

A study on the corporate culture of Dianping

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Abstract

In recent years, with the development of IT technology and mobile communication, the powerful communication function of the Internet will gradually eliminate the information asymmetry between supply and demand, and the third-party review website emerges as The Times require. Dianping.com was founded in 2003. After a few years of development, it has become an independent third-party consumer review website worldwide.

One of the reasons for such great success is corporate culture, which plays an important role in human resource management. The competition of enterprises is not only the competition of products and cost advantages, but also the superior enterprise culture presented to customers in the international environment. The competition between third-party review sites has been very fierce. In just a few years, many foreign third-party review websites went public and made profits, but some domestic start-ups went bankrupt due to the lack of a good business model and corporate culture.

A good business model is particularly important. Taking dianping.com as the research object and combining with the business model of the company, this paper studies the unique corporate culture of dianping.com, hoping to help the company through the investigation and research of this paper, so as to improve the company in the future. And put forward a certain practical significance and value.

Keywords: *business model, dianping, enterprise development, corporate culture*

1. INTRODUCTION

The O2O model is not only a change in business model but also a change in people's lifestyle, which is already permeated many parts of people's lives. Heo Nak-bi (2012) used multiplexing as an example to study the problems existing in the operational model of the joint purchase website and to study the application of the "O2O+SOLOMO" model of the joint purchase industry. Third-party review sites already get customers through online formats not only for people's ceremonial driving but also for entertainment and travel.

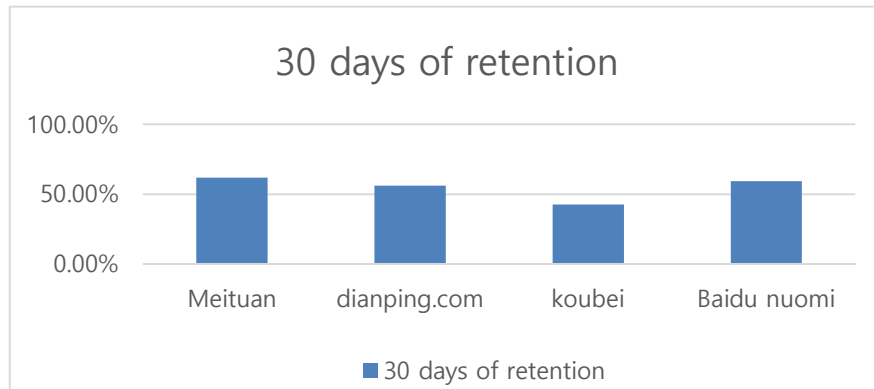


Figure 1. 30 Days of Retention

source: aurora big data 2018.08(30day retention rate refers to the percentage of newly installed users who have not uninstalled the app after 30 days of installation)

As can be seen from the figure above, in the second month of the same type of retention rate of review website and other applications, the retention rate of review website is higher, which indicates that the user stickiness of review website is quite good. Users trust dianping's review information and can find restaurants or other businesses that suit them. Through the release of comments, users can get resonance and response, at the same time obtain psychological satisfaction.

At present, there are few studies on the merger of Meituan and dianping.com by domestic scholars, and the research results are mainly focused on five aspects: studies based on non-economic management theories such as law, media and social network; Web background technology design; Empirical analysis; Business strategy; This study attempts to combine relevant theories and systematically analyze the business model of dianping, so as to make a supplement to the research on local life service industry represented by dianping.

2. DEVELOPMENT OF DIANPING.COM

2.1 entrepreneurship stage (2003-2008)

Dianping.com was established in Shanghai in 2003. Its early operation mode was independent consumer review. Subsequently, dianping copied this model from Shanghai to Beijing, Nanjing, Hangzhou, Shenzhen and other places. At the same time, dianping began to explore the profit model. It was the early profit model of Meituan Volkswagen to develop membership card business and electronic coupon business to earn fees from merchants.

In 2005, dianping began to explore the mobile phone field. Because dianping's rapid expansion nationwide could not be supported by a small amount of fee income, dianping embarked on the road of financing expansion in 2006. From 2006 to 2007, dianping successfully raised 5 million us dollars. In 2008, dianping entered the guangzhou market and completed its strategic layout nationwide. In 2008, due to the global financial crisis, the macroeconomic environment changed, forcing dianping to adjust its business strategy and expand from catering industry to the whole urban life service industry. In the same year, dianping announced a profit.

