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Surviving in fierce competition

differentiation Strategic change of eLong

Module | Strategic Change and Organizations LCDB7005

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1 Introduction

At the beginning of the 21st century, China's online travel industry embraced a period of rapid development within both opportunities and challenges, as serious product homogeneity, emerging innovative models, and extremely fierce competition. In the cruel competitive environment, eLong gradually got rid of the negative impact from 2007 to 2012 and successfully completed the reversal. The success of eLong was due to the implementation of the online hotel differentiation strategy in line with its competitive advantages.

Based on the three-stage theory and Kotter's 8-steps change model, the external macro environment and internal environment of eLong is to be analyzed using the SWOT model, and then strategic change is investigated in this research. Meanwhile, this research provides a reference for the development of other online travel companies, hoping that it is instructive for the selection of competitive strategy and implementation of strategic change.

2 Analysis model

2.1 Three stage theory of change

Kurt Lewin, known as the “father of social change theories”, is mainly interested in resolving social conflicts through behavioral changes, both within an organization and in a broader society(Burnes, 2004). Lewin(1947)argues that a successful change project involved three steps as unfreezing, changing and refreezing. The three-stage theory of

change is a comprehensive approach, suitable for analyzing and understanding changes at the personal, group, organizational levels(Kaminski, 2011).

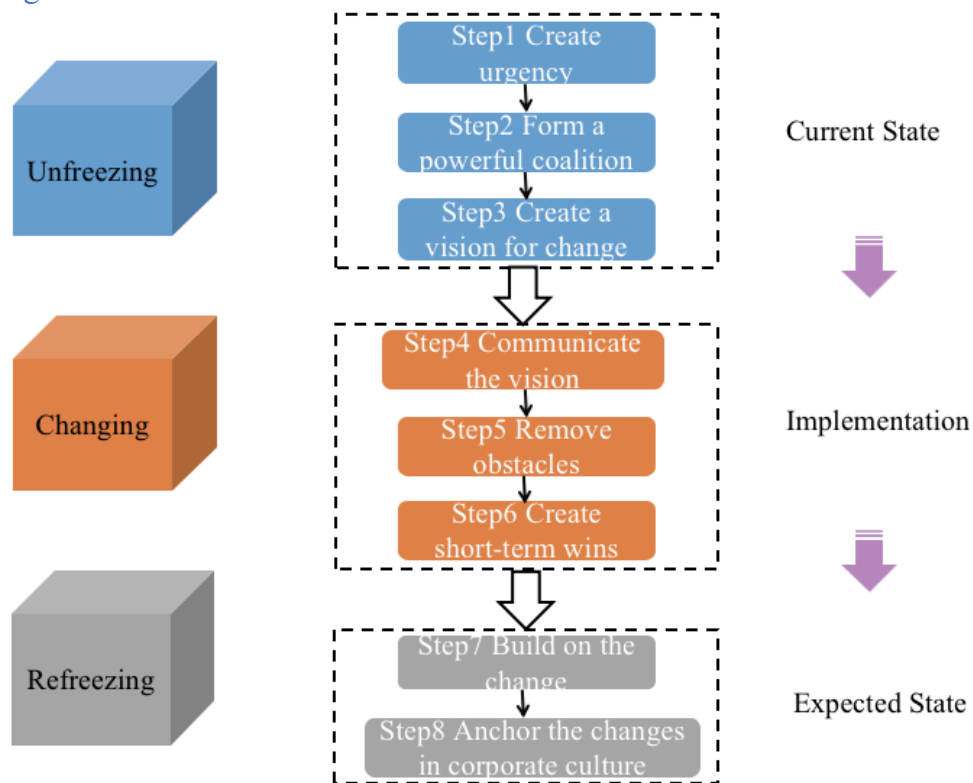
2.2 Kotter's 8-steps change model

John P. Kotter(1995) also constructs an organizational change model. Although the theoretical basis of the model is consistent with Lewin's, Kotter's 8-steps change model is more detailed. The model for change management of Kotter is widely used in the business world, which is an integrative approach, focusing on people and how they feel about the change(Kotter and Schlesinger, 1979). Some scholars consider that the change of organization would be more successful if it is implemented in accordance with Kotter's 8-steps change (Varkey and Antonio, 2010).

