

ENTREPRENEURIAL SPIRIT AND FIRM PERFORMANCE: A PROPOSED FRAMEWORK FOR SMALL AND MEDIUM ENTERPRISES IN CHINA

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Abstract: *Small and medium-sized enterprises (SMEs) are crucial for global economic growth and employment, yet their development in China faces challenges, particularly during the transition to a high-quality economy. This study aims to analyze the relationship between entrepreneurial spirit, dynamic marketing capabilities (DMC), and firm performance in Chinese SMEs by integrating Western and Chinese research. Using a literature review of Web of Science, Scopus, and CNKI (2015-2025), we identify that while innovation and risk-taking are universal dimensions of entrepreneurial spirit, contractual spirit is uniquely emphasized in China. Dynamic marketing capabilities are found to mediate the relationship between entrepreneurial spirit and firm performance. The study proposes a conceptual framework to fill research gaps, offering theoretical and practical guidance for SME performance improvement.*

Keywords: *Entrepreneurial spirit, Dynamic marketing capability, Firm performance, SMEs.*

Introduction

Research Objective

Small and medium-sized enterprises (SMEs) occupy a key position in the global economic landscape and are significant for economic growth, employment promotion and maintenance of market dynamics. Especially in developing countries, the role of SMEs as economic pillars and their importance to social development cannot be ignored (Azam & Jamil, 2024). In China, the number of SMEs is about 52 million by the end of 2022, making outstanding contributions in terms of tax revenue, GDP growth, technological innovation, and job placement (OECD, 2024).

Although China's SMEs are huge in number and unique in social value, they have long been characterized by numerous developmental drawbacks. First, most SMEs suffer from difficulties in performance improvement, high turnover, and a short life cycle, with the average lifespan of China's SMEs being only 2.9 years (J. Zhang, 2024); second, during China's rapid development phase, SME managers were generally profit-oriented, which seriously hindered the development of SMEs (Liu & Zhang, 2021); in addition, the After COVID-19, the imbalance of economic development has dramatically increased the operating pressure of SMEs. According to data released by the China Association of Small and Medium Enterprises (CASME), nearly 67.69% of SMEs have seen a decline in operating revenues; 21.61% have had difficulties in servicing their debts; and 27.09% have experienced a sharp decline in market orders and a massive loss of customer resources (Xie, Kuan & Wu, 2020).

The performance of a firm determines whether it can maintain its existence and achieve sustainable development in a dynamic environment (Park, 2023; Porter, 1997). Among the many complex factors affecting firm performance, entrepreneurial spirit and dynamic marketing capabilities have come to the forefront and are widely recognized as two key drivers by both academics and businesses (Chhabra, Raghunathan, & Rao, 2020; Covin & Slevin, 1991; Loufrani-Fedida & Aldebert, 2021; Mostafiz, Ahmed, & Hughes, 2022; Santoro, Quaglia, Pellicelli, & De Bernardi, 2020; Santos-Vijande, Lopez-Sanchez, Lored, Rudd, & Lopez-Mielgo, 2022).

Although entrepreneurial spirit and dynamic marketing capabilities are regarded as important factors to enhance firm performance, the relationship between the three is currently poorly understood in the academic community (H. Zhang, Li, & Jiang, 2021). On the one hand, the effect of entrepreneurial spirit on firm performance is not simple and linear, and the mediating mechanism needs to be explored in depth (Ali et al., 2022; C. Fang & Jaehoon, 2022); on the other hand, the existing studies do not sufficiently analyze the differences in different industries and firm sizes, and they lack a full consideration of the unique dimensions of entrepreneurial spirit in the Chinese context (Y. Zhou & Yuan, 2022).

This study aims to:

- 1) Compare the dimensions of entrepreneurial spirit in Chinese and Western contexts, emphasizing the role of contractual spirit in China.
- 2) Examine the mediating role of dynamic marketing capabilities in the relationship between entrepreneurial spirit and firm performance.
- 3) Address gaps in existing research by proposing a context-specific framework for Chinese SMEs.

Research Question

Based on the above research objectives, this study focuses on the following questions:

- 1) What are the common and unique dimensions of entrepreneurial spirit in Chinese and Western studies, and how does contractual spirit influence firm performance in China?
- 2) How do dynamic marketing capabilities mediate the relationship between entrepreneurial spirit and firm performance?
- 3) What are the key advancements and limitations in current research on this relationship, particularly in the Chinese context?

