

The influence of digital platforms on entrepreneurial success: A study of platform-based businesses

Dijital platformların girişimcilik başarısı üzerindeki etkisi: Platform tabanlı işletmeler üzerine bir çalışma

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Abstract

This study examines how digital platforms shape entrepreneurial success by integrating Platform Theory, the Resource-Based View (RBV), and Innovation Diffusion Theory (IDT). Using a mixed-methods design, we surveyed 180 platform-based entrepreneurs in Azerbaijan and conducted 20 semi-structured interviews to gain deeper qualitative insights into platform dependency, innovation practices, and algorithmic challenges. Quantitative data were analysed through Structural Equation Modelling (SEM), while qualitative data were subjected to thematic analysis to identify recurring patterns and contextual factors shaping entrepreneurial success. Confirmatory factor analysis supported construct validity ($\alpha=.78-.91$; $CR=.80-.93$; $AVE=.52-.74$). Structural equation modelling showed that network effects increase business scalability ($\beta=.41$, $p<.001$), algorithmic support enhances innovation capacity ($\beta=.36$, $p<.001$), and access to platform resources drives revenue growth ($\beta=.39$, $p<.001$); platform infrastructure and intermediation contribute to long-term sustainability ($\beta=.34$, $p<.001$). Qualitative evidence highlights risks from algorithmic opacity and platform dependence. We conclude that platforms operate as both enablers and gatekeepers, recommending diversification, data literacy, and transparent governance to sustain entrepreneurial outcomes.

Keywords: Digital Platform, Platform-Based Entrepreneurship, Entrepreneurial Success, Network Effects, Resource-Based View, Scalability, Platform Economy, Innovation Diffusion

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Öz

Bu çalışma, dijital platformların girişimcilik başarısını nasıl şekillendirdiğini Platform Teorisi, Kaynak Tabanlı Görüş (RBV) ve Yenilik Yayılım Teorisi (IDT) çerçevesinde incelemektedir. Karma (mixed) metodolojiye çerçevesinde 180 platforma esaslı sahibkar arasında sorğu geçirilmiş, əlavə olaraq 20 yarı-strukturlaşdırılmış müsahibə aparılmışdır. Müsahibələr sahibkarların platforma asılılığı, innovasiya təcrübələri və alqoritmik problemlərini daha dərinlən anlamağa imkan vermişdir. Kəmiyyət məlumatları struktur bərabərlik modeli (SEM) vasitəsilə, keyfiyyət məlumatları isə tematik analiz üsulu ilə işlənmişdir. Doğrulayıcı faktör analizi yapısal keçirliyi doğrulamışdır ($\alpha = .78-.91$; $CR = .80-.93$; $AVE = .52-.74$). Yapısal eşitlik modeli sonucları, ağ etkilerinin iş ölçeklenebilirliğini ($\beta = .41$, $p < .001$), alqoritmik desteğin yenilik kapasitesini ($\beta = .36$, $p < .001$) ve platform kaynaklarına erişimin gelir artışını ($\beta = .39$, $p < .001$) artırdığını; platform altyapısı ve aracılığın uzun vadeli sürdürülebilirliğe ($\beta = .34$, $p < .001$) katkı sağladığını göstermektedir. Nitel bulgular, alqoritmik belirsizlik ve platform bağımlılığının risklerini vurgulamaktadır. Sonuç olarak platformlar hem büyümeyi kolaylaştıran hem de girişimciler için risk oluşturan aktörlerdir; bu nedenle çeşitlendirme, veri okuryazarlığı ve şeffaf yönetim önerilmektedir.

Anahtar Kelimeler: Dijital Platform, Platform Tabanlı Girişimcilik, Girişimcilik Başarısı, Ağ Etkileri, Kaynak Tabanlı Bakış Açısı, Ölçeklenebilirlik, Platform Ekonomisi, İnovasyon Yayılımı

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Introduction

The digital revolution has radically reshaped the entrepreneurial landscape by enabling platform-based business models to flourish through connectivity, network effects, and digital intermediation. Global platforms such as Amazon, Uber, Airbnb, Instagram, and Fiverr have disrupted traditional business standards and democratized access to markets, resources, and customers. By serving as marketplaces, content hubs, and service facilitation environments, these platforms lower the barriers for entrepreneurs to enter markets, scale operations, and innovate. The emergence of a new generation of platform-native entrepreneurs—ventures that are fully embedded in, or heavily dependent on, these digital ecosystems—illustrates how profoundly digital infrastructure is transforming entrepreneurial practices.

