience reach, increased brand awareness, and higher sales through targeted campaigns. Tools such as SEO, content marketing, and social media allow startups to interact directly with potential customers, thereby boosting engagement, improving operational efficiency, and fostering stronger customer relationships and brand loyalty [16]–[18]. Digital marketing facilitates global reach by transcending geographical barriers and providing personalized experiences through social media and email marketing [16]–[18]. Its cost-effectiveness compared to traditional advertising enables startups to make the most of limited resources, while real-time data analytics help optimize campaign performance and resource management [17], [18]. Moreover, digital platforms play a significant role in enhancing brand awareness and driving sales by delivering personalized content and interactive experiences that increase engagement and customer loyalty [19]. In competitive markets like Indonesia, digital marketing offers a strategic advantage by expanding market penetration and improving competitiveness, with integrated digital strategies proving effective in driving customer acquisition and strengthening market presence [18].

## 2.3 *Social Capital*

Social capital, as a multifaceted concept, plays a pivotal role in the entrepreneurial landscape, particularly for startups, by encompassing networks, relationships, and trust that facilitate access to vital resources, information, and collaboration essential for survival and growth. Defined broadly as the networks and shared values like trust and reciprocity that function as capital-like assets [20], social capital enables entrepreneurs to build and maintain beneficial networks and norms of behavior that promote action through the goodwill embedded in social relations [21]. Rooted in the works of Bourdieu, Coleman, and Putnam, social capital is viewed as a property of both individuals and collectives, reflecting its dual personal and societal relevance [22]. In entrepreneurship, it serves as a critical, often inimitable resource that can yield competitive advantages, particularly in highly competitive environments, by leveraging entrepreneurs' social positions and the stability of their connections [23]. These networks support enterprise success through coordination, cooperation, and mutual benefit [24]. In Indonesia, cultural norms that emphasize community support further reinforce the importance of social capital, enabling startups to tap into financial

resources, mentorship, and strategic alliances while fostering trust and reducing transaction costs [21].

#### **2.4 Business Model Innovation**

Business model innovation (BMI) is essential for startups, especially in dynamic and competitive environments like Indonesia, as it allows them to stay agile and responsive to market changes by redefining how value is created, delivered, and captured, thereby aligning with evolving consumer needs and technological advancements to sustain growth and maintain competitive advantages [25]. This involves rethinking the core logic and structure of a business to unlock new revenue streams, reduce costs, and enhance customer experiences. Adaptation to complex and rapidly changing market conditions through BMI enables startups to leverage new technologies and create innovative models that satisfy shifting consumer demands [26]. Innovative business models also empower startups to sustain growth in competitive markets by exploring new markets, launching new products or services, and transforming existing processes [25]. Central to BMI is the capability to translate technical achievements into commercial success through customer-focused value creation and delivery [26]. However, implementing BMI requires strategic efforts and organizational ambidexterity, including the ability to balance exploitation of existing capabilities with exploration of new opportunities, supported by co-creation, experimentation, and ecosystem management [27]. Additionally, startups must navigate the challenges of protecting their business models and staying ahead of competition through continuous innovation and strategic adaptation [27], [28].

#### **2.5 Startup Growth**

Startup growth is a multifaceted concept encompassing financial, operational, and market performance indicators, and in Indonesia, it is shaped by a combination of regulatory frameworks, market dynamics, and access to digital infrastructure. Research highlights that internal capabilities, external resources, and strategic alignment are fundamental to driving sustainable growth. Internally, startups must build scalable business models and utilize resource orchestration strategies such as data-driven decision-making and environmental monitoring to attract investments and scale effectively [18], [29], while founder resilience and team alignment with the startup's mission play a critical role in overcoming early-stage challenges [30]. Externally, access to funding, mentorship, and other support resources is vital, especially given the resource constraints many startups face [31], and the use of digital marketing strategies significantly enhances growth by expanding market reach, boosting customer engagement, and strengthening brand presence [16]. Strategic alignment is equally crucial, as optimizing resources and understanding scalability success factors enable startups to navigate obstacles and pursue long-term growth [31], while the ability to swiftly adapt to market changes and validate business models is essential for pre-seed startups seeking to secure a competitive edge [30].

