

How do platform rules shape entrepreneurial behavior in rural E-Commerce?

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Abstract: Digital platforms serve as the core infrastructure of rural e-commerce, empowering numerous entrepreneurs by connecting supply and demand and lowering transaction costs. However, platform rules—such as traffic-allocation algorithms and credit-evaluation systems—while providing order and opportunity, also function as a hidden force of domination. Their opacity and high entry barriers often trap micro- and small-scale entrepreneurs in passive compliance, exhausting maneuvering, or even rule-breaking risks, creating a double-edged effect of “empowerment” and “regulation.” To explore how platform governance rules shape the behaviors of rural micro-entrepreneurs, this study adopts a qualitative multiple-case approach, conducting in-depth interviews and case analyses of three typical entrepreneurs. The findings reveal three behavioral responses: “proactive adaptation,” “creative bricolage,” and “passive struggle.” The underlying mechanism shows that rules influence entrepreneurs’ decisions through three pathways: “resource constraints,” “cognitive framing,” and “risk reconstruction.” The study uncovers the profound molding of grassroots entrepreneurship by platform rules as a tacit dominating force, offering insights for platforms to refine their rules and for entrepreneurs to enhance adaptability.

Keywords: Rural E-commerce, Platform Rules, Entrepreneurial Behavior, Case Study.

Date of Submission: 08-11-2025

Date of acceptance: 16-11-2025

I. Introduction

Rural e-commerce has become the flagship path for revitalizing village economies and raising farmers’ incomes, yet the same digital platforms that erase distance and deliver markets to micro-entrepreneurs also envelop them in an invisible rule-regime—algorithms that ration traffic, reputation scores that gate orders, content-policing that deletes listings and fines that erase margins—so that every pricing decision, post and parcel is quietly choreographed by code. How do these governance rules shape the daily tactics of rural micro-sellers, and what repertoires of adaptation, resistance or circumvention do they deploy? Integrating platform-governance theory with entrepreneurship research, this study uses multiple nested cases, in-depth interviews and participant observation to trace the mechanisms through which resource constraints, cognitive frames and re-calculated risks are translated into three patterned responses—proactive optimization, creative bricolage and passive struggle—thereby offering evidence for contextualizing digital-entrepreneurship theory and actionable insights for more inclusive platform design, entrepreneurial agency and precision policy.

II. Literature Review and Analytical Framework

2.1 Defining Core Concepts

2.1.1 Platform Governance Rules

Platform governance rules—the algorithmic and contractual code that ranks search results, scores reputations, polices content and settles disputes—function as the platform’s private legislation, simultaneously creating the market arena and dictating who may be seen, trusted or penalized, thereby channeling the daily tactics and survival chances of rural micro-entrepreneurs.

2.1.2 Rural Micro-E-commerce Entrepreneurial Behavior

Rural micro-e-commerce entrepreneurial behavior refers to a series of strategic actions aimed at opportunity identification, resource integration, and value creation, carried out by individuals or families as the main operating entities, relying on large e-commerce platforms (such as Douyin, Pinduoduo, Taobao, etc.) as the core trading venues. It specifically includes the entire business process from product selection and pricing, supply chain management, to marketing promotion (such as live streaming and short videos), and customer

relationship maintenance. Its core characteristics are small scale and high flexibility, and it is deeply embedded in the rural social network. The logic of behavior is shaped by both platform rules and rural socio-economic conditions.

2.2 Literature Review

In recent years, research on e-commerce platform governance has deepened in areas such as algorithmic management, data rights, and regulatory policies. Scholars have begun to focus on how platform algorithms (such as recommendations and rankings) shape the visibility and competitiveness of merchants (Cennamo et al., 2020), and have explored the dependence and risks of sellers in the platform ecosystem (Wu & Li, 2021). However, existing research still has obvious limitations: First, the research subjects are mostly large-scale merchants or urban online sellers, and have not deeply analyzed the unique group of rural micro-entrepreneurs who are doubly constrained by resources and capabilities. Second, the research perspective still leans towards macro-structural analysis, lacking a detailed description of how micro-subjects perceive, decode, and creatively respond to platform rules at the micro level under their specific rural social networks and cognitive conditions (Li Mengya & Zhang Kun, 2022). This has failed to fully reveal the complex interplay between platform power and grassroots entrepreneurial practices.