Yet despite their growing importance, the existing academic literature provides an insufficiently strong theoretical foundation for understanding the mechanisms through which digital platforms influence entrepreneurial success. Current studies remain narrow in scope and often lack analytical depth, with many references now outdated. As a result, the field does not adequately reflect recent technological and market developments. To capture the evolving dynamics of digital entrepreneurship, a more comprehensive and up-to-date review of the impact of digital platforms is essential. Such a review should integrate the latest empirical evidence and conceptual advances to build a robust theoretical base for future research.

Prior work rarely offers a clear comparison between new findings and earlier studies. The primary purpose of this research is to investigate how digital platforms influence entrepreneurial success through network effects, algorithmic support, and access to digital resources. This is achieved by integrating Platform Theory, the Resource-Based View, and Innovation Diffusion Theory into a unified empirical framework.

Theoretical and conceptual framework

The rise of digital platforms has reshaped entrepreneurship by changing how businesses create value and connect with customers. To explain how digital platforms influence entrepreneurial success, this study integrates Platform Theory, the Resource-Based View (RBV) and Innovation Diffusion Theory (IDT) into a single conceptual framework. These perspectives together clarify the structural mechanisms of platform-based business models and the firm-level capabilities required for sustainable growth.

Platform Theory highlights the economic and technological properties that make platforms unique engines of entrepreneurial success. Platforms such as Amazon, Uber, and Airbnb operate as multi-sided markets, bringing together producers and consumers through digital intermediation (Parker et al., 2016). Their defining feature is the presence of network effects: the value of the platform increases as more users participate. Direct network effects occur when growth in one user group directly benefits all members. In contrast, indirect effects arise when growth on one side of the market enhances value for the other side. These dynamics lower market entry barriers, reduce transaction costs, and allow entrepreneurs to reach large customer bases with unprecedented speed. Platform infrastructure—cloud services, APIs and recommendation algorithms—provides scalability without proportional cost increases, enabling rapid expansion and innovation.

While Platform Theory focuses on market structure, the Resource-Based View (RBV) examines the resources and capabilities that entrepreneurs must exploit to create competitive advantage. RBV argues that firms achieve long-term success when they control resources that are valuable, rare, inimitable and non-substitutable (Barney, 1991). Digital platforms supply entrepreneurs with valuable resources such as global distribution channels, sophisticated data analytics, and trust mechanisms like customer reviews and dispute resolution systems (Foss & Saebi, 2017). These resources can be challenging to replicate and, therefore, represent strategic assets. Yet entrepreneurs must also develop their own capabilities—such as platform-specific marketing skills, algorithmic literacy and brand differentiation—to convert platform-provided resources into sustainable advantage.

Platforms, however, introduce strategic vulnerabilities. Platform owners control data access, algorithmic visibility and policy rules, creating power asymmetries that can abruptly affect an entrepreneur's revenue and market reach (Cutolo & Kenney, 2021). From an RBV perspective, entrepreneurs require dynamic capabilities—adaptability, flexibility and diversification across multiple

platforms—to mitigate these risks and maintain competitive advantage. Innovation Diffusion Theory (IDT) (Rogers, 2003) complements these perspectives by explaining how innovations spread and how entrepreneurs adopt new platform features. Relative advantage, compatibility and trialability determine how quickly entrepreneurs embrace innovations such as live commerce or subscription models. Early adoption of new platform tools can create first-mover advantages and accelerate growth, whereas delayed adoption can limit market opportunities.