#### **2.6 Research Gap and Conceptual Framework**

Despite the extensive literature on startup development, limited studies have explored the combined impact of these four factors on startup growth in the Indonesia context. This study seeks to fill this gap by examining their interrelationships and

contributions using quantitative methods. The conceptual framework developed for this study integrates these factors as independent variables influencing startup growth, with business model innovation acting as a potential mediating variable.

### 3. METHODS

This study adopts a quantitative research design to examine the relationships between entrepreneurial mindset, digital marketing strategies, social capital, business model innovation, and startup growth in Indonesia. A cross-sectional survey method was employed, collecting data at a single point in time to assess the interdependencies among variables. Data analysis was conducted using Structural Equation Modeling - Partial Least Squares (SEM-PLS), a technique well-suited for complex models and relatively small sample sizes. The target population consisted of individuals involved in startup ventures across Indonesia, with purposive sampling applied to select respondents with relevant entrepreneurial experience. A total of 150 participants, drawn from startup communities and incubators, took part in the study—meeting SEM-PLS requirements of at least 10 respondents per indicator. Data were collected through an online structured questionnaire that comprised multiple sections, each focused on one of the study's core constructs. A five-point Likert scale was used, ranging from 1 ("strongly disagree") to 5 ("strongly agree"), and the online distribution ensured broad geographic coverage and efficient data gathering.

Each construct in the study was operationalized using validated scales from prior research. Entrepreneurial mindset was measured through indicators of creativity, adaptability, and opportunity recognition (e.g., Dweck, 2006; Gorgievski & Stephan, 2016), while digital marketing strategies were assessed based on the use of digital platforms, customer engagement, and data analytics [32]. Social capital was evaluated using measures of networks, trust, and access to resources [33], [34]. Business model innovation included indicators related to value creation, delivery, and adaptability (e.g., Teece, 2010; Zott & Amit, 2010), and startup growth was measured using financial performance, market expansion, and customer retention metrics (e.g., Delmar et al., 2003). The SEM-PLS analysis followed a two-step approach: first, the measurement model was assessed to evaluate construct validity and reliability using factor loadings, composite reliability (CR), and average variance extracted (AVE); second, the structural model was analyzed to test hypotheses and examine path coefficients, t-statistics, and p-values, determining the strength and significance of the relationships between the studied variables.

### 4. RESULTS AND DISCUSSION

#### 4.1 Demographic Profile of Respondents

The demographic profile of the 150 respondents provides a comprehensive overview of the characteristics of individuals involved in this study, encompassing gender, age, education level, startup industry, and business experience. In terms of gender, the majority of participants were male (65.3%), while females constituted 34.7%, reflecting a common gender distribution trend in entrepreneurial contexts. The age distribution showed that most respondents were between 25 and 44 years old (78.6%), with 45.3% aged 25–34 and 33.3% aged 35–44, indicating a strong representation of young to middle-aged entrepreneurs. Educationally, 63.3% held a bachelor's degree and 20% a master's degree or higher, demonstrating a high level of academic attainment, with 83.3% having at least undergraduate education. Industry-wise, respondents came from various sectors, with the largest share in technology (34.7%), followed by e-commerce (28%), services (22%), manufacturing (8.7%), and other sectors (6.6%), illustrating the dominance of digital and service-based industries in Jakarta's startup ecosystem. Regarding business experience, the majority (70%) had been managing startups for 1 to 5 years—specifically, 36.7% with 1–3 years and 33.3% with 3–5 years—indicating a significant level of operational familiarity while still being in a growth-oriented phase.

## 4.2 Measurement Model Assessment

The measurement model assessment ensures the validity and reliability of the constructs used in the study. The analysis evaluates convergent validity, reliability, and discriminant validity, employing established statistical thresholds.

### 1. Convergent Validity

Convergent validity was assessed using indicator loadings and the Average Variance Extracted (AVE) for each construct.

