



DOI: 10.18427/iri-2018-0071

## **Cooperation and competition at the same time: A literature review of coopetition**

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Coopetition is getting more and more important in academic literature since last decade of 20th century. The term “coopetition” means the coexistence of two basically opposite phenomena: competition and cooperation between partners. Coopetition is already a well-known concept for management society (several examples can be found in practice) and it has different approaches (strategic, marketing, operational, supply chain, game theory etc.). Before conducting a comprehensive systematic literature review, it is key important to know the descriptive characteristics of the topic (the authors, their origin, the trends in time, most popular issues raised, and different methodologies used etc.). Therefore, the goal of this study is to examine the past 16 years of the academic literature in terms of this field, the author of this study has conducted a descriptive literature review. Based on the methodology used by the author, five well-recognized European journals have been selected, 50 articles have been categorized and examined to see the main characteristics and the potential research trends of the topic. Beside several interesting conclusions of the research (related to the methodologies used, the different sectors examined, or the main topics discussed), four important remarks can be listed. First is that coopetition landed in a more distinguished position on academic level during the past time period, it became into center of interest of researchers. The second main remark is that authors of the selected European journals are in majority not from Europe. The third remark of the study is that the cooperation between the authors during the past 16 years has sensibly increased. Finally, we can conclude that the picture formed about coopetition changed significantly in the past period, which is clearly visible on the most cited definitions. An evolution in the wording and understanding can be observed.

## *Introduction*

Suzuki and Toyota are basically strong competitors, but both parties have signed recently a common cooperation agreement on future work on technology, safety and component sharing (common purchasing of several components) (Car & Bike, 2017). Actors who are originally competitors which are cooperating in the future for a common goal. Google and Mozilla are also competitors basically, but they started to work together in order to develop web-browser of Mozilla (Econocom Blog, 2014). Again competitors who are cooperating for a common goal together. This is the phenomenon called as coopetition, being more and more important in both business and academic life.

Originally competition and cooperation were discussed on academic level separately, only focusing either on competition or cooperation, but never focusing on the simultaneous existence of both phenomena. This way of thinking was changed in 1996, when Brandenburger and Nalebuff published their book called "Co-opetition". From this year we can say, that concept of coopetition started its own journey on academic level, numerous researches began in order to introduce coopetition, detect its main characteristics and describe the phenomenon at the best way possible.

According to Brandenburger and Nalebuff (1996), coopetition is a kind of business strategy which mixes both competition and cooperation between two competitors, in a few words coopetition is a "war and peace" situation (Brandenburger & Nalebuff, 1996:4). The authors under the term "competitor" meant a broader concept than the traditionally accepted definition: "a player is your competitor if customers value your product less when they have the other player's product than when they have your product alone" (Brandenburger & Nalebuff, 1996:16). In this way, a mobile phone manufacturer and telecommunication service provider are competitors for each other as both need the other in order to get a higher customer value than its product alone. Only a few years later Bengtsson and Kock (1999, 2000) published their studies on coopetition defining the concept on a different way. It is interesting to mention that in 1999 they did not use the term "coopetition" (only the terms competition and cooperation were mentioned in their study), but a year later, they started to use this commonly agreed term. According to Bengtsson and Kock, the phenomena of coopetition is defined as a kind of relationship between two competitors. The term competitor according to Bengtsson and Kock is meant under the traditional way, namely "*competitors as actors that produce and market the same products*" (Bengtsson & Kock, 2000:415).

The structure of the study is the following. After this short introduction section, the methodology part of the sample selection process is described, the way, how the journals and the articles have been selected by the author. Following the methodology section, the analysis of the articles is introduced using a descriptive analysis of the sample. After the descriptive part of the articles, the definition of the cooperative situation is

described based on the definitions used in the studies. Finally, the conclusions and future research paths are mentioned.

## Methodology

In this section the selection of the articles is presented shortly, the way how the author selected the journals and found the relevant articles. The whole search is a google scholar based search with a few previously defined key words. These words are the following: coopetition (and its other spelling version, like co-opetition), supply chain and supply network. These last two expressions are key important as the author's aim is to study the phenomenon of coopetition in supply chain context. After the key word selection, a list with more than 3800 findings has been received (3.831 findings). The next step was to exclude all the not necessary findings, in this case, books, conference abstracts, conference papers or advertisements, only journal articles remained included in the list with total 285 findings. In the following the author started to create a list of journals publishing coopetition related articles more frequently. In order to have the most relevant and most prestigious journals in the research, a check in SCImago database has been produced. Table 1. is showing the list of the journals which ended up in the final list.