2.3 Theoretical framework

Lewin's model of change has been used for 70 years and has attracted criticisms in the past 30 years. Although Lewin's model pointed out the direction for corporate to change and laid the foundation for theoretical research, it is to be thought outdated (Marshak, 1993; Dent and Goldberg, 1999) due to its vague guidance in the operation of organizational change. Therefore, in this research, Lewin's three stage theory and Kotter's 8-steps model are combined to analyze the differentiation strategic change of eLong.

Figure 1 Theoretical framework



3 Dilemma of eLong

eLong, founded in 1999, was initially positioned as a city life website providing life information. Ctrip, whose business model was similar to eLong, was established in the same year. However, the road to development of eLong was bumpier than that of Ctrip. After experiencing being sold and being repurchased, eLong started the online travel business in 2001 when Ctrip had engaged in the online travel business two years. At that time, Ctrip has become the leader of the online travel industry and has dominated in the online travel market. Therefore, eLong had to operate the similar business to catch up with Ctrip. However, under the influence of the founder's capital operation, eLong is still accustomed to relying on external forces. In July 2004, eLong was acquired by Expedia, a world-renowned travel company, and then successfully listed

on NASDAQ. According to the conceptual conflict between foreign and domestic companies, and frequent change of leadership team, the reputation and the market share of eLong was seriously damaged, which promoted Ctrip to gradually grow into a giant among other online travel companies, accounting for more than half of the online travel market share. Therefore, eLong had to continue following the footsteps of Ctrip without feasible development strategy.

In January 2006, Tang Yue, the founder of eLong, finally resigned CEO and his successor was Tom Soohoo, who had worked for McDonald(Zhang, 2016). During the year 2006 to the third quarter of the year 2007, the start-up team members of eLong left the company successively leading to disordered organization and made the execution continuous decline. As a result, after the profit in first and second quarters of 2006, there was a significant loss in the fourth quarter. On contrary, during the same period, Ctrip developed stably and its business has kept continuous rising. In 2002, Ctrip introduced the Six Sigma method, a mature management method, into daily management, and its implementation was beneficial to enhance the competitive advantage with strong execution. Finally, after 14 months' working, Tom Soohoo quitted from eLong in July 2007. After undergoing frequent change of leadership team, eLong located in an embarrassing situation of high customer churn rate, high employee turnover rate and sustained losses. Moreover, the gap with eLong and Ctrip was widened and eLong fell in a dilemma.

Table 1 History of eLong

Year	Event
Jan. 2013	The most dynamic corporate brand award
Dec. 2012	Innovative product annual award
Oct. 2012	China's best employer award
Oct. 2012	Call center annual award in travel industry
Oct. 2012	China innovation TOP 10 annual award
May 2011	The number of corporate hotels exceeded 20,000
May 2011	Tencent became the second-largest shareholder, with 16 percent
Apr. 2011	Launched Android client for mobile phone
Mar. 2011	Launched iOS client for mobile phone
May 2010	Launched m.elong.com, provided mobile phone booking service
Nov. 2008	Launched Hotel Review Channel
Nov. 2008	Implementation of Siebel CRM system
Sep. 2008	Implementation of Oracle ERP system
Sep. 2008	Contact center of China annual award
Sep. 2008	Launched map search function
Apr. 2008	Updated website and applied eyes-tracking technique
Jan. 2008	Provided 7*24 service
Oct. 2004	Listed on NASDAQ
May 2001	Started online travel business
May 1999	Founded in 1999, positioned as city life website

4. Strategic change of eLong

4.1 SWOT as analysis tool

4.1.1 Strengths of eLong

eLong has received great support of capital, resources, technology and experience from the internationally renowned travel company Expedia after the acquisition in the year 2011. The hotel and air ticket online booking products maintain a certain market share and obtain a certain market reputation. Moreover, the model of online marketing is in line with social development and future trend.

4.1.2 Weaknesses of eLong

The frequent change of senior managers of the company leads to formation of three internal powers, which compete one another resulting in disordered organized and unclear developmental goal. Main products are highly homogenized, lacking obvious advantage in price. The users are limited in business travelers so its popularity among leisure people is not high as well as the overall brand recognition.