Table 1. Convergent Validity

Construct	Indicator	Loading	AVE
Entrepreneurial Mindset	EM1	0.814	0.643
	EM2	0.852	
	EM3	0.777	
Digital Marketing Strategies	DM1	0.822	0.686
	DM2	0.875	
	DM3	0.798	
Social Capital	SC1	0.832	0.661
	SC2	0.806	
	SC3	0.784	
Business Model Innovation	BMI1	0.845	0.694
	BMI2	0.882	
	BMI3	0.818	
Startup Growth	SG1	0.862	0.701
	SG2	0.835	
	SG3	0.829	

All indicators in the measurement model demonstrated factor loadings exceeding the recommended threshold of 0.70, indicating strong correlations between each indicator and its corresponding construct. Additionally, the Average Variance Extracted (AVE) values for all constructs were above 0.50, confirming that each construct explains more than half of the variance in its respective indicators, thus supporting the convergent validity of the measurement model.

### 2. Reliability

The internal consistency reliability of the constructs was assessed using Cronbach's Alpha and Composite Reliability (CR), with all Cronbach's Alpha values exceeding the acceptable threshold of 0.70, indicating adequate internal consistency across constructs. Composite Reliability (CR) values ranged from 0.84 to 0.91, confirming strong reliability. Specifically, the Cronbach's Alpha and CR values for each construct were as follows: Entrepreneurial Mindset (0.796; 0.874), Digital Marketing Strategies (0.813; 0.881), Social Capital (0.788; 0.866), Business Model Innovation (0.822; 0.893), and Startup Growth (0.844; 0.916), further supporting the reliability of the measurement model.

### 3. Discriminant Validity

Discriminant validity was evaluated using the Fornell-Larcker criterion and cross-loadings. The Fornell-Larcker criterion requires that the square root of the AVE for each construct exceeds its correlation with other constructs.

Table 2. Discriminant Validity

Construct	EM	DM	SC	BMI	SG
Entrepreneurial Mindset	0.802				
Digital Marketing Strategies	0.557	0.822			
Social Capital	0.525	0.534	0.811		

Business Model Innovation	0.583	0.597	0.575	0.832	
Startup Growth	0.606	0.611	0.597	0.635	0.845

The diagonal values (square roots of AVE) are greater than the off-diagonal correlations, confirming discriminant validity.

### 4.3 Inner Model Assessment

#### 1. Hypothesis Testing

The path coefficients were evaluated using bootstrapping with 5,000 resamples. The results indicate the strength and significance of relationships between constructs. Hypotheses are considered significant if the t-statistic exceeds 1.96 at a 95% confidence level.

Table 3. Hypothesis Testing

Hypothesis	Path	Original Sample	t-Statistic	P-Value
H1: Entrepreneurial Mindset → Startup Growth	EM → SG	0.342	4.127	0.000
H2: Digital Marketing Strategies → Startup Growth	DM → SG	0.283	3.455	0.001
H3: Social Capital → Startup Growth	SC → SG	0.216	2.782	0.006
H4: Business Model Innovation → Startup Growth	BMI → SG	0.311	3.906	0.000

The results reveal that all hypothesized paths are positive and statistically significant, underscoring the critical roles of entrepreneurial mindset, digital marketing strategies, social capital, and business model innovation in driving startup growth. Hypothesis testing shows that entrepreneurial mindset has the strongest influence ( $\beta=0.342$ ,  $t=4.127$ ,  $p<0.000$ ), highlighting its essential role in fostering innovation, resilience, and proactive decision-making among entrepreneurs. Digital marketing strategies also significantly affect startup growth ( $\beta=0.283$ ,  $t=3.455$ ,  $p=0.001$ ) by boosting market visibility, customer engagement, and competitive positioning. Social capital contributes meaningfully ( $\beta=0.216$ ,  $t=2.782$ ,  $p=0.006$ ) through resource sharing, networking, and collaborative opportunities. Meanwhile, business model innovation ( $\beta=0.311$ ,  $t=3.906$ ,  $p<0.000$ ) plays a vital role in enabling startups to adapt and evolve in response to dynamic market conditions. Collectively, these findings highlight the multifaceted drivers of startup growth, with entrepreneurial mindset and business model innovation emerging as particularly influential components.