Literature Review

Entrepreneurial Spirit

Entrepreneurial spirit, as an endogenous development drive for enterprise development, implies innovative thinking, risk-taking courage, keen market insights, and perseverance (Drazin, 1985; Ratten, 2023). Its connotations are rich and diverse, and researchers have interpreted them from different perspectives. Early studies focused on the impact of entrepreneurial personal traits on firms: Schumpeter (1934) regarded innovation as the core of entrepreneurial spirit, which drives economic growth through “creative destruction”; McClelland (1961) emphasized entrepreneurial spirit's pursuit of high-achievement goals; Kirzner (1973) emphasized the importance of entrepreneurial spirit as a means to achieve a high level of success; and Kirzner (1973) emphasized the importance of entrepreneurial spirit as a means to achieve a high level of success, and Schultz (1975, 1980) further defined entrepreneurial spirit as the ability to cope with market imbalances, which can be enhanced through investment in human capital. These theories have different emphases, but together they reveal the drivers of entrepreneurial spirit at the individual level (Kirzner, 1973; McClelland, 1961; Schultz, 1975, 1980; Schumpeter, 1934).

As research shifted to organizational behavior, Miller (1983) suggested that entrepreneurial spirit is a combination of innovation, risk-taking, and foresight (Miller, 1983), and Stevenson (1985) defined it as “the process of breaking through resource constraints to identify opportunities and create value” (Stevenson & Gumpert, 1985). Since then, researchers have tried to integrate individual and organizational perspectives; Covin and Slevin (1991) defined entrepreneurial spirit as corporate innovation, risk-taking and action leadership from the perspective of corporate behavior; Lumpkin (1996) further refined it into the five dimensions of autonomy, innovativeness, risk-taking, action leadership, and active competition (Lumpkin & Dess, 1996). Although Miller's three-dimensional model and Lumpkin's five-dimensional model have become the mainstream frameworks, their limitations based on Western samples have gradually emerged (Wiklund & Shepherd, 2005).

Based on cultural contextual differences, Chinese researchers have explored the localized connotation of entrepreneurial spirit. Wang Dingding (2001) proposed a three-dimensional model of innovation, dedication and cooperation (D. Wang, 2001), while Wang & Chen (2021) emphasized the special significance of contract spirit in China's transition economy (B. Wang & Chen, 2021b). It is worth noting that innovation and risk-taking are recognized in both Chinese and Western studies, but the importance of contractual spirit in the Chinese context may stem from the unique institutional environment (B. Wang & Chen, 2021a; Yu & Wang, 2022; G. Zhou & Zhou, 2022). This finding implies that direct application of Western scales may overlook the institutional embeddedness of entrepreneurial spirit in China.

Overall, the definitions and models of entrepreneurial spirit dimensions in mainstream studies are mostly based on Western entrepreneurial groups, and their applicability in the Chinese context needs to be further verified; also, some of the studies measure entrepreneurial spirit in a single way, failing to fully take into account its complexity and diversity. Future research needs to build a localized measurement system and explore the impact of digital technology on entrepreneurial spirit (Vanacker, Zahra, & Holmes, 2021).

Dynamic Marketing Capabilities

Marketing researchers introduced the dynamic capability theory into the marketing field and proposed the concept of dynamic marketing capability (Supriyanto, Said, Firdaus, Asma, & Redawati, 2024). In today's complex and changing market environment, dynamic marketing capability has become a key capability for enterprises to cope with challenges and grasp opportunities (Barrales - Molina, Martínez - López, & Gázquez - Abad, 2014; Bruni & Verona, 2009; Easterby - Smith, Lyles, & Peteraf, 2009; E. Fang & Zou, 2009; Hoque, Ahammad, Tzokas, & Gabay, 2021; w. Li, 2015a, 2015b; Maklan & Knox, 2009; Mitreğa, 2020; Ribeiro & Becker, 2024).

From the resource and knowledge perspective, Bruni and Verona (2009) argue that dynamic marketing capability involves human capital, social capital, and managerial cognition in the process of creating, utilizing, and integrating market knowledge and marketing resources in a firm to achieve rapid adaptation to market changes (Bruni & Verona, 2009). Fang and Zou (2009), on the other hand, from the business process perspective, defined it as a cross-functional process of an organization through which a firm creates and delivers customer value in order to survive and thrive in a competitive market (Hoque et al., 2021).