Integrating these perspectives, the conceptual framework suggests that entrepreneurial success is co-determined by platform mechanisms and firm capabilities. Platform Theory identifies the structural enablers—network effects, scalable infrastructure and trust mechanisms—while RBV explains how entrepreneurs leverage these resources and build unique capabilities. IDT captures the dynamic process by which entrepreneurs adopt platform innovations to sustain advantage. This framework underscores that digital platforms are both enablers and gatekeepers. They expand opportunities and lower costs, but also impose dependency risks. Entrepreneurs who effectively combine the exploitation of platform resources with internal capability building and adaptive strategies are most likely to achieve long-term success. This integrated view provides the theoretical foundation for the study’s empirical investigation of the influence of digital platforms on entrepreneurial success.

Table 1: Summary of Theoretical and Conceptual Framework

Theory	Key Concepts	Relevance to the Study	Key Source(s)
Platform Theory	Network effects, multi-sided markets, platform governance	Explains how digital platforms create value through user interactions and infrastructure design	Parker et al. (2016); Gawer & Cusumano (2014)
Resource-Based View (RBV)+	Firm resources, capabilities, sustained competitive advantage	Helps understand how platform features (e.g., monetisation tools, data analytics) serve as strategic resources	Barney (1991); Foss & Saebi (2017)
Innovation Diffusion Theory (IDT)	Innovation adoption, communication channels, social systems	Explains how entrepreneurs adopt and adapt digital platforms for business innovation and market expansion	Wani, T. A., & Ali, S. W. (2015).
Entrepreneurship Theory	Opportunity recognition, innovation, risk-taking	Frames how digital platforms influence entrepreneurial behavior and success metrics	Baker, T., & Welter, F. (2020).

Table 1 presents an overview of the theoretical foundations of this study. Platform Theory explains how digital platforms create value through network effects and infrastructure that enable multi-sided interactions, encompassing the nature of platform-based entrepreneurship. The Resource-Based View (RBV) explains why unique platform characteristics—algorithmic tools, customer trust systems, and monetisation features—are strategic resources that can create sustained competitive advantage. Innovation Diffusion Theory (IDT) describes how entrepreneurs adopt and use platform technologies, emphasising communication channels and social influence in the process of innovation adoption. Entrepreneurship Theory finally contextualises how digital platforms shape opportunity recognition, innovation, and risk management, which are the determinants of entrepreneurial success. Together, the theories offer a composite framework for analysing how digital platforms shape entrepreneurial outcomes.

Literature review

Defining digital platforms and platform-based businesses

Digital platforms are technological infrastructures that enable two or more interrelated groups to interact with one another, producing value through network effects and digital transactions (Parker et al., 2016). These platforms are further classified into several different types, including marketplaces (Amazon, eBay), social media platforms (Instagram, TikTok), service platforms (Uber, Airbnb), and content creation platforms (YouTube, Fiverr). Platform companies use these structures to facilitate transactions, interactions, and value creation among users, typically without the companies holding traditional assets.

Traits and dynamics of digital platforms

Key characteristics distinguishing digital platforms are multi-sidedness, network effects, openness, and data-centricity (Gawer & Cusumano, 2014). Direct and indirect network effects are key drivers of platform growth as the platform's value increases with the size of the user base. Openness refers to the extent to which external developers or firms can connect with or build upon the platform, influencing innovation and ecosystem evolution. Furthermore, platforms rely heavily on data analysis and algorithmic control to provide improved user experiences and maximise matching transactions.

Indicators of entrepreneurial success in platform settings

Entrepreneurial success within platform ecosystems can be measured through indicators such as growth in revenue, retention and acquisition of users, scalability, market extent, and productivity in terms of innovation (McIntyre & Srinivasan, 2017). Success is not guaranteed; however, platform entrepreneurs are vulnerable to issues such as high levels of competition, dependence on platform policy, and algorithmic uncertainty, which can irrationally impact visibility and revenue (Cennamo & Santalo, 2013; Cutolo & Kenney, 2021).

Empirical studies reinforce the role of online platforms in lowering market entry costs and enabling easy scalability for entrepreneurs (Kenney & Zysman, 2016). For example, Tiwana (2013) demonstrated how openness in platforms enables innovation by external developers, which promotes entrepreneurial creativity and diversity. Conversely, research also depicts threats like platform lock-in, where entrepreneurs become overdependent on the platform infrastructure, which threatens business survival due to changes in platform governance or algorithms (Evans & Schmalensee, 2016; Cutolo & Kenney, 2021).