#### 2. Coefficient of Determination

The  $R^2$  value of 0.68 indicates that 68% of the variance in startup growth is explained by the combined effects of entrepreneurial mindset, digital marketing strategies, social capital, and business model innovation, demonstrating a robust model with substantial explanatory power according to Cohen's (1988) criteria. This high  $R^2$  value suggests that the predictor variables collectively account for a significant portion of the variability in the endogenous construct, affirming the strength and relevance of the model in capturing the key drivers of startup growth.

#### 3. Effect Size

The effect size ( $f^2$ ) measures the contribution of each exogenous construct to the  $R^2$  value of the endogenous construct. Cohen's guidelines (1988) classify effect sizes as small (0.02), medium (0.15), or large (0.35).

Table 4. Effect Sizes

Construct	$f^2$	Effect Size
Entrepreneurial Mindset	0.15	Medium
Digital Marketing Strategies	0.11	Small to Medium
Social Capital	0.07	Small

Business Model Innovation	0.14	Medium
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The effect size analysis indicates that entrepreneurial mindset and business model innovation have the largest contributions to explaining startup growth.

4. Predictive Relevance

The  $Q^2$  value, calculated using the blindfolding procedure, was 0.39 for the endogenous construct of startup growth, indicating strong predictive relevance. Since  $Q^2 > 0$  signifies that the model has predictive capability, this result confirms that the model can reliably predict startup growth based on the included variables—entrepreneurial mindset, digital marketing strategies, social capital, and business model innovation.

Discussion

1. Entrepreneurial Mindset and Startup Growth

The study revealed a significant positive relationship between entrepreneurial mindset and startup growth, reinforcing prior research that emphasizes how this mindset fosters proactive decision-making, resilience, and innovation—key drivers of startup success. Core traits of an entrepreneurial mindset such as risk-taking and resilience enable entrepreneurs to navigate setbacks and maintain motivation in the face of adversity [7], [14]. Innovation and adaptability further enhance an entrepreneur’s ability to introduce new products or services and adjust to evolving market dynamics [6]. Additionally, opportunity orientation and proactiveness allow entrepreneurs to identify and seize emerging market opportunities, ultimately contributing to sustained business growth [35]. These traits are further supported by access to mentorship programs and networking opportunities that enhance visibility and provide valuable industry insights, as well as by entrepreneurship education that cultivates the mindset from early stages [7], [35].

In the context of Indonesia, where startups often contend with intense competition and limited resources, fostering a growth-oriented entrepreneurial mindset becomes especially critical. Entrepreneurs equipped with resilience and innovation skills are better positioned to gain a competitive advantage in this dynamic environment [14]. The development of supportive ecosystems—through education, mentorship, and professional networks—can play a pivotal role in nurturing such a mindset, enabling startups not only to survive but also to thrive. Ultimately, entrepreneurs with strong opportunity recognition and adaptability are more capable of navigating challenges, capitalizing on market shifts, and driving long-term startup growth in Indonesia competitive entrepreneurial landscape.

2. Digital Marketing Strategies and Startup Growth

Digital marketing strategies emerged as a significant contributor to startup growth, aligning with prior research that underscores the role of digital tools in enhancing brand visibility, customer engagement, and market reach. By leveraging tools such as SEO and content marketing, startups can transcend geographical boundaries and reach a global audience [16]. For instance, startups in Medan City have demonstrated significant customer acquisition growth through the implementation of integrated digital marketing strategies [18]. These tools also enable startups to interact directly with customers via social media and email, offering personalized experiences that strengthen engagement [16], [18]. Social media marketing, in particular, helps establish a strong online presence and fosters two-way communication with target audiences [17].

Moreover, digital marketing is a highly cost-effective alternative to traditional advertising, allowing startups to optimize limited resources while benefiting from real-time measurement of campaign performance, which improves operational efficiency [17], [18]. These strategies not only support efficient resource management but also significantly enhance brand awareness and customer loyalty—both crucial for sustained growth [36]. Platforms like websites and online forums contribute to building lasting customer relationships and trust [37]. For startups in Jakarta, where



competition is intense and resources may be constrained, the effective use of digital marketing through social media, SEO, and analytics provides a scalable and competitive path to market expansion and customer retention in the evolving digital economy.