2.2 Rapid development stage (2009-2015)

Dianping launched its mobile app in 2009, quickly seizing the opportunities brought by the mobile

Internet. By 2010, be average. In 2010, it was adjusted to the operation strategy of trading platform and information platform. In 2014, dianping reached a strategic cooperation with tencent. In 2013, the turnover of Meituan, dianping's main competitor, was 15.12 billion yuan, while the turnover of dianping was only 8.29 billion yuan. In order to obtain more favorable resources to expand its market share, dianping carries out strategic cooperation with tencent and obtains tencent's help to expand its market share. The competitive status of group purchase market makes dianping.com unable to realize profits for a long time. At the same time, capital in the capital market is tightened in the second half of 2015, which makes dianping face a huge risk of capital chain rupture.

Zhang tao believes that innovation can be viewed from two perspectives. The first one is the concept of innovation. On the premise of putting the needs of users in the first place, we should have good ideas and have the courage to do so. The second is the ability to innovate, that is, the ability to do product exploration, improve efficiency, and use methods, mechanisms and culture to make an organization innovate. The process of copying is equivalent to doing it all over again in a new city. Dianping, from searching for local restaurants to finding people to write reviews to fostering a sense of community and a sense of belonging among users, is more nuanced than the fickle terrain of Internet companies in foreign markets. This hard work lasted for more than a year, and by the end of 2004, dianping covered more than 20 major cities.

3. DIANPING.COM CORPORATE CULTURE

3.1 Corporate culture concept

The definition of corporate culture is the unique cultural image of an organization composed of its values, beliefs, rituals, symbols, ways of doing things, etc. In a simple word, it is all aspects of the enterprise in its daily operation.

Corporate culture was first put forward by Americans in the context of the oil crisis in the early 1980s and has been regarded as a symbol of the birth of modern corporate culture. The birth of corporate culture also indicates that if an enterprise wants to achieve vigorous development, it is not only related to the internal staff technology, equipment level and sales system, but mainly lies in the reasonable exploration and effective use of corporate culture by staff. Corporate culture can promote the long-term development and survival of the enterprise on the basis of the current enterprise, regulate the professional ethics, work confidence and related value behavior orientation of employees, so as to realize the stable operation of the enterprise and gain a place in the competitive environment.

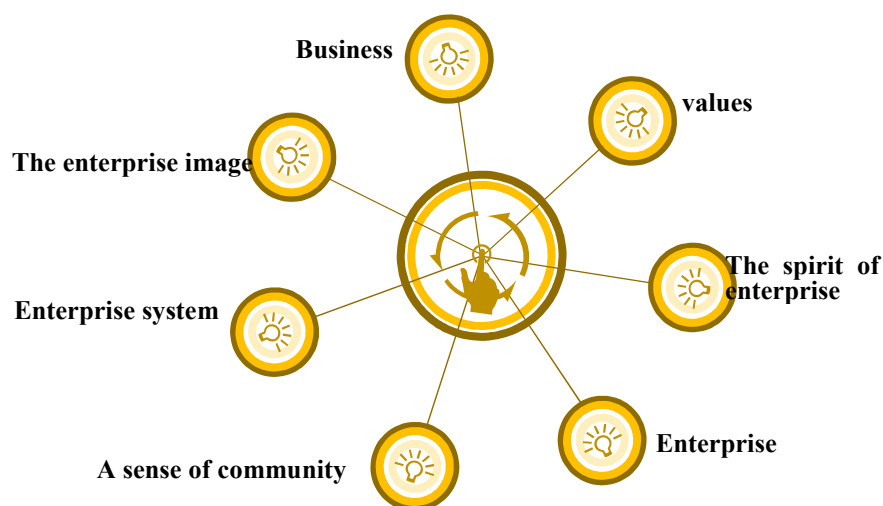


Figure 2. Corporate Culture Elements

Corporate culture promotes the rapid development and transformation of enterprises, it also enhances corporate concepts and the potential atmosphere of enterprises(Liu, 2019). Corporate culture is created by the managers and leaders of enterprises. Enterprise culture construction plays an important role in the development of enterprises. Once enterprise culture is distorted, it will seriously affect and restrict the development and breakthrough of enterprises.