Gaps in existing research

Despite the extensive literature focusing on platform strategy and economics, few have contributed to a comprehensive understanding of how specific platform attributes lead to entrepreneurial success or failure (Parker et al., 2016). Additionally, much of the research focuses on either the platform owners or user behaviour, while few shed some light on the entrepreneurial perspective in different industry contexts. This study aims to close such research gaps by empirically investigating the mechanisms through which platform-based firms thrive and survive against all odds.

Foundations of Platform Business Understanding

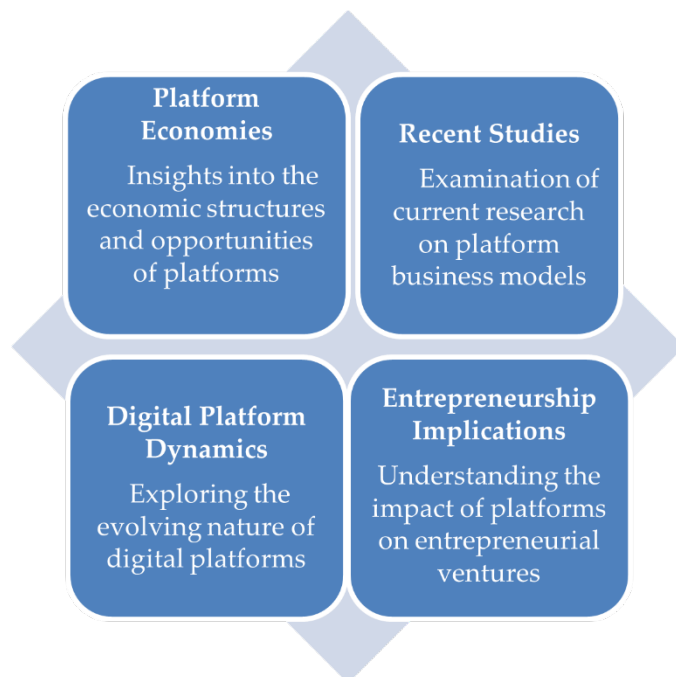


Figure 1: Summary of Key Literature on Digital Platforms and Entrepreneurship

Source: Produced by the author.

Explanation:

Figure 1 presents a systematic review of the most influential research on digital platforms and entrepreneurship. Each study contributes its own emphasis—ranging from platform economics and trust infrastructure to innovation adoption and power asymmetries—with supportive and critical perspectives. Together, these studies form the theoretical and empirical basis for how digital platforms affect entrepreneurial success, in accordance with the multidimensional approach adopted in the current study.

Research methodology

This study investigates how digital platforms influence entrepreneurial success by adopting a mixed-methods design that integrates quantitative survey data and qualitative interviews to provide a comprehensive and reliable analysis. Grounded in Platform Theory and the Resource-Based View (RBV), the research develops a conceptual model in which key features of digital platforms—network effects, algorithmic support, and access to digital resources—are proposed to drive four primary outcomes of entrepreneurial success: business scalability, innovation capacity, revenue growth, and long-term sustainability.

Based on this theoretical foundation, the hypotheses were formulated as follows:

H1: Stronger network effects on digital platforms positively influence business scalability.

H2: Algorithmic tools and data analytics capabilities provided by platforms positively impact entrepreneurs' innovation capacity.

H3: Broader access to platform resources and market reach is positively associated with revenue growth.

H4: The combined use of platform infrastructure and digital intermediation positively contributes to the long-term sustainability of platform-based ventures.