4.1.3 Opportunities of eLong

With the strong support of government, e-commerce braces the period of accelerated development. A series national policy will facilitate the development of OTA. Furthermore, the domestic consumption structure has been upgraded and the tourism market demand is strong. Moreover, the online payment and mobile payment technologies become mature which providing technical support for OTAs. The number of Internet users has soared, and the concept of online shopping has gradually accepted by customers so as to online booking will gradually become the main mode of tourism consumption.

4.1.4 Threats of eLong

The competitive pressure in the industry is fierce as the same business model and reproducible products. In addition, Internet giants are eager to enter into the industry which has further reduced the profit margin. Also, direct selling platforms of hotels and airlines have compressed bargaining space of products.

Figure 2 SWOT analysis of eLong

	Strength ·Support of Expedia ·Market share and market reputation ·Future trend	Weakness ·Disordered organized and unclear developmental goal ·Homogenized products ·Limited user size and brand reputation
Opportunity ·Support of national policy ·Demand of market ·Mature technologies of online payment ·Internet user increased	1.Expand hotel coverage 2.Cover more user groups 3.Improve traffic conversion rate with the help of Tencent	1.Attach importance to international hotel reservation 2.Penetrate toward high-level hotels
Threat ·Ctrip ·Entry of Internet giants ·Direct selling platforms	1.Build ecosystem 2.Improve the relationship with existing patterns	1.Innovate hotel products 2.Create new service method

4.2 Differentiation strategy as choice

Strategy is crucial to the long-term development of a company. A good strategy can enable the company to develop continuously and stably, while resources is going to be wasted in a poor strategy, leading to a result that company will fail in fierce competition.

It is obvious that the main products of eLong have no advantage in price, so the cost leading strategy is not appropriate. In addition, following strategy make the product line of eLong the same as the ones of Ctrip, including hotel booking service, air ticket booking service, vacation service, business travel service, however, none of of them could be compared to Ctrip's. However, according to the revenue in 2007, the hotel revenue of Ctrip accounted for about 50%, air ticket around 40% of, while the eLong's hotel revenue accounted for 75%, followed by air ticket less than 20%. So Ctrip's hotel

booking service is less than 3 times than the one of eLong and air ticket booking service is 9 times than eLong(Table 2). As a result, the hotel booking service is advantageous product of eLong. Furthermore, eLong and Ctrip accounts for more than 70% of market share in online travel industry. And the organization structure and business operation of eLong have always been base on hotel booking service, so it is not realistic for eLong to change its business mode. Therefore, the core competitiveness of eLong needs to be strengthen in order to survive in the homogeneous phenomena. At the same time, from the financial data released by Ctrip and eLong, eLong's promotion cost accounted for more than 40% in 2007, while the proportion was only about 19% of Ctrip, which indicated that Ctrip has obtained strong brand recognition. On the contrary, eLong had to make an effort. In summary, the differentiated strategy is the best option for eLong and its advantageous product is hotel booking service.

Table 2 Percentage of revenue on each business(2016Q3-2017Q3)

Ctrip	2006Q3	2006Q4	2007Q1	2007Q2	2007Q3
Hotel business	56.10%	57.00%	53.40%	55.30%	50.70%
Ticket business	36.30%	37.20%	38.20%	37.90%	39.80%
Holiday product	5.80%	4.50%	6.40%	4.20%	6.00%
eLong	2006Q3	2006Q4	2007Q1	2007Q2	2007Q3
Hotel business	76.90%	80.30%	74.90%	76.70%	76.80%
Ticket business	14.70%	13.80%	18.40%	17.70%	18.60%

5. Differentiation strategic change of eLong

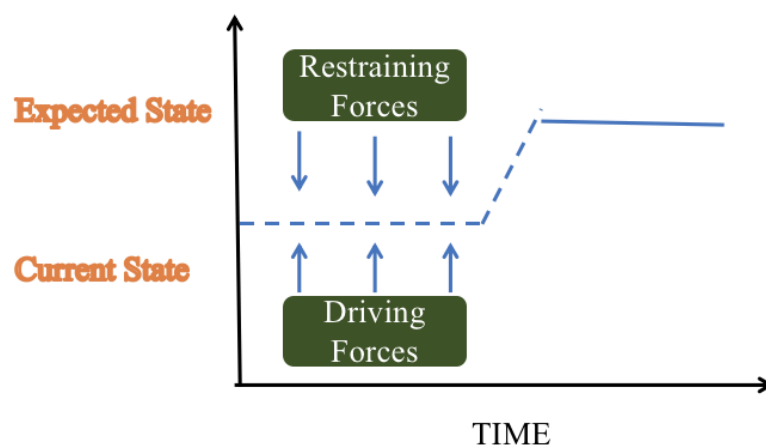
5.1 Unfreezing

Unfreezing is one of the more important stages, getting organization ready for change.