Research on rural e-commerce entrepreneurship has made significant progress, focusing mainly on themes such as entrepreneurial motivation, the driving role of social networks (such as kinship and neighborhood relations), and the influencing factors of entrepreneurial performance (such as human capital and policy support). These studies have laid an important foundation for our understanding of this rural economic phenomenon. However, their limitations are also becoming increasingly evident: Most studies still regard “e-commerce platforms” as a neutral, background sales channel, failing to take their proactive and structural governance rules as a core analytical variable. Entrepreneurial behavior is often depicted as the result of individual characteristics of entrepreneurs or external social resources, while ignoring the fact that their behavioral strategies are formed through continuous interaction and game-playing with the platform’s specific and dynamic rules (such as traffic algorithms, activity thresholds, and credit evaluation systems). Therefore, it is crucial to place the research on rural e-commerce entrepreneurial behavior in the specific digital context of “platform as a rule-maker,” only in this way can we deeply reveal the real logic and shaping mechanism of entrepreneurial behavior in the digital age.

To sum up, although existing studies have respectively provided a basis for understanding platform governance and rural e-commerce entrepreneurship, they have revealed a key gap: research on macro platform rules and analysis of micro entrepreneurial behavior are often disconnected from each other, failing to deeply explore how platform rules, as a structural force, are perceived, interpreted, and ultimately transformed into specific behavioral strategies by rural micro-entrepreneurs with unique resource endowments. This study aims to precisely fill this gap by opening the black box from “rule pressure” to “behavioral response” and analyzing the transmission paths and interactive logic in between.

2.3 Analytical Framework: The Perspective of "Structural Duality"

Anthony Giddens proposed the theory of "structural duality" in his seminal work *The Constitution of Society* (1984), aiming to dissolve the long-standing dualism between structure and agency in sociology. This theory posits that social structure is not external to action but is a medium and outcome continuously reproduced through the practices of actors; structure is primarily manifested as rules and resources, which provide guidance and constraints for action, shaping the possible paths of action, yet their existence and efficacy entirely depend on actors' use, invocation, and strategic manipulation of them in daily activities. Therefore, the dynamic process of social life is the exercise of agency by actors within the framework of structure, a process that unconsciously reproduces or transforms the structure itself, thereby revealing the interdependent and mutually constitutive dual relationship between structure and agency (Giddens, 1984).

Based on Giddens' theory, this paper constructs its analytical framework: the governance rule system of digital platforms (such as algorithmic recommendation logic, credit evaluation mechanisms, and content moderation norms) is regarded as a modern "structure" composed of technical codes and institutional provisions. It sets the basic rights, obligations, and interaction scripts for economic activities within the platform. Meanwhile, the daily business practices of rural micro-entrepreneurs (such as product selection, promotion, and customer service) are seen as manifestations of "agency." This study aims to meticulously analyze the interactive relationship between these two aspects: it examines how platform rules, as a structural force, guide, regulate, and even constrain entrepreneurs' behavioral choices through resource allocation and risk settings. At the same time, it focuses more on how entrepreneurs, who are not passive recipients, use their local knowledge, social networks, and practical wisdom to cognitively interpret and strategically respond to rules (such as compliance, bricolage, avoidance, or creative utilization). This active practice itself continuously verifies,

challenges, and subtly reshapes the boundaries and effectiveness of platform rules, dynamically demonstrating the formation and evolution of digital market order.