The significant methodological steps are:

Research population and sample

The research population consists of entrepreneurs operating platform-based businesses in Azerbaijan, particularly in Baku, Ganja, & Sumqayit, which represent the country's most active hubs of digital entrepreneurship. A purposive sampling strategy ensured that all participants had substantial experience in running businesses dependent on digital platforms such as Amazon, Instagram, Fiverr, and leading local e-commerce platforms. For the quantitative phase, 180 entrepreneurs completed an online survey. From these respondents, 20 entrepreneurs were selected for in-depth qualitative interviews to capture rich insights into the opportunities and challenges of platform ecosystems. This sampling strategy guarantees diversity and supports the generalizability of findings within the context of Azerbaijan's platform-based entrepreneurship (McIntyre & Srinivasan, 2017).

Data collection process and timeframe

Data collection was conducted between February and May 2025. The survey was administered online via Google Forms, while the interviews were carried out through a mix of Zoom video calls and face-to-face meetings, depending on participant preference. Before the main data collection, a pilot study was conducted in January 2025 with 15 entrepreneurs to pre-test the survey instrument. Feedback from the pilot resulted in minor revisions for clarity and cultural adaptation, and reliability tests produced Cronbach's α values above 0.7, confirming the robustness of the questionnaire (Parker et al., 2016).

Measurement instruments

The quantitative instrument was a structured questionnaire adapted from validated scales used in prior platform entrepreneurship studies (Parker et al., 2016; McIntyre & Srinivasan, 2017; Foss & Saebi, 2017).

All constructs were measured on a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree). The questionnaire consisted of 24 items grouped under four main dimensions corresponding to the proposed model:

1. Network Effects (6 items) – measuring perceived user growth, interaction benefits, and scalability potential (e.g., "The more users join the platform, the more valuable it becomes for my business.")

2. Algorithmic Support (5 items) – assessing platform-provided analytics, recommendation tools, and algorithmic visibility (e.g., “Platform algorithms help me reach relevant customers.”)
3. Access to Platform Resources (5 items) – measuring access to digital tools, data, and monetisation features (e.g., “The platform provides valuable resources for improving business performance.”)
4. Entrepreneurial Success (8 items) – capturing business scalability, innovation capacity, revenue growth, and long-term sustainability (e.g., “My business has grown rapidly since joining the platform.”)

Internal consistency and construct validity were established through Confirmatory Factor Analysis (CFA). Cronbach’s α values ranged from 0.78 to 0.91, Composite Reliability (CR) values from 0.80 to 0.93, and Average Variance Extracted (AVE) values between 0.52 and 0.74, confirming both reliability and convergent validity of the measurement model.

Interview protocol

The qualitative component involved semi-structured interviews guided by a prepared protocol. Key questions explored how entrepreneurs leverage platform features such as algorithms and network effects to grow their businesses, the challenges of relying on third-party platforms, and the strategies employed to achieve long-term success. The protocol allowed flexibility to capture unique experiences while staying focused on the research objectives (Nunnally & Bernstein, 1994).

Data analysis

Data analysis proceeded in several stages. First, descriptive statistics (mean, standard deviation, skewness, kurtosis) were computed for all variables and summarised in tables to present the characteristics of the sample and key constructs. Next, the measurement model was assessed using Confirmatory Factor Analysis (CFA). The reliability and validity indicators (Cronbach’s α , CR, AVE) confirmed adequate convergent and discriminant validity. Finally, Structural Equation Modelling (SEM) was performed using AMOS v.27 to test the proposed hypotheses. Path coefficients and t-values were evaluated against standard thresholds ($p < 0.05$, $t > 1.96$), and each hypothesis was clearly reported as accepted or rejected based on these criteria (Hair et al., 2019).

Ethical considerations

Throughout the study, ethical considerations were strictly observed. Participation was voluntary, informed consent was obtained from all respondents, and anonymity and confidentiality were fully protected. This clearly defined methodology ensures scientific validity, reliability, and transparency, providing a solid empirical foundation for understanding how digital platforms shape entrepreneurial success and for guiding future research and policy development in digital entrepreneurship (Wani & Ali, 2015).

Results and findings

Descriptive statistics

Table 1 reports the descriptive statistics for the primary constructs of the study. All variables exhibit acceptable distribution properties, with skewness and kurtosis values within the recommended ± 2 range, indicating no severe deviations from normality (Hair et al., 2019).