In this stage, investigation should to be conducted to make organization determine what

needs to be change and know why the change is necessary(Kent, 2004). Lewin regards that the stability of an organization is the result of the interaction between restraining forces and driving forces. In order to unfreeze, firstly of all, the old balanced state and behavior pattern should to be broken, both individual resistance and organizational resistance should to be overcame, as well as the forces which maintain the steady state should to be reduced(Shogren, Schalock and Luckasson, 2018). For change to occur, this force field has to be altered under complex conditions(Schein, 1996). The strategy of unfreezing is to enhance the driving forces and reduce the resistance, changing the development direction toward the expected state of the organization.

Figure 3 The strategy of unfreezing



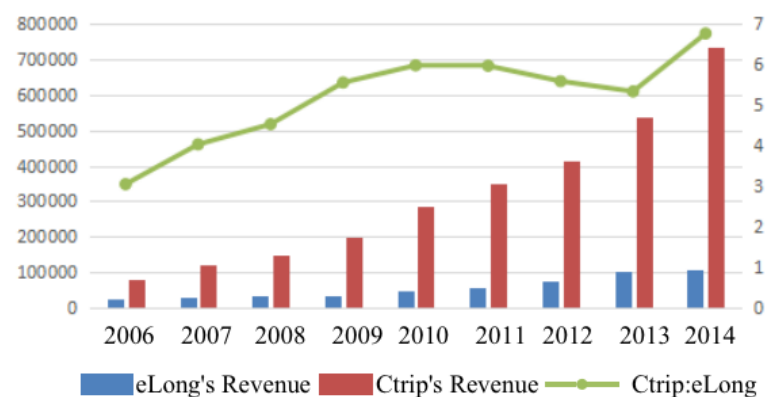
5.1.1 Recognize the current situation

By recognition of the current situation to create a sense of urgency among people before change, helps to identify the need for change and the importance of taking immediate action(Kotter and Cohen, 2012).

Before Cui Guangfu joint in eLong, he conducted a survey on the entire OTA market

and discussed with the board of directors of eLong. He argued that the online travel industry of China was in the initial stage of rapid growth, with both challenges and opportunities (PR-Newswire, 2007). At that time, the market was dominated by Ctrip and eLong, though there were many other companies involved. According to a third-party data, in 2005, Ctrip took the first place in online travel market with 51.2%, following by eLong with 24.8%, and the two companies was accounted for the majority market share. The third one was AoYou.com, with 3.3%. However, the reality was cruel that the income gap between Ctrip and eLong was widened. In 2006, eLong's revenue was 260 million yuan, while that of Ctrip was 780 million yuan, which was 3 times of eLong. In 2007, the figure of Ctrip was 1.2 billion yuan while was 4 times than that of eLong (with 300 million yuan)(Bao, 2019). Therefore, one of the conditions for Cui Guangfu to join in was that board of directors should accept the second place of eLong and its main competitor was Ctrip. And then they reached a consensus of forming the differentiation strategy centered on online hotel booking service.

Figure 4 Revenue comparison between Ctrip and eLong



At the meeting with high-level managers, Cui deeply analyzed threats from existing competitors and new entrants besides Ctrip to persuade them to realize the urgency of the situation and to agree with the differentiation strategy.

The threat of other competitors

In terms of hotel bookings, Qunar.com, one of the new vertical searchers in recent years, although it was not on the top 10 list, it developed rapidly. Especially after Baidu.com buying in as a partner, Qunar.com has got a powerful position in search engine. In terms of air ticket bookings, the ranking (Figure 5) indicated that the competitiveness of direct selling of airlines has increased with a result in compressing living space of OTA to a large extent. Furthermore, Taobao, a new entry in the online travel industry, has shown great potential for growth.