III. Research Design and Case Introduction (Approximately 800 words)

3.1 Research Methodology

This study employs a qualitative research paradigm, specifically the multiple-case study method, which is chosen based on the nature of the core research questions. The primary aim is to explore "how platform governance rules influence" and "how entrepreneurs respond," focusing on uncovering the internal processes and mechanisms within a complex social phenomenon, rather than measuring the frequency or correlation of the phenomenon. Qualitative research is particularly suitable for investigating process-oriented questions of "how" and "why," allowing for an in-depth understanding of the meaning construction and behavioral logic of actors within their social contexts (Yin, 2018). The multiple-case study approach enables researchers to conduct cross-comparative analyses of cases in different contexts. This method not only allows for a rich description of each case's unique context but also enables the extraction of more universal patterns or theories from differences, providing a more robust and persuasive theoretical explanation compared to single-case studies (Eisenhardt & Graebner, 2007). Therefore, qualitative multiple-case study research can effectively help this study to deeply analyze the complex and dynamic interactive mechanisms between platform rules and entrepreneurial behavior.

3.2 Data Collection

In terms of data collection, this study strictly adheres to the purposeful sampling principle of qualitative research, which means selecting cases that can provide the richest information for the research topic based on the research questions, rather than pursuing statistical representativeness. Specifically, the criteria for case selection include: the subjects must be typical rural micro e-commerce entrepreneurs (operated by individuals or families); their main business must rely on the large e-commerce platforms focused on in this study (such as Douyin, Pinduoduo, Taobao, Video Account, etc.); they should have different, identifiable experiences and performances in responding to platform rules to ensure the diversity of cases and the achievement of information saturation. Based on this principle, the data of this study mainly comes from in-depth semi-structured interviews with 12 entrepreneurs from Fengdu, Fuling, Liangping, and Wulong in Chongqing. The interview outline focuses on their perception of platform rules, specific behavioral strategies, and the logic behind them. Each interview lasts about 30-60 minutes and is recorded and transcribed into text materials with the consent of the interviewees. To form triangulation and enrich the dimensions and depth of the data, the interview materials are also supplemented by continuous non-participatory observation of the respondents' online stores. The observation content includes store decoration, product display, short video content, promotional activities, user evaluation interaction, etc., aiming to compare the entrepreneurs' subjective narratives with their objective business behavior traces, so as to more comprehensively and truly present the interactive picture between platform rules and entrepreneurial behavior.

3.3 Case Types

According to the relationship between platform rules and entrepreneurial behavior, the 12 cases can be categorized into three types: proactive adaptation, flexible maneuvering, and passive entrapment. This paper selects three typical cases for analysis, as shown in Table 1.

Table 1 Case Types

Case Type	Main Platform	Main Product Category	Years in Business	Core Features
A	Douyin/Channels	Handmade Agricultural Products (Spicy Chicken)	4 years	"Proactive Adaptability Type": Excels in studying platform rules, actively participates in official training, operates with refined precision, and emphasizes content quality and brand building.
B	Pinduoduo/Channels	Seasonal fruits, shipped directly from the origin.	3 Years	"Flexible Maneuvering Type": Well-versed in the platform's low-cost traffic logic, skilled at utilizing personal networks to source products, employing flexible strategies, and often testing the boundaries of rules.
C	Taobao/Douyin	Traditional Handicrafts	5 Years	"Passive Struggle Type": Possesses unique products but lacks online operational capabilities, feels confused by complex rules, relies on

Case Type	Main Platform	Main Product Category	Years in Business	Core Features
		(Embroidery)		unstable traffic sources, and experiences stagnant growth.