Chinese researchers Han Dechang and Han Yongqiang (2010) point out that dynamic marketing capability is not only a firm's ability to cope with the challenges of a dynamic market, but also an organizational process that integrates resources to create new products, deliver customer value, and focuses on the creation of customer value (Han & Han, 2010; X. Li, 2013). Li (2015) argues that dynamic marketing capability is the ability of a firm to configuring and reorganizing resources to identify, create, and deliver customer value; Mitreğa (2020) defines it as the process of innovating products and services by continuously allocating marketing resources and capabilities (Mitreğa, 2020); and Hoque et al. (2021) emphasize that dynamic marketing capability is the ability of a firm to cope with environmental uncertainty by reconfiguring its higher-order marketing capabilities in order to achieve customer value (Hoque et al., 2021).

Although researchers have not yet reached a complete agreement on the concept of dynamic marketing capabilities, they generally recognize its important role in helping firms to quickly respond to market changes, satisfy customers' needs, improve performance, and gain competitive advantage. However, the current research on dynamic marketing capabilities still has some ambiguities in conceptual definition, lacks a unified measurement standard, and does not have enough in-depth research on the mechanism of its role in different industries and market environments.

Firm Performance

Firm performance is a complex concept and Oria (2023) pointed out that it lacks a direct operational definition and needs to be constructed based on theoretical models (Oira, Omagwa, & Abdul, 2023). In terms of measurement, researchers have explored it from different

perspectives. Unidimensional measurements mostly use financial indicators, such as corporate profitability and return on investment (Andrews, Boyne, & Walker, 2011), but this measurement has limitations and does not fully reflect the real performance of firms (Baltzer, 2022; Boukari & İyigün, 2022).

Therefore, more and more researchers tend to adopt a multidimensional measurement approach that integrates multiple aspects such as financial and non-financial performance, short-term and long-term performance, objective and subjective indicators, absolute and relative indicators, and corporate profitability and growth (Camisón & Villar-López, 2014; Shan, Song, & Ju, 2016). For firms pursuing sustainable development, the achievement of long-term performance goals is critical, which helps firms maintain competitive advantage (Hogan & Coote, 2014; Xing, 2023). However, existing studies lack uniform standards in the selection and weight determination of firm performance measures, and the comparability between different studies needs to be improved.

Relationship Between Entrepreneurial Spirit, Dynamic Marketing Capabilities and Firm Performance

Numerous studies have shown that entrepreneurial spirit has a significant positive impact on firm performance (Ferrerías-Méndez, Olmos-Penuela, Salas-Vallina, & Alegre, 2021; Ishaq, Sarwar, Aftab, Franzoni, & Raza, 2024; Putniņš & Sauka, 2020; Qi, Ligang, & Jian, 2021; Soares & Perin, 2020; Wiklund & Shepherd, 2005). Its characteristics such as innovation, risk-taking, and foresight can enhance the competitiveness of the firm and improve its reputation, which in turn contributes to the performance of the firm (Ugwu, 2022). For example, Schumpeter's innovation performance theory states that entrepreneurial innovativeness positively contributes to the profitability, operational capacity, and solvency of an enterprise by promoting new technology adoption, new product development, and new market development (Mehmood, Alzoubi, & Ahmed, 2019); risk-taking enables entrepreneurs to seize opportunities in uncertain market environments and gain excess profits (Qi et al., 2021); and contractual spirit, as the root of the firm's foothold in the market, helps to build market trust and gain excess profits (H. Xia, 2022).

Dynamic marketing capabilities also play a key role in enhancing firm performance. Its market sensing capability can help firms anticipate market demand and seize market opportunities in a timely manner (Qi et al., 2021); its supply collaboration capability improves firms' marketing decision-making through continuous innovation and internal collaboration (Correia, Teixeira, & Dias, 2022); and its customer responsiveness capability maintains a good supply-demand relationship by differentiating to meet customers' needs, accurately delivering product and service information, and enhancing firm performance (Martin, Javalgi, & Ciravegna, 2020).

In the context of SMEs, the synergy between research on differences across industries and firm sizes also needs to be strengthened.

Method

Literature Search

In order to comprehensively collect relevant literature, this study comprehensively utilizes several authoritative academic databases. Web of Science and Scopus were selected as the international databases, whose rich resources of international academic journals can cover the cutting-edge research results in the world. Meanwhile, in order to fully explore the research

contributions of Chinese researchers, the China Knowledge Network (CNKI) database was used to search Chinese literature.