Table 1. List of journals selected with impact factor and publisher information

<i>Name of the journal</i>	<i>Impact factor (2016)</i>	<i>Publisher</i>
Industrial Marketing Management	3.166	Netherlands, Elsevier BV
Journal of Operations Management	5.207	Netherlands, Elsevier BV
Supply Chain Management: An International Journal	4.072	United Kingdom, Emerald Publishing Ltd
European Management Journal	2.481	United Kingdom, Elsevier Ltd.
International Journal of Production Economics	3.493	Netherlands, Elsevier BV

*Source: It is own construction based on the information of journals' website, 2017*

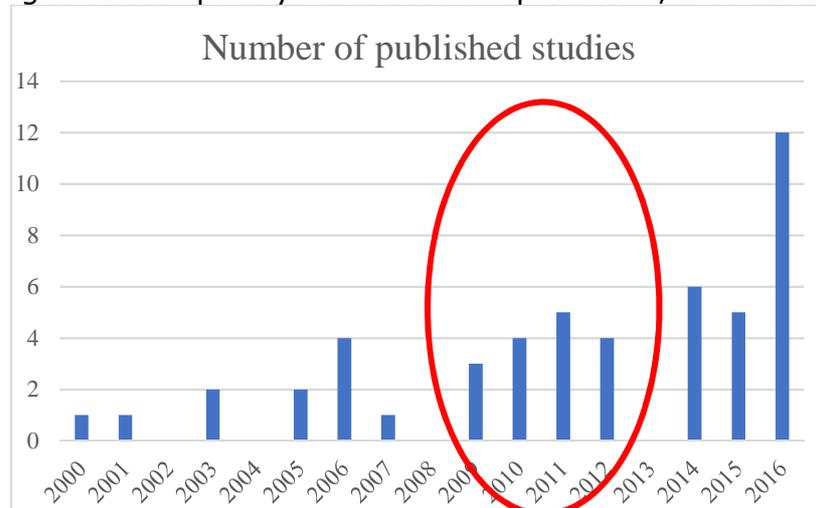
After having the list of journals, a search with the same keywords (coopetition, co-opetition, supply chain and supply network) has been conducted on the journals website, in each case for the same time period (2000-2016). Total 65 articles have been uploaded from the websites, which meant the basis of the research. After first reading of the studies, another 15 articles have been excluded from the report. The reason is that however the keywords could be identified, the concept of coopetition was only mentioned partially in the articles and the focus of these 15 articles were different (for example: B2B marketing, sales, e-commerce or network capability). The descriptive analysis of the articles will be presented in the next section of this study.

## Analysis

After presenting the methodology part of the research, in this section the analysis of the articles and the results are presented. The literature review of the selected articles has two main parts. In the first part of the research, the author introduces the descriptive characteristics of the previous researches of cooperation. In the second part the author gives a deeper view on the cooperation literature and also identifies the potential research gaps for further research. Current study is dealing with the first part.

Regarding the frequency of the published articles we can observe an increasing interest on cooperation related studies. Comparing with the scanned time period, as it is also visible on Figure 1, that almost half of the articles (23) have been published in the past 3 years, especially 2016 was a significant year when cooperation related researches were doubled.

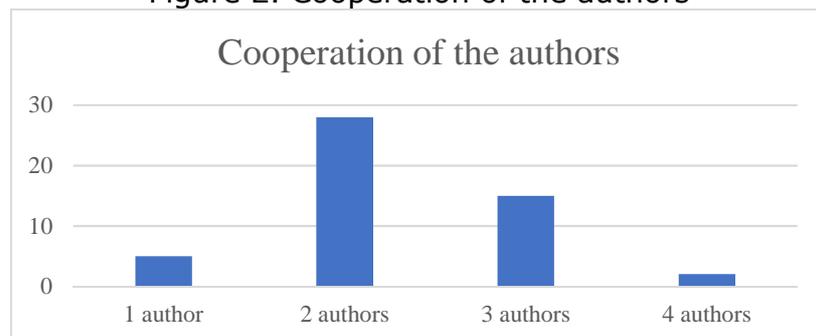
Figure 1. Frequency of the articles published, 2000-2016



Source: It is own construction based on list of articles, 2017

The studies are mainly co-authored as only 10% of the articles have only one author. There is a moderate increasing trend in terms of average cooperation between authors which is in line with the current trend in academic society. Figure 2. shows the results.