IV. Case Findings: Three Types of Entrepreneurial Responses Under Platform Rule Pressure

4.1 Proactive Adaptation: Learners and Compliers of Rules

Entrepreneur A has been running a spicy chicken shop in Fengdu, Chongqing, for 12 years and started live-streaming entrepreneurship on Douyin four years ago. He began short video and live-streaming sales on Video Account one year ago, achieving good business results and serving as a typical example of the "proactive adaptation" type. He treats platform rules as essential game strategies to master, demonstrating strong learning and adaptation abilities. To precisely align with Douyin's traffic recommendation mechanism, in the early stages of his venture, he spent several hours daily studying the platform's official announcements and top peer cases. He also proactively enrolled in the platform's official training courses to systematically learn the formulas for viral short videos and live-streaming communication skills. Recently, he actively participated in learning short video and live-streaming sales on Video Account and achieved good results. In practice, he places great emphasis on refined operations: strictly scheduling content releases based on user activity times, carefully designing titles and tags with popular keywords, and investing in improving lighting and camera quality to enhance video texture. He even meticulously records data from different content types, repeatedly testing to optimize outcomes. The ultimate goal is to proactively align his product style and operational processes with platform preferences, obtaining stable traffic through compliant and efficient means, thereby establishing a long-term brand advantage.

Entrepreneur A's behavior shows significant long-term orientation, compliance orientation, and stability. He does not pursue short-term traffic surges but internalizes platform rules as his operational guidelines. Through continuous learning and refined operations, he is committed to building a legal, compliant, and sustainably healthy brand business within the platform ecosystem.

4.2 Flexible Maneuvering: Exploiters and Negotiators of Rules

Entrepreneur B operates an e-commerce business selling seasonal fruits from Fengjie and surrounding areas. Over the past three years, in order to help rural areas sell fruit in a timely manner, he has not only learned to adapt to platform rules but also made many innovations and attempts. B is a typical "flexible maneuverer," whose core strategy lies in deeply utilizing local social capital and seeking survival space within the gaps of platform rules. Faced with Pinduoduo's traffic rules centered on low prices and sales volume and Douyin's algorithms, B does not pursue full compliance like A. Instead, he skillfully constructs an informal supply chain network: he quickly organizes scattered and lower-cost seasonal fruit sources through relatives and neighbors, and can operate with light assets guaranteed by personal credibility. In marketing, he is adept at "skirting the edge," for example, by setting up ambiguous "mixed sizes" links to avoid strict product description disputes, or exploiting platform activity loopholes for minor order-padding to quickly boost rankings. Once he finds that a certain tactic is restricted by platform rules or its effectiveness declines, B immediately shifts to other strategies. This highly flexible, pragmatic approach allows him to maintain a fragile balance in the fierce platform competition with limited resources.

Entrepreneur B's behavior is highly flexible, pragmatic, and creative. He refuses to stick to a single model but acts like a tactician, constantly observing the direction of platform rules and quickly adjusting product selection, pricing, and promotion strategies. His actions are not aimed at building a long-term brand but show strong opportunism and short-term strategic focus, oriented towards seizing opportunities in the current rule gaps and achieving immediate sales.

4.3 Passive Struggler: Trapped and Marginalized by Rules

Entrepreneur C, as an inheritor of Tujia brocade intangible cultural heritage, whose products carry profound cultural value, is trapped by the rapidly changing platform rules. She had some success in the relatively stable operating environment of Taobao, but fell into difficulty as the platform shifted to content-driven rules. Her transition to the Douyin platform was even less successful. Faced with the subversion of content-driven logic through soft articles, short videos, and live streaming, Ms. C feels a strong sense of helplessness. The complex algorithm recommendation mechanism, frequently changing live-streaming regulations, and the fast pace of short video creation requirements are like a foreign and demanding language to her, causing serious "cognitive overload." She cannot understand why her carefully filmed traditional craft display videos receive little traffic while some exaggerated performances are highly favored. When attempting to learn platform courses, the complex interface and terminology deter her. Her behavior thus becomes

extremely passive: she can only maintain basic product listings, and occasional live broadcasts are ineffective due to a lack of communication skills and interactive techniques, making participation in platform traffic activities impossible. This poor adaptation directly leads to extremely low store exposure and long-term stagnant performance, with valuable intangible cultural heritage products unable to reach a broader market.