3.2 Dianping.com corporate culture

Dianping's core corporate culture can be summarized as the following points: Customer focus:

Integrity: Integrity management is the foundation of the sustainable development of the company. In the face of problems of principle, we are willing to sacrifice short-term interests for long-term success. "Having both morality and talent, putting morality first" is also the guide of selecting and appointing company cadres.

Win-win cooperation: Compared with most Internet companies, our business forms are complex and diverse, and there are many links in the process. Only through efficient cooperation between various platforms, business lines, online and offline teams, including partners in the ecological chain, can we serve our customers.

The pursuit of excellence: Our business needs our continuous improvement of excellent service to win the reputation of customers, low gross margin industry characteristics require us to pursue the ultimate pursuit of process improvement and efficiency optimization to build a cost-leading competitive barriers, which we need to use our refined products and technology to provide support.

3.3 Perfect employee development mechanism

Cultivation of fresh graduates: through a week of closed intensive training, design and carry out training on five topics, including cultural integration, role transformation, vocational skills, business learning and business practice, to help fresh graduates quickly complete the transformation from campus to workplace.

Social recruitment new staff training: comprehensive understanding of the company, understand the business, understand the culture, help social recruitment new staff smooth landing.

Business ability training: according to the requirements of business ability, match the complete training content, including professional etiquette, office software, communication and cooperation, planning and execution, expression and presentation, problem solving, customer orientation and other courses.

Professional ability training: the professional course system of each channel is established and the knowledge map is constructed by combining the career channel development system of each major sequence and the required key ability requirements.

Leadership training: based on the development needs of managers at all levels and leadership model requirements of the organization, we dig deep into the needs of personnel training, pool various training resources, and strive to build a leadership echelon with high fighting capacity that meets the requirements of the leadership of the company.[1]

A company's positioning is crucial. "Thinking clearly about positioning, thinking clearly about what needs you are doing in order to meet, can make decisions. Concentration also depends on it. Many companies do not focus on one because they are not focused enough, but a very important reason is that they have not figured out what the positioning is to do, which group of users they serve and which market

¹dianping.com:www.dianping.com

needs. Many people have not figured out clearly in this point and decided that they will be affected in the mode and product whenever there is temptation. However, dianping actively serves customers with its dedicated enterprise spirit and precise positioning.

4. DIANPING'S BUSINESS MODEL

4.1 Definition and components

Baidu encyclopedia(<https://www.baidu.com>) sees business models as one of the key research subjects in management, Mainstream business management courses such as MBA and EMBA all pay different degrees of attention to "business model". In the process of analyzing the business model, we mainly focus on the relationship between a kind of enterprise and users, suppliers and other partners in the market, especially the logistics, information flow and capital flow between them.

Business model: a variety of business relationships and connections exist between enterprises, departments, customers and channels, which are called business models

Lu xiuying (2011) believes that college and secondary school are typical representatives of third-party review websites, and their business model has distinct characteristics. The great cultural information formed by weishen, the refinement and concentration of zhixun new city (postage information), the long section of the Internet markets to do things and clear patterns.[2] Xu bi (2013) believes that dazhong and guangping embody another competition law. After the database becomes the infrastructure, there is no need to eliminate the competitors, as long as the competitors become a part of themselves.[3] Sun wei (2013) said that although the channel integration concept and correct advertising and membership system of dazhong and guangping are their unique strategic advantages, there are dangers behind their advantages that cannot be ignored.[4] Qi li(2014) observed meitu's business model from three aspects: asset management interface, user interface and revenue interface.[5] Zhang hui (2015) analyzed the development of O2O e-commerce model represented by meituan and DCLP, discussed the operation of 30 online shopping websites, and studied whether meituan could improve operation efficiency from the perspective of platform business model and O2O model.[6]

4.2 Business model

The business model of an enterprise determines its competitive model, which may be reflected on the products supplied by the enterprise or in the services provided to the customers. In other words, the same industry is not the same as the enterprise production similar products, but also complete through the process of different rings to realize the difference of business activities, such as product distribution, production group packaging, so as to create different services, improve the competitiveness of the industry.