Figure 5 Most used hotel booking channels ranking (2012)

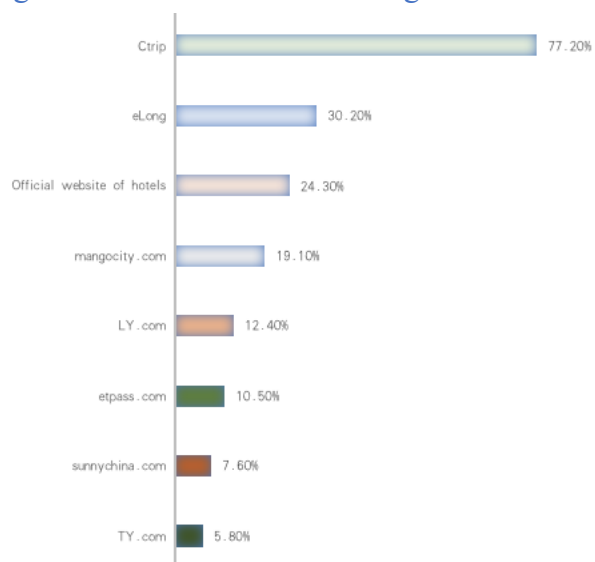
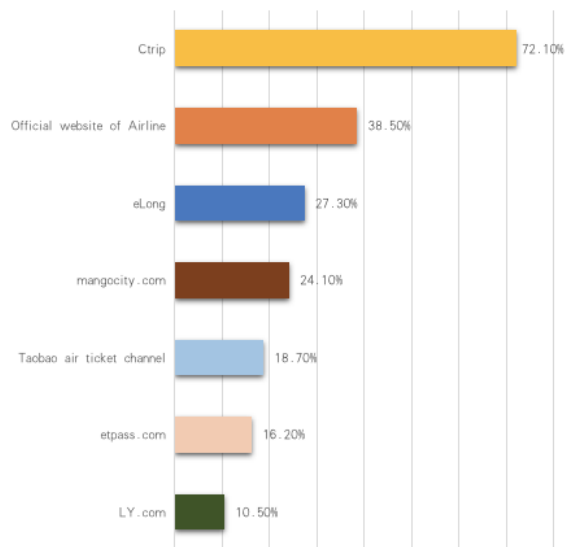


Figure 6 Most used air ticket booking channels ranking (2012)



Threat of Entry

As traditional web portals and e-commerce shopping websites have strong customer base and sufficient capital, so many Internet companies want to share the market of the online travel industry (Table 3). For example, Netease, Taobao, Tencent, JD.com and other Internet giants are launching online travel business which brings great pressure and challenge for existing OTAs.

Table 3 Travel business of Internet companies

Years	Internet Company	Travel business
Sep. 2010	Tencent	Holding LY.com
Dec. 2010	Netease	Launching air ticket online booking service
Dec. 2010	Taobao	Launching travel platform
Jun. 2011	JD.com	Launching air ticket online booking service
Feb. 2012	JD.com	Launching hotel online booking service

Cui Guangfu believed that in order to survive in such a fierce market, company needed to change to establish a strong and powerful positioning in online travel market.

5.1.2 Form a new leadership team

Leaders must win the support of employees, partners, investors, and other stakeholders as they may encounter unexpected resistance during the change, and therefore, building a strong coalition is necessary and essential(Kotter, 1998).

After joining eLong, CEO Cui Guangfu was authorized by the board of directors to form a new leadership team for implementing the differentiation strategy. However, it was not easy to accomplish and took about two years. By the beginning of 2009, all the new membership of the team was finally confirmed (Table 4). The new leadership team consisted of 9 members, one was the member of former team, two were from internal promotion, and the other six were from external companies. Among them, four of the six had worked in P&G or FedEx. On the one hand, CEO Cui trusted the four members as they had worked together and cooperated with each other in the past. On the other hand, they were good at marketing and brand promotion, which greatly enhanced the capability to operate and ability to promote of company. Therefore, the formation of new leadership team has paved the way for the implementation of the differentiation strategy. At the same time, middle managers and management trainees provided a management talent base for guarantee of strategic sustainability.