Entrepreneur C's behavior shows significant passivity, lag, and lack of strategy. Faced with platform rules, she is reactive rather than proactive, always lagging behind rule changes. Her operations lack clear strategic guidance, leading to a "not knowing what to do or why" dilemma in the rapidly iterating digital environment, resulting in stagnation.

V. Mechanism Analysis: Pathways Through Which Platform Rules Shape Entrepreneurial Behavior

Comparing the three types of cases, platform rules shape entrepreneurial behavior through three pathways: the resource pathway, where rules set thresholds for obtaining key resources such as traffic exposure and credibility, driving behavior around resource competition; the cognitive pathway, where entrepreneurs interpret rules based on their own knowledge, forming an "opportunity-threat" framework that directly affects decision-making; and the risk pathway, where rules create new types of risks such as penalties for violations, and entrepreneurial behavior is essentially the management and response to these risks.

5.1 Resource Pathway

In the digital platform ecosystem, governance rules are essentially the allocation principles of key resources. They set clear thresholds for obtaining traffic, exposure, and business credibility, thereby deeply driving the behavioral logic of entrepreneurs. This resource pathway shows distinct differences in the three cases: Case A (Proactive Adapter) deeply understands that traffic is a core resource, so its behavior is entirely centered around the platform-recognized "resource exchange" rules, such as earning stable traffic from algorithmic recommendations through refined content creation and compliant operations. Case B (Flexible Maneuverer) sees rules as a battlefield for resource gaming, aiming to "arbitrage" at the lowest cost, for example, by temporarily obtaining platform reward traffic through loopholes to boost sales rankings. Case C (Passive Struggler), on the other hand, lacks the ability to understand and meet the thresholds for resource acquisition, resulting in a "displacement" in the resource competition. Unable to effectively reach resources such as traffic, its business becomes marginalized. It is evident that platform rules, through the resource allocation mechanism, preset different competitive tracks, and the behavioral strategies of entrepreneurs are essentially rational choices under specific resource constraints.

5.2 Cognitive Pathway

The cognitive pathway reveals that platform rules are subjectively interpreted by entrepreneurs and internalized into their decision-making "opportunity-threat" framework, thereby affecting their decisions and forming a cognitive structure of "what can be done, what cannot be done, and what is effective." This, in turn, drives specific behaviors. Due to differences in knowledge background and cognitive schemas, different entrepreneurs may interpret the same rule in completely different ways. Case A systematically interprets the complex platform rules as a structured opportunity guide; he believes that the rules clearly indicate "what is effective," and thus his decisions, such as participating in training and optimizing content, are active implementations of this "success guide." In contrast, Case B sees the rules as a regulatory system full of loopholes, focusing on identifying the boundaries of "what cannot be done" and seeking "loophole" opportunities. His flexible and speculative decisions stem from this perception. Case C, due to insufficient digital literacy, perceives the rules as an incomprehensible and threatening chaotic whole. This cognitive overload directly leads to passive and paralyzed decision-making, characterized by "not knowing what to do." Therefore, the behavioral differences among entrepreneurs fundamentally stem from the different action frameworks formed through their cognitive filtering and meaning construction of the rules.

5.3 Risk Pathway

The risk pathway highlights that platform rules have restructured traditional business risks, creating new types of digital risks such as algorithmic misjudgment, sudden traffic throttling, penalties for violations, and reputation collapse. Entrepreneurial behavior can be seen as a management strategy for these new risks. Case A (Proactive Adapter) adopts a risk-avoidance strategy, internalizing the rules as the highest behavioral standard and systematically eliminating the possibility of penalties through extreme compliance (such as carefully reviewing content and strictly controlling quality) to exchange for operational certainty and stability. Case B (Flexible Maneuverer) practices a risk-arbitrage strategy, precisely calculating the potential costs of violations and the short-term traffic benefits that may result from violations, and actively choosing to take controllable risks (such as playing with descriptive loopholes). His behavior exploits the lag in platform regulation for arbitrage. Case C (Passive Struggler), however, falls into a situation of uncontrolled risk, unable

to understand and predict the rules, and always exposed to unknown risks. Any minor change in platform rules can deal a fatal blow, leading to extremely conservative and stagnant behavior. Therefore, platform rules, by defining risks and setting consequences, shape the diverse risk management logics and behavioral patterns of entrepreneurs.