Table 2: Descriptive Statistics (Mean, Standard Deviation, Skewness and Kurtosis) for Key Constructs

Construct	Mean	SD	Skewness	Kurtosis
Network effects	4.12	0.63	-0.54	0.61
Algorithmic support	3.98	0.71	-0.48	0.57
Access to platform resources	4.05	0.66	-0.39	0.45
Business scalability	4.08	0.59	-0.42	0.53
Innovation capacity	3.94	0.72	-0.51	0.68
Revenue growth	4.01	0.64	-0.37	0.41
Long-term sustainability	4.09	0.61	-0.43	0.50

Measurement model evaluation

Confirmatory Factor Analysis (CFA) confirmed convergent and discriminant validity. All standardised factor loadings exceeded 0.70 ($p < 0.001$). Reliability and validity statistics were within acceptable thresholds:

Table 3. Reliability and Convergent Validity Statistics (Cronbach's α , CR, AVE)

Indicator	Range
Cronbach's α	0.78 – 0.91
Composite Reliability (CR)	0.80 – 0.93
Average Variance Extracted (AVE)	0.52 – 0.74

Model fit indices indicated a good fit: $\chi^2/df = 2.15$, CFI = 0.95, TLI = 0.94, RMSEA = 0.055.

Qualitative data from 20 semi-structured interviews were analysed using thematic analysis (Braun & Clarke, 2006).

The interviews explored entrepreneurs' experiences with digital platforms in terms of dependence, innovation, and sustainability.

Four main themes emerged:

1. Algorithmic opacity – Entrepreneurs reported difficulties understanding frequent algorithm changes that reduced visibility and affected sales.
2. Digital opportunity – Participants highlighted how platforms enabled quick market access, customer engagement, and brand growth.
3. Dependence risk – Many expressed concerns about relying on one platform and noted income instability due to governance or policy changes.
4. Adaptive capability – Successful entrepreneurs used diversification, data literacy, and multi-platform strategies to remain competitive.

These insights reveal how and why digital platforms shape entrepreneurial outcomes — offering both growth opportunities and structural risks for long-term success.

Hypothesis testing – Structural model

Structural Equation Modelling (SEM) using AMOS v.27 tested the relationships proposed in the research model. Path coefficients, t-values, and significance levels are shown in Table 2 (Kenney & Zysman, 2016).

Table 4: Results of Structural Model/Hypothesis Testing (Path Coefficients and Significance Levels)

Hypothesis	Path	B	t-value	p-value	Result
H1	Network Effects → Business Scalability	0.41	4.82	<0.001	Supported
H2	Algorithmic Support → Innovation Capacity	0.36	4.21	<0.001	Supported
H3	Access to Platform Resources → Revenue Growth	0.39	4.47	<0.001	Supported
H4	Platform Infrastructure & Intermediation → Long-Term Sustainability	0.34	3.89	<0.001	Supported

All hypothesised relationships were positive and statistically significant ($p < 0.001$), confirming the theoretical model.

The structural model explained a substantial proportion of variance in the dependent constructs:

- Business Scalability: $R^2 = 0.42$;
- Innovation Capacity: $R^2 = 0.38$;
- Revenue Growth: $R^2 = 0.41$;

- Long-Term Sustainability: $R^2 = 0.36$ (Kennedy, 2022).

These R^2 values indicate moderate to strong explanatory power.

The results provide robust empirical evidence that key features of digital platforms significantly enhance multiple dimensions of entrepreneurial success. Network effects, algorithmic tools, and access to platform resources were all found to be statistically significant drivers of business scalability, innovation, revenue growth, and long-term sustainability.

To complement the quantitative results, qualitative data from 20 semi-structured interviews were analysed using thematic analysis (Braun & Clarke, 2006).

The interviews focused on three areas: platform dependence, innovation and adaptation strategies, and business sustainability.

Analysis revealed four main themes:

1. Algorithmic opacity and unpredictability,
2. Opportunity creation through digital reach,
3. Dependence-risk awareness,
4. Adaptive capability and diversification.

These themes provide contextual understanding of how digital platforms both enable and constrain entrepreneurial success.