The search terms were set using a multi-group keyword combination strategy. The core keywords include “entrepreneurial spirit/entrepreneurship/entrepreneurial orientation”, “dynamic marketing capabilities” and “firm performance”. In addition, a series of related synonyms were incorporated, such as “innovation spirit”, “risk-taking spirit”, “contract spirit”, “market-sensing capabilities”, “supply-coordination capabilities”, “contract spirit”, “short-term performance” and “long-term performance”. A comprehensive and precise search strategy was constructed by rationally combining these keywords with the Boolean logic operators “AND” and “OR” to ensure that the literature related to the research topic was retrieved as comprehensively as possible.

Literature Screening

Based on the search results, strict literature screening criteria were developed. First, the publication time of the literature is limited to the last ten years (2015-2024) to ensure the timeliness and cutting-edge of the research, with the exception of classic literature. Secondly, the research object is clearly focused on SMEs, excluding the literature with large enterprises or other organizational forms as the research object. In terms of the type of literature, academic journal papers and high-quality dissertations are mainly selected because they usually undergo rigorous peer review or academic auditing and have high academic quality and reliability. For other literature types such as conference papers and reports, they were considered only if their contents had unique and important research contributions.

The literature screening process was divided into two stages. In the first stage, initial screening was conducted by reading the titles and abstracts of the literature to quickly eliminate literature that clearly did not meet the research topic and screening criteria. In the second stage, the literature after the initial screening was read in its entirety, and its research content, research methodology, and findings were assessed in detail to finalize the literature to be included in this study.

Literature Analysis

The screened literature was systematically categorized and analyzed in depth. According to the research themes, the literature was categorized into four categories: entrepreneurial spirit-related studies, dynamic marketing capability-related studies, firm performance-related studies, and studies on the relationship between the three. Within each category, it was further subdivided according to research content and methodology.

Content analysis was used to analyze literature in depth. The key information in the literature is first extracted, including research objectives, research methods, major findings and conclusions. Then, the similarities and differences of different literatures in terms of research perspectives, research methods and research conclusions are carefully compared and analyzed. For controversial research perspectives, in-depth sorting and discussion are carried out to analyze the reasons for the controversy and explore the possible direction of resolution.

Findings

In response to question 1) What are the common and unique dimensions of entrepreneurial spirit in Chinese vs. Western studies, and how does contractual spirit influence firm performance in China?

This study found that there are both commonalities and differences in the academic community's understanding of the dimensions of entrepreneurial spirit. Both Chinese and Western studies regard innovation and risk-taking as core elements of entrepreneurial spirit, but studies in the Chinese context further reveal that the spirit of contract is a unique dimension rooted in China's institutional environment and the emphasis on trust and social responsibility in its social culture. This finding aligns with the macroeconomic backdrop of China's transition toward high-quality development — in this process, firm development not only requires technological breakthroughs but also relies on the support of commercial ethical norms (G. Zhou & Zhou, 2022).

Contractual spirit manifests through multi-layered mechanisms in corporate operations, primarily in the following three aspects:

At the internal governance level, the spirit of contract manifests as transparency in management systems and fairness in employee relations. Companies that adhere to the spirit of contract typically have well-established internal systems, efficient communication mechanisms, and reasonable compensation structures, which significantly enhance employee motivation and retention rates (Z. Li, 2021; Silva, Rodrigues, Franco, Oliveira, & Sousa, 2023).

At the market competition level, in China's highly competitive market environment, the ability to fulfill contracts is key to building a good reputation; companies that strictly adhere to contract terms and uphold fair competition principles not only gain customer trust but also build brand reputation (Xia, 2022).

In terms of social responsibility, the spirit of contract extends to a company's responsibility toward the environment and community. Many Chinese SMEs integrate social responsibility into the business strategies by participating in green production and community activities. Such practices not only enhance a company's social image but also lay a solid foundation for its long-term development (Z. Li, 2019).

In China's economic environment, the spirit of contract promotes the long-term development of enterprises from multiple dimensions. It effectively improves firm performance by reducing transaction costs, avoiding legal risks, and deepening trust relationships with stakeholders (Wang, 2022). Especially in the context of a transitioning economy, when formal institutions are not yet fully developed, informal norms represented by the spirit of contract will become an important guarantee for enterprises to achieve sustainable development.

In response to question 2) How do dynamic marketing capabilities mediate the relationship between entrepreneurial spirit and firm performance?