Table 4 New leadership of eLong

Name	Position now	Former company
Cui Guangfu	CEO	P&G and FedEx
Tao Mingke	CFO	Morgan Stanley
Liao Zhiqiang	CTO	Cisco
Li Jinling	Marketing Director VP	P&G and Motorola
Chen Qi	Human Resource Director VP	Shell Oil and GE
Wang Lan	Hotel Business Director VP	P&G
Zheng Yu	Operation Director VP	P&G and Coca-Cola
Sa Mi	Legal Head Director VP	GE
Xie Zhen	Development Director VP	P&G, FedEx and Citi
Xue Wei	Air-ticket Business Director VP	Mangocity

5.1.3 Create a vision

Creating a vision means drawing a picture of the future in the right place and explaining why people should work hard to create that future(Kotter, 1996). Cui Guangfu said publicly in an interview with sina that Ctrip strived to expand its product line, and eLong made effort to concentrate on hotel booking and online service, therefore, both companies had space for development(China Computer News, 2010). Given that market cognition, the new leadership team developed a differentiation strategy centered on online hotel bookings service. According to the strategic change, a new vision of eLong was formed, which was to build the largest and most intelligent online travel agency of China. The mission of company was to provide customers with the best online travel services at the lowest cost, the easiest transaction, and the most intelligent information.

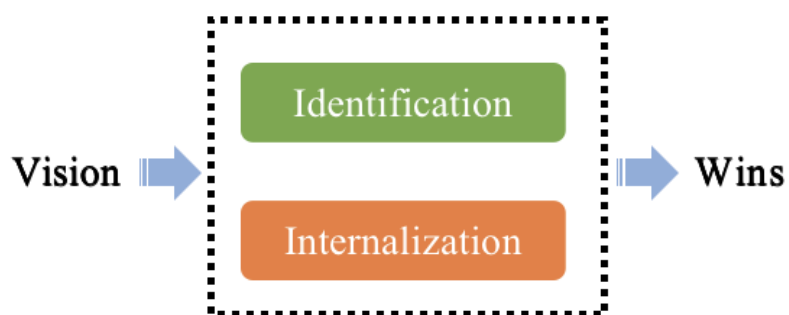
There are two meanings of the differentiation strategy. For one thing, eLong is going to focus on online service which on the basis of customer self-service booking system

providing online consultation to differ from call center of Ctrip to serve online customers. For another thing, eLong attaches importance to product differentiation. Compared with air tickets and holiday products, hotel product is easy to further standardize and operate on a large scale. Moreover, in the supply of hotel products and channel maintenance, eLong has already had a dominant position. Therefore, the goal of differentiation strategy is to achieve the first place in online hotel booking.

5.2 Changing

Change is a journey not a simple step. In the changing phase, new attitudes and behaviors are formed on the basis of accepting new ideas and renewing knowledge. It is achieved through identification and internalization. Identifying process is that the organization provides a new model which enables employees to constantly compare themselves to modify their old patterns. Internalizing process is that the members of organization transform attitudes and behaviors they have learned from the new model into practice and integrate them into personal qualities(Yu and Gu, 2018).

Figure 7 The strategy of changing



5.2.1 Communicate Frequently

The role of leaders is essential in communicating a vision(Kotter, 1998). To ensure strategic change of eLong, CEO Cui conducted monthly communication with department heads, constantly interpreting the new organizational culture, vision of company, and tactical dynamics. Based on this, the consistency of different department could be ensured, and the limited resource could be focused on the online hotel booking service without large deviation during the operation. During work breaks, CEO cui always invited employees for lunch and chat. On the one hand, he could learn about the current situation of the company from the front-line employees and get the most direct feedback from customers about the company. This information could help Cui revise the company's strategy. On the other hand, communicating more with employees was beneficial to directly conveying the company's strategic plan and decision to the front line and forming a good executive force(Chen, 2008).

5.2.2 Reshape organizational culture

Culture is a non-substitutable core competency that cannot be copied by others; therefore, culture is extremely important to a company(Bass and Avolio, 1993). According to the rich management experience of Cui, he realized that identification of employees was missing, and the work enthusiasm was fading. Therefore, a new and people-oriented organizational culture was reshaped by the end of 2008, and the corporate philosophy of “employee, service and profit” was reconstructed in order to keep employees prepared and informed on the plan for strategic change. The “employee”

means that the staff is an essential force for the differentiation strategy implementation. The “service” emphasizes that strategic change should focus on the online customer service to differ from Ctrip. The “profit” underline that only striving to put differentiation strategy in practice can eLong survive in the fierce competition of the online travel industry.