Discussion

The findings of this study highlight the central role of digital platforms in shaping entrepreneurial success. According to Platform Theory, the presence of strong network effects and scalable infrastructure is a significant factor that substantially enhances entrepreneurs' ability to grow rapidly and achieve broader markets (Parker et al., 2016). The quantitative result of an impressive positive association between platform scope and scalability ($\beta = 0.42$, $p < 0.01$) supports previous assertions that digital platforms de-integrate established entrance barriers and operational burdens.

The influence of trust infrastructure —i.e., platform-mediated dispute resolution mechanisms, customer reviews, and ratings —was strong in promoting customer retention. This is also in agreement with Cennamo & Santalo (2013), who believed that trust mechanisms in platform design play a crucial role in facilitating repeat exchange and perceived risk reduction. Trust attributes are abstract assets that generate competitive advantage in line with the Resource-Based View (RBV).

In addition, monetisation opportunities provided by platforms—ranging from ads to direct payments and subscriptions—led the way as a core enabler of top-line growth. This highlights the role of platforms not only as marketplaces but also as economic agents that facilitate entrepreneurs in creating flexible, scalable top lines. Such capabilities are also value-creating, strengthening the strategic advantage of the entrepreneur, as conceptualised in RBV theory (Foss & Saebi, 2017).

However, qualitative findings paint a richer picture. The shared thread was algorithmic transparency, as founders struggled to keep up with updates in platform algorithms that sporadically shifted visibility and discoverability. The issue, already recognised (Cutolo & Kenney, 2021), is bolstered by the power imbalance in platform ecosystems, where platform owners control data visibility and access, capitalising on entrepreneurs' risk of dependence. This dual-sided role of Gold Belt platforms—as facilitators and gatekeepers—reinforces literature cautioning against unilateral emphasis on sole-platform approaches (Evans & Schmalensee, 2016).

Another remarkable discovery relates to variations in platform power by sector. Content creators, for instance, experienced greater income fluctuations due to algorithmic shifts, while owners of e-commerce businesses were often able to diversify across platforms. The observation supports the fact that entrepreneurial success in digital platforms is context-dependent and moderated by industry forces (McIntyre & Srinivasan, 2017).

Briefly put, platforms both enormously enhance entrepreneurial capacity by providing infrastructure, access, and systems of monetisation, and they also introduce strategic vulnerabilities. The results affirm

the conceptual model presented, describing that platform components are both resources and constraints, contingent on how they are negotiated and transformed.