Research has found that dynamic marketing capabilities can have a significant positive impact on firm performance. Dynamic marketing capabilities are rooted in the dynamic capabilities theory, which emphasizes the ability of firms to integrate, construct, and reconfigure internal and external resources and capabilities to respond to rapidly changing environments (Kusyana, Giantari, Sukaatmadja, & Ekawati, 2025). Dynamic marketing capabilities enhance firm performance in several keyways:

First, dynamic marketing capabilities help maintain competitive advantage. By helping firms maintain competitive advantage through sensing market changes, seizing opportunities, and reallocating resources, these capabilities enable firms to adjust their marketing strategies in a timely manner in response to changing customer needs, technological updates, and competitive pressures (Elsharnouby & Elbanna, 2021). Firms with dynamic marketing capabilities are better at sensing market trends and understanding customer preferences, which enables them to develop products and services that meet market needs (Mitreğa, 2020).

Secondly, dynamic marketing capabilities help to maintain the stability of the firm. In a complex and changing market environment, factors such as fluctuations in market demand, strategic adjustments by competitors, and rapid technological innovations can create a lot of uncertainty for firms (Campos-Núñez & Serrano-Malebrán, 2024). Hoque et al. (2021) found that DMCs help firms capture the market in real time by integrating big data analytics, social media monitoring, and other digital tools to help companies capture market signals in real time and quickly adjust their marketing strategies, thereby increasing sales growth and market share. In addition, numerous empirical studies have shown that dynamic marketing capabilities positively impact both financial performance (e.g., sales growth, profitability) and non-financial performance (e.g., brand equity, market share). Mitreğa's (2021) findings show that capabilities such as personalized recommendations and omni-channel interactions, which are driven by dynamic marketing capabilities, can significantly increase customer satisfaction and loyalty, which directly drives financial performance, such as return on investment (ROI) by 12-15%. Supriyanto's (2024) highlighted that dynamic marketing capabilities contribute to corporate sustainability by integrating market knowledge and cross-functional processes that have a positive impact on economic, social and environmental performance (Supriyanto et al., 2024).

Moreover, dynamic marketing capabilities can help enhance firms' resilience and adaptability. In a complex and volatile market environment, especially in the face of unexpected major events such as the COVID-19 epidemic, dynamic marketing capabilities can show a strong effect (Dejardin et al., 2023). Juan & Li (2023) found that firms with high dynamic marketing capabilities were able to shift to online marketing faster during the epidemic, and to improve performance through dynamic pricing and supply chain re-engineering (Juan & Li, 2023). This finding is consistent with Chinese researchers Huang (2024) finding that firms with dynamic marketing capabilities were able to reconfigure their resources and successfully cope with market disruptions during the epidemic (W. Huang & Ichikohji, 2024).

Finally, dynamic marketing capabilities have a strong ability to optimize operations and synergies. Dynamic marketing capabilities can optimize firms' operations and promote supply chain synergies through multiple mechanisms. Almayyahi & Hosseini (2024) stated that dynamic marketing capabilities include dynamic capabilities such as customer relationship management that help firms to adapt to market fluctuations and satisfy consumer needs, thereby improving their operation efficiency (Almayyahi & Hosseini, 2024). Santos-Vijande et al. (2022) found that firms with strong dynamic marketing capabilities are better at coordinating supply chain partners (e.g., suppliers, distributors) to jointly respond to changes in demand, thus enhancing the profitability of the overall ecosystem. Additionally, the customer relationship management capability in dynamic marketing capabilities can effectively increase customer satisfaction and loyalty, which directly contributes to firms' revenue growth and profitability (Moradi, Jafari, Doorbash, & Mirzaei, 2021).

All of the above illustrate the positive impact of dynamic marketing capabilities on firm performance. It is noteworthy that the more the industry is characterized by rapid technological change, the more significant the contribution of dynamic marketing capabilities to firm performance is. Simply put, the effect of dynamic marketing capabilities on firm performance is magnified in highly dynamic environments (Alegre, Ferreras-Méndez, Fernández-Mesa, & Strange, 2022).

In response to Question 3) What are the key advancements and limitations in current research on this relationship, particularly in the Chinese context?