VI. Conclusions and Implications

6.1 Research Conclusions

Through an in-depth case analysis of three rural micro-entrepreneurs, this study reveals three typical behavioral responses under the pressure of platform rules: proactive adaptation, flexible maneuvering, and passive struggle. The study further dissects the three core pathways through which rules influence behavior: on the resource pathway, rules, as the allocation principles of key resources such as traffic, set thresholds for obtaining these resources, driving behavior around resource competition; on the cognitive pathway, rules are subjectively interpreted by entrepreneurs as an "opportunity-threat" framework, directly shaping their decision-making logic; on the risk pathway, rules reshape the risk landscape, making the management of new types of risks such as algorithmic penalties a core part of daily operations. These three pathways collectively indicate that platform rules are by no means neutral tools but a profound shaping force. Through complex interactions with entrepreneurial agency, they jointly determine the practice and development trajectory of grassroots entrepreneurship in the digital age.

6.2 Practical Implications

The findings of this study provide clear practical implications for three main stakeholders: platform operators, entrepreneurs, and government/assistance agencies.

For platform operators, the study reveals the "cognitive barriers" in the current rule system that exclude micro-entrepreneurs with weak resource endowments. While pursuing ecological governance efficiency, platforms should take on more inclusive social responsibilities. Specific suggestions include: first, enhancing the transparency and stability of rules, publishing and explaining core rule changes in more intuitive ways (such as through videos and illustrations), reducing unexpected penalties due to ambiguous information, and establishing a predictable business environment. Second, providing differentiated, low-threshold support tools, such as developing lightweight data analysis functions for micro-subjects, setting up dedicated customer service channels, and even designing a "newcomer protection period" or "micro-entrepreneurship mode" to help them smoothly transition through the learning phase, rather than serving only top merchants. Platforms need to recognize that the cornerstone of a healthy ecosystem is a large number of active and diverse micro-subjects, not a few oligarchs.

For rural micro e-commerce entrepreneurs themselves, the study emphasizes the strategic necessity of improving "rule literacy." In the digital market, understanding rules is as important as producing good products. Entrepreneurs need to shift from being "passive responders" to "active strategic managers." This means not viewing rules as external constraints but as a market "manual" that must be mastered. In terms of specific actions, they should actively follow the platform's official information channels and participate in training; learn from top peers and even form small learning communities to share experiences. More importantly, when making decisions on product selection, content creation, and promotion, they need to consider rule elements as core variables to find the optimal development path within the compliance framework.

For governments and various rural e-commerce assistance agencies, the study calls for a shift in focus from "hardware" investment to "software" empowerment. Traditional skills training (such as photography and store opening) is no longer sufficient, and assistance policies need to keep pace with the times. "Platform rule interpretation and adaptive strategy guidance" should be a core module of rural revitalization training in the new era. It is possible to organize the compilation of an easy-to-understand Mainstream Platform Rule Guide, invite experienced operators or former platform employees to conduct special lectures, and help entrepreneurs penetrate technical jargon to understand the underlying logic of platforms. The ultimate goal is not to teach them to mechanically follow the rules but to cultivate their ability to analyze, adapt, and strategically apply the rules, thereby truly enhancing their inherent resilience and competitiveness in the digital market.

ACKNOWLEDGEMENT

The authors are grateful to the "Chongqing Municipal Education Commission Humanities and Social Sciences Research Project (year:2022): Research on the Operation Mechanism and Optimization Path of Chongqing Rural E-commerce Entrepreneurship Ecosystem under Rural Revitalization (22SKGH404) ".

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