The basic business operation model of multiplexing is a model that evaluates the process and experience of consumers spending online after they spend at the store, through the website or through the APP, and as the evaluation information accumulates, consumers will refer to the online assessment prior to consumption to determine which store to go and spend. For operators, online reviews collect assessments for them, and based on this assessment, they can improve and improve service levels. Dianping.com's business model is the main body, including consumers, offline merchants, O2O platforms and third-party payment platforms. The emergence of critical models has addressed the information asymmetry in many industries, especially the dining industry. Below is the business model.

²Lu xiuying, "a brief analysis of the development of third-party review websites in China under the Web2.0 environment", southeast university, 2011p87-92

³He fei, dianping: digest competition rather than eliminate IT, world of IT managers, August 2013p82-83

⁴sun wei, inspiration and hidden worries of the strategy of "channel is king" on dianping.com, media theory garden, 2013p64-65

⁵Qi li, research on Meituan network operation mode, chongqing technology and business university, 2014p108-110

⁶Zhang hui, study on operational efficiency of group purchase websites under platform strategy, zhongbei university, master thesis 2015

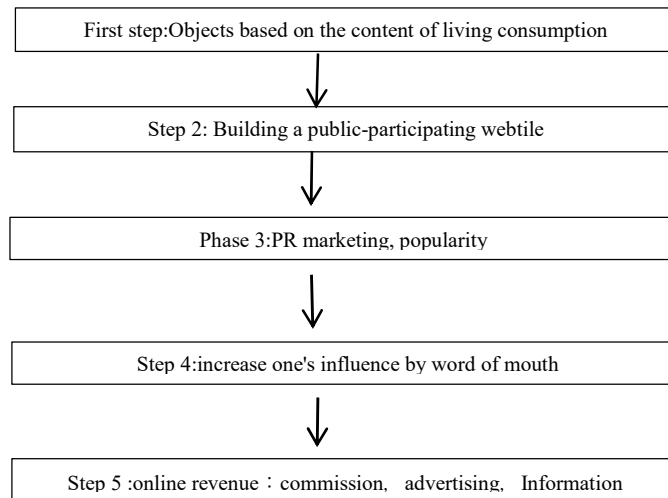


Figure 3. Business Model

Source: According to the author on the official website of dianping

Baidu's model is to connect people and information, tencent is to connect people, ali is to connect people and goods, people and services is the seat of the fourth giant. By analyzing dianping.com's business model, it can be seen that dianping.com has solved the big Internet (PC+ mobile) into four elements -- people, information, goods and services, and each connection point has the opportunity to create giants.

Since 2003, Dianping is mainly about the relationship between people and merchants -- giving consumers information and offers, and helping merchants find customers. Interpersonal relationship is not the core positioning of dianping, but an auxiliary means, so dianping will cooperate with weibo, WeChat and other existing social networks. However, providing information is only a starting point. In the future, more in-depth relationships such as appointment, waiting and ordering will gradually add comments. dianping has been working hard on this issue until the explosion of mobile Internet, when mobile phones bridge the gap between "location" and "service". Currently, no company is more in line with the imagination of the fourth largest company than dianping.

5. CONCLUSION

This paper studies dianping, a third-party review website in China. This paper briefly explains the development process of dianping.com, analyzes the market share and customer share of dianping.com, and finds that in the same market environment, dianping.com has a high customer flow rate in other industries. This is the advantage and core competitiveness of dianping.

Secondly, it focuses on the analysis of dianping.com's corporate culture and business model. The corporate culture of dianping.com clearly shows that the company attaches great importance to its service attitude, employees, customers and partners. Dianping's business model is comprehensive and systematic from the aspects of product sales, services, customers and the company's own income. This enabled dianping to change its development strategy in the context of the global economic crisis and make profits. If an enterprise wants to survive in the market competition, it must have its own core advantages.

In a short period of several years to create a company's business model and profit model, the development of corporate culture, also established a set of perfect enterprise human resources management system, in the

fierce market competition makes the enterprise in business operation, cultural soft power has a certain advantage and talent competitive advantage. In the market economy environment, dianping's enterprise management, culture and business model are of great significance and function for the future development of enterprises in the same industry.

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