5.2.3 Have training available for employees

In implementing the differentiation strategy, employees needed to obtain relevant capabilities, so that they could grow together with eLong and provided the power for continuous implementation of the strategic change. Since 2008, eLong has successively arranged employees to go out to participate in various skills training and invited well-known scholars and experts in the corresponding fields to give lectures to employees. In addition, CEO Cui set up a scholarship with 10% of his salary to fund the further education of employees. After the staff finishing their learning, they could provide intellectual support for the implementation of differentiation strategy of eLong. Nearly 60 people applied for this scholarship each year(huanying, 2011). eLong also earmarked funds to establish an online learning platform, so that the staff could participate in management, marketing, communication and other training online to enhance their skills.

5.2.4 Higher wages to create sense of responsibility

The salary of the senior managers and the profit of shareholder were linked to make

them more pragmatic and raise awareness of responsibility in the initial stage of change. The income of employees was tied to the quality of customer service, and the commission of call center was based on satisfaction of customer. By this way, the enthusiasm to strategic change of employees was improved(China Computer News, 2010). In 2008, the average salary increase of frontline employees was above 11%, which was above the national average.

5.2.5 Implement welfare policy to create sense of belonging

eLong began to implement various welfare policies to enhance the employees' sense of belonging. In 2008, medical commercial insurance reimbursement system was implemented. According to this policy, employees could be reimbursed by 85%, and employees' family members could be reimbursed by 50%(Lin, 2013). In early 2012, interest-free loan program, which was totally 100 million yuan, was put in place and from which employees could apply for to buy the house or car, to pay for education and healthcare. These welfare policies helped to motivate the internal talents and to attract external talents.

5.2.6 Improve recruitment system

Since the beginning of 2008, eLong has gradually improved the its recruiting system, establishing talent base for strategic change. The new recruitment focused on internal improvement, and a performance evaluation was conducted every six months to promote the outstanding personnel. In addition, the campus recruitment has also been

set up to select outstanding graduates from the universities. According to the statistics, about 50 management trainees were brought in company every year to guarantee vitality and reserve forces of eLong(Huxiu, 2012). There were a number of excellent trainees have successfully become managers through these promoted systems.

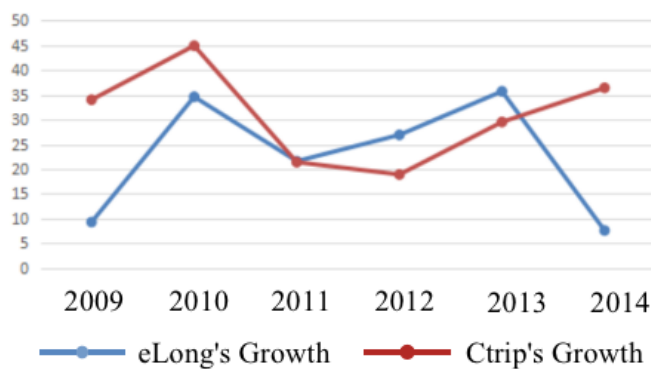
5.2.7 Offer lots of opportunities for employees to be involved

In order to implement the differentiation strategy, eLong has developed the KMF plan and SQS plan to provide opportunities for employees to participate in the change. KMF program (Key Management Focus) was a top-down management model that could effectively solve the major problems existing in business operation during the period of change. Every year, leader group put forward some questions on the implementation of differentiation strategy, requiring middle manager to propose solutions and further plan based on the department. SQS program (Superior Quality Service) was a bottom-up approach in which employees set up teams to discuss problems, causes and improvement methods about the implementation of differentiation strategy(TechWeb, 2010). KMF and SQS programs firstly provided a platform for employees to participate in the change management, which mobilize the enthusiasm of employees. Secondly, the ability of employees to discover and solve problems was improved, and at the same time, the staff obtained a sense of achievement. Furthermore, leader group get some good ideas about change from these programs. Also, the customers were more satisfied with the high quality and efficient services. The implementation of KMF and SQS enabled employees, company and customers to achieve a win-win situation.