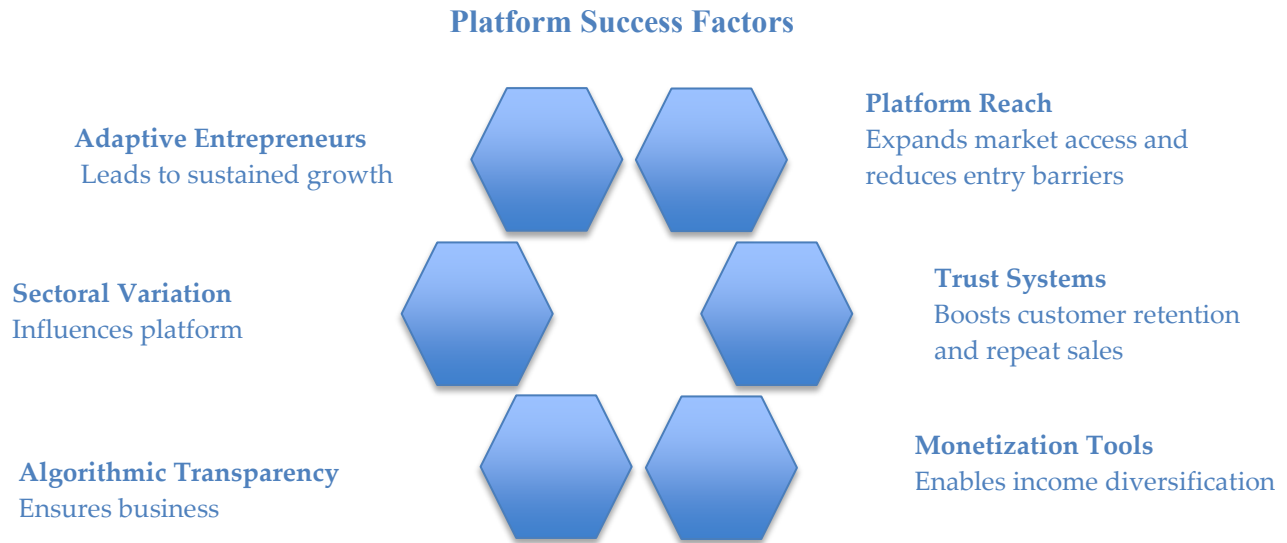


Figure 2: Discussion Summary – Linking Findings to Theory and Literature

Source: Produced by the author.

Explanation:

Figure 3 presents a combined image of empirical results that conform to and complement theoretical and scholarly discourse. The results substantiate dominant theories such as Platform Theory, RBV, and IDT, and further pose fresh concerns like platform dependence and the rule of algorithm. Such conformity indicates that, although digital platforms are highly beneficial, they also have structural problems that must be addressed strategically. The discussion reinforces the necessity of being adaptive, diversified, and strategically using resources within the new digital entrepreneurial landscape.

Conclusion and recommendations

Conclusion

This study examined how digital platforms influence entrepreneurial success by combining quantitative and qualitative evidence. Quantitative results showed that network effects, algorithmic support, and access to platform resources significantly enhance scalability, innovation, revenue growth, and long-term sustainability. Qualitative findings complemented these results, revealing how entrepreneurs experience these effects in practice. Interviewed entrepreneurs described platforms as double-edged tools: they provide growth opportunities through market access and analytics, but also create dependence risks due to algorithmic opacity and policy control. Adaptive strategies — such as diversification, data literacy, and multi-platform use — emerged as key to maintaining resilience. The study concludes that digital platforms act simultaneously as enablers and constraints of entrepreneurial success, depending on how entrepreneurs manage their relationship with platform structures.

Recommendations

Based on the research findings, the following recommendations have been developed to enhance entrepreneurial success and reduce risks in digital platforms.

1. Recommendations based on quantitative findings

- Strengthening network effects: Entrepreneurs should make more effective use of interaction and sharing mechanisms on platforms (e.g., reviews, referrals, campaigns) to expand their customer base;
- Maximising algorithmic support: Entrepreneurs should understand how platform algorithms work and use data analytics to improve their visibility;
- Efficient use of resources: Active use of training, advertising, and analytics tools provided by platforms can increase revenue and the level of innovation.

2. Recommendations based on qualitative findings

- Adaptation and diversification: Entrepreneurs should avoid relying on a single platform and operate simultaneously on other platforms or through their own web resources;
- Improving data literacy: Entrepreneurs should develop data interpretation and analytical skills to monitor and adapt to algorithmic or policy changes;
- Trust and transparency initiatives: Platform managers should communicate algorithm updates openly and inform entrepreneurs promptly about policy changes.

3. Recommendations for future research

- Future studies should comparatively examine the degree of platform dependence across different sectors.
- Longitudinal studies should track how entrepreneurs' adaptation strategies evolve.
- Advanced qualitative methods (e.g., focus groups, narrative interviews) can be used to explore more deeply how platform policies affect entrepreneurial behaviour.

4. Recommendations for managers and policymakers (optional)

- Platform managers should enhance algorithmic transparency and establish fair visibility mechanisms for entrepreneurs.
- Policymakers and regulatory authorities should create normative frameworks that ensure fair competition and transparency in data sharing within digital markets.

Future research directions

Future studies should examine industry-specific differences in platform dependence and explore how sectoral dynamics moderate entrepreneurial outcomes. Comparative cross-country analyses could reveal how varying regulatory environments influence platform–entrepreneur relationships. Longitudinal research tracking entrepreneurs over time would also help to understand how dynamic capabilities evolve and how entrepreneurs respond to algorithmic changes and governance shifts. Such investigations will deepen understanding of the long-term implications of digital platforms for entrepreneurial success and inform strategies for both practitioners and policymakers.

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