### **3. Social Capital and Startup Growth**

Social capital was found to have a positive and significant association with startup growth, reinforcing the idea that strong networks and trust-based relationships play a vital role in facilitating access to resources, promoting knowledge sharing, and encouraging collaboration [33], [34]. In Indonesia, successful entrepreneurs often exhibit socially engaging personalities that help build robust interpersonal relationships—an essential aspect of entrepreneurial success [38]. Social capital has also been shown to influence entrepreneurial orientation and behavior, particularly in the Jabodetabek area, by enhancing proactiveness, innovation, and risk-taking [39]. It operates on different levels: personal relationships (micro level), industry-specific networks (meso level), and societal trust (macro level), all of which contribute uniquely to business development and enterprise performance [40].

In Indonesia, the significance of social capital is heightened by the cultural emphasis on communal values, collaboration, and relationship-building. Entrepreneurs benefit from leveraging their social ties to gain access to critical resources such as funding, mentorship, and market entry opportunities, especially in contexts where institutional support may be limited. Furthermore, social capital works synergistically with other growth factors such as innovation and market orientation, particularly among Micro and Small Enterprises (MSEs), where studies have found innovation to be the most influential factor, with social capital playing a key supporting role [41]. Thus, in Jakarta's dynamic entrepreneurial landscape, cultivating and utilizing social capital remains a vital strategy for achieving sustainable startup growth.

### **4. Business Model Innovation and Startup Growth**

Business model innovation demonstrated a significant positive effect on startup growth, supporting the expanding body of literature that emphasizes the role of innovative business models in enabling startups to differentiate themselves, create value, and respond effectively to evolving market demands [42], [43]. One widely used tool in this context is the Business Model Canvas (BMC), which helps startups such as Gojek and Airbnb identify their unique value propositions and align their models with market dynamics to foster innovation and scalability [44]. The BMC promotes a holistic and iterative approach to business model development, allowing continuous refinement based on real-time market feedback [44]. Additionally, startups benefit from engaging in experimentation and disruptive innovation by altering one or more elements of their business models—such as customer segments, channels, revenue streams, or key resources—to remain agile in unpredictable market environments [45], [46].

Beyond internal innovation, relationship-building and co-creation are also pivotal in enhancing startup performance. The concept of Innovated Co-Creation Value (ICV) underscores the importance of collaborative relationships with business partners and government stakeholders, which contribute significantly to innovation efforts and the ability to recapture value in competitive markets [47]. In Indonesia dynamic entrepreneurial landscape, startups must innovate not only in products and services but also in pricing models, operational processes, and value propositions to meet the unique demands of local markets and scale effectively. These findings highlight that continuous business model experimentation and strategic co-creation are essential strategies for sustaining long-term growth in high-competition ecosystems.

### **5. Comparison with Previous Studies**

The findings are consistent with prior research but offer unique insights into the Indonesia context. Unlike studies in developed economies where institutional support is readily available, this

study emphasizes the critical role of social capital and cultural nuances in resource-constrained environments like Indonesia. Furthermore, the significant contribution of digital marketing reflects the rapid digital transformation in the region and its implications for startup ecosystems.

## 6. Practical Implications

- a. For Entrepreneurs: Invest in personal development to cultivate an entrepreneurial mindset and embrace digital tools for marketing and operations.
- b. For Policymakers: Develop initiatives to support digital literacy, foster innovation, and strengthen entrepreneurial ecosystems.

For Investors: Evaluate startups based on their ability to innovate, build networks, and adapt marketing strategies to dynamic environments.

## CONCLUSION

This study underscores the critical role of entrepreneurial mindset, digital marketing strategies, social capital, and business model innovation in the growth of startups in Indonesia. By employing SEM-PLS 3, the research demonstrates that these factors collectively explain a substantial portion of startup growth, with entrepreneurial mindset and business model innovation emerging as the most influential. The results contribute to the growing body of literature on startup success and offer practical implications for entrepreneurs seeking to navigate challenges and scale their businesses. Entrepreneurs are encouraged to adopt a proactive and growth-oriented mindset, leverage digital marketing tools, build strong networks, and continuously innovate their business models. Policymakers and investors should support the development of these factors within the startup ecosystem to foster long-term growth and sustainability. Overall, the study provides a valuable framework for understanding the drivers of startup success in the Indonesian context and offers strategic insights for emerging markets.

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