

ABSTRACT

Large-scale enterprises are currently challenged to integrate digitalization and business sustainability amid rapid environmental changes. A research gap remains as internal capabilities are often underutilized to support digital marketing strategies that drive sustainability. This study aims to examine the effects of digital exploration capabilities, organizational agile capabilities, innovativeness, and managerial capabilities on sustainable business performance, with digital marketing strategy as the intervening variable. A quantitative approach was employed by collecting primary data through questionnaires from 230 respondents representing large-scale enterprises in Indonesia. Data were analyzed using Structural Equation Modeling (SEM) with AMOS. The findings indicate that all four independent variables have a positive and significant effect on both digital marketing strategy and sustainable business performance. Furthermore, digital marketing strategy plays a crucial mediating role in strengthening the relationships between organizational capabilities and sustainable business performance. Theoretically, this study enriches the literature on integrating organizational capabilities with digital marketing strategy to achieve business sustainability. Practically, the results provide guidance for managers to design adaptive digital marketing strategies based on internal capabilities to enhance competitiveness and ensure sustainable performance.

Keywords: *Digital Exploration Capabilities, Organizational Agile Capabilities, Innovativeness, Managerial Capabilities, Digital Marketing Strategy, Sustainable Business Performance.*

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