In terms of research progress, researchers have found that firms with strong entrepreneurial spirit are more adept at reconfiguring their marketing resources so as to gain a differentiated advantage in the competitive marketplace. Existing studies have mostly used organizational learning, absorptive capacity, new product development, and innovative capacity as mediating variables in the relationship (Aftab, Veneziani, Sarwar, & Ishaq, 2024; Gomes, Seman, Berndt, & Bogoni, 2022), and some researchers have also suggested that entrepreneurial spirit needs to form a multi-stage mediating chain through the synergy of dynamic marketing capabilities with organizational learning and innovative capabilities (Mitreğa, 2020). Moderating variables such as environmental dynamism and environmental competitiveness have been widely used to explore the boundary conditions of the relationship between entrepreneurial spirit and firm performance. Studies have shown that the positive impact of entrepreneurial spirit on firm performance is more significant in highly dynamic and competitive environments (Ferreras-Méndez, Llopis, & Alegre, 2022). In addition, emerging moderating variables such as digital transformation and organizational culture are gaining attention. In addition, some researchers have begun to focus on the differential performance of entrepreneurial spirit in different industry and country contexts. For example, in technology-intensive industries, entrepreneurial spirit significantly enhances firm performance through technological innovation capabilities, while in service industries, entrepreneurial spirit is more dependent on customer relationship management capabilities (Ngo, 2023).

In terms of research shortcomings, at present, the research on the relationship between entrepreneurial spirit and firm performance has not yet formed a unified and complete theoretical framework. Different researchers differ in their elaboration of the specific paths of action and interrelationships between mediating variables (e.g., dynamic marketing capability, organizational learning, and innovation capability), and there is a lack of systematic integration (Kraus, McDowell, Ribeiro-Soriano, & Rodríguez-García, 2021). This fragmented theoretical framework limits researchers' comprehensive understanding of the complex relationship between entrepreneurial spirit and firm performance.

Although some researchers have proposed the concept of multi-stage mediating chains (e.g. Mitreğa, 2020), research on the synergistic effects between different mediating variables and their mechanisms of action is still relatively limited. In addition, most of the existing research focuses on traditional moderating variables such as environmental dynamics and competitiveness, while research on emerging moderating variables (e.g., digital transformation) is still at a preliminary stage. Moreover, market characteristics, competitive dynamics, and technological development levels vary widely across industries, but existing research is mostly based on Western contexts and lacks in-depth exploration of emerging market contexts such as China. For example, the relationship between entrepreneurial spirit, dynamic marketing capabilities, and firm performance in the Chinese context may be affected by unique

institutional environments and cultural factors, but relevant studies are still scarce (z. Huang & Wu, 2021).

Based on the above findings, this paper proposes a conceptual framework based on the Chinese scenario that can be used as a follow-up study as shown below:

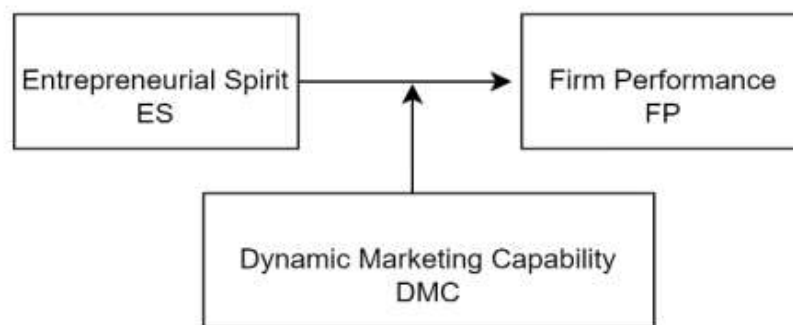


Figure 1: Proposed Research Framework

Source: Developed by the authors based on literature review

Conclusion

This study provides a comprehensive and in-depth literature review on the relationship between entrepreneurial spirit, dynamic marketing capabilities and firm performance. By systematically combing and analyzing the relevant literature, a series of valuable research results have been obtained, and the shortcomings of existing studies have also been clarified, providing important references for subsequent research and enterprise practice.

In terms of entrepreneurial spirit dimensions, Chinese researchers need to take into full consideration the differences in local culture, economic system and market environment when borrowing from Western theories and explore entrepreneurial spirit measurement tools and cultivation modes that are more suitable for Chinese enterprises. In terms of the research on the relationship between the three, existing studies have confirmed that entrepreneurial spirit and dynamic marketing capability have a significant positive impact on firm performance, and there is synergy between the two in SMEs, but how dynamic marketing capability mediates between entrepreneurial spirit and firm performance has not been fully investigated.

In addition, this paper proposes a conceptual framework that will facilitate more in-depth future research on the relationship between entrepreneurial spirit, dynamic marketing capabilities and firm performance. Future research can further evaluate the developed conceptual framework to guide SMEs to emphasize the role of entrepreneurial spirit and actively develop dynamic marketing capabilities in order to achieve sustainable development of SMEs.

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