5.2.8 Create short-term wins on online hotel booking

Short-term accomplishment make it possible for people to know that their efforts are rewarded(Richesin, 2011). During the transition period, the most important change of eLong was the reduction of its product line to focus on the hotel business. On the one hand, eLong gave up the holiday product and business travel product and reduced the air ticket business in order to center on the hotel booking service. On the other hand, eLong also abandoned offline marketing, focusing on online marketing. Cui Guangfu said in the interview of Tencent, that compared with the loss of 76.6 million yuan in 2008, the company's total revenue in 2009 was 379.6 million yuan and the net profit was 19.9 million yuan, with growth by 9% year on year(Tencent Technology, 2010). This set of data means that the strategy change in the past 2 years ago was successful. Cui Guangfu considered that the online travel industry would achieve explosive growth in 2010. Therefore, eLong would continue to stick to the differentiation strategy of online hotel booking in 2010, accelerating the pace of expansion and upgrading products and services (Skylei, 2010). The fact proved that the change of differentiation strategy of eLong was correct. In 2011, the growth rate of eLong began to reverse that growth rate of eLong(21.6%) exceeded the figure of Ctrip(21.4%). Until the second quarter of 2012, eLong's growth rate of hotel's revenue lead Ctrip's for 8 consecutive quarters(Bao, 2019).

Figure 8 The growth comparison between Ctrip and eLong



5.3 Refreezing

Final goal is to achieve refreeze. In this stage, the process may be slow and tentative to establishing new state of stability. However, managers of organization should beware of people falling into a state of change shock(Carter, 2008). Anchoring the change into the culture is one good way to begin the refreezing process. And then creating method and system makes the change becoming a permanent part of its operation(Rosch, 2002). Moreover, core competence of company needed to be identified as support to keep change.

5.3.1 Embed the change into culture

eLong practiced the people-oriented organizational culture and customer-centered service concept during the strategic change period. By the end of the year 2012, more than 12 million yuan of interest-free loans was provided for 50 employees. Since the CEO Scholarship was founded, a dozen of workers of eLong have applied for it to further study. In 2012, eLong won the prize of TOP 30 employer of China(Lu, 2014), as it was considered to have perfect welfare, good development prospects, harmonious

internal relationships, fair and equitable employment principles, opportunities to enhance personnel core ability, and competitive salary. The change of eLong was perfectly bonded into the culture, which finally won the identification and recognition of employees and the whole society.

5.3.2 Create system to keep change

Through a series of system construction, eLong continued to enhance employees' sense of identity and loyalty to corporate vision. As CEO, Cui Guangfu believed that a good company should create a good working environment for its employees and make long-term career plan. The staff should be well treated and regarded as the capital of eLong, rather than the cost (Chen, 2008). Only in this way could employees have a stronger willingness to make progress in providing customers with higher quality service. Through right equity incentive, the income level of department directors was effectively guaranteed, so as to achieve the goal of stabilizing core members. Furthermore, Cui interviewed and communicated with the newly recruited managers to make everyone who was employed to recognize the culture of company and to integrate quickly in a challenging environment (91 Operation, 2014). Moreover, it was required that CEO and all the departmental directors participate in recruiting new trainees. Apart from that, CEO and department leaders should give guidance to these trainees, to strengthen the identification of the differentiation strategy at the beginning, which also helped these new trainees to grow rapidly into a backup force.

6 Conclusion

This research investigated the external macro environment and internal environment of eLong on the basis of SWOT model, and then analyzed the differentiation strategic change of eLong, following the Lewin's three-stage model and Kotter's 8-steps model. Based on the above analysis, we could see that the strategic change was correct and differentiation strategy implementation was successful. According to the successful reversal of eLong, we could draw the following inspiration:

- 1) Strategic change should follow the trend. The formulation of strategy should investigate the changes of environment and grasp the trend of technology, rather than just focusing on the immediate interests. Thus, the opportunities can be seized, and the first-mover advantage can be taken before the forthcoming period of rapid development, so as to make company achieve sustainable development and continuous growing.
- 2) As a proverb says, less is more, more is confused. The leaderships of a company need to have an overall view to determine what to choose and what to abandon avoiding various kinds of temptations, and work hard along the established goals until success.
- 3) Strategic change should be sustained. Strategy needs to be continuously strengthened by matching between various business activities, so as to form a core competitiveness which is difficult to replicate by others.

4) Openness and sharing. The network society embraces openness, sharing, and mutual benefit. Therefore, company needs to be open and learn to share when they make decisions, so that they will eventually get more.

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