Figure 2. Cooperation of the authors

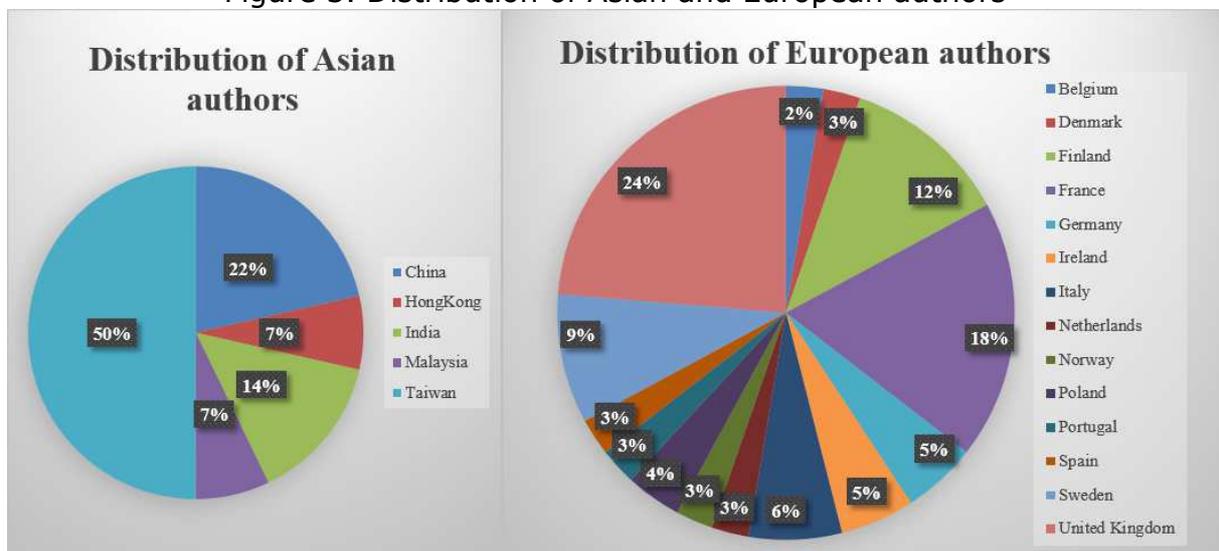


Source: It is own construction based on list of articles, 2017

However, the selected journals are all European journals, it is interesting to see the researches per continents, the nationality and distribution of the authors per continents. It is not surprising that European authors publish to the selected 5 journals, but two other observations can be noted. First is that researchers from Africa and Australia publish their studies on the same solid (2-2%) level. A reason for that could be the high distance from Europe, but as the original keyword search was done in google scholar, and all English findings were included, a more realistic reason is the modest interest of the researchers in terms of coopetition. Second observation is that Asian and American (especially North America as no South America author was identified within the authors of the sample) authors publish coopetition related researches on a similar level (12% and 17% respectively) which mean the authors' high interest of the topic, considering its own journals.

Figure 3. shows the distribution of the most frequently publishing Asian and European authors. From Asian not many countries are represented in the sample, China is the leading country, and Taiwan is on the 2<sup>nd</sup> place. In terms of European authors, we can see the leading position of United Kingdom (24%), France (18%) and Finland (12%). Unfortunately from Eastern Central Europe, only Poland is represented within the authors with 4%.

Figure 3. Distribution of Asian and European authors



Source: It is own construction based on list of articles, 2017

## Definition of coopetition

In this section the different theoretical approaches of the phenomenon is presented using the articles selected for the literature review. The author collected the most cited definitions of coopetition which is visible on Table 2. The most cited definition of coopetition can be linked obviously to

Brandenburger and Nalebuff (1996) who were the first researchers to define coopetition on academic level. According to their concept, coopetition is strongly linked to game theory and gives a win-win situation for both actors in the same situation. The phenomenon means a parallel existence of both competition and cooperation which has an originally paradox effect.

Bengtsson and Kock (2000) defined coopetition in a more narrow way, they define coopetition as a dyadic relationship using simultaneously competition and cooperation between 2 competitors (competitors are the ones producing the same product according to their definition). Basically, this definition is describing the phenomenon on a horizontal way. A few years later the same authors, Bengtsson and Kock (2014) expanded their school of thought about coopetition, and completed the earlier defined phenomenon according to the following. Coopetition can be interpretable as a relationship between 2 or more actors on horizontal or vertical way acting simultaneously on competitive and cooperative interactions.

Table 2. Coopetition: most cited definitions

<p>Brandenburger &amp; Nalebuff (1996:4, 1996: 264)</p>	<p>„Business is simultaneously war and peace. [...] The combination makes for a more dynamic relationship than words ‘competition’ and ‘cooperation’ suggest individually.”                  “Coopetition recognizes that business relationships have more than one aspect. As a result, it can occasionally sound paradoxical.”</p>	<p>Andersen &amp; Fjeldstad (2003); Wu &amp; Choi (2005); Wu et al. (2010); Lejeune &amp; Yakova (2005); Noonan &amp; Wallance (2006); Reaidy et al. (2006); Depeyere &amp; Dumez (2009); Hennes &amp; Mahjoub (2010); Rusko (2011, 2014); Salvetat &amp; Géraudel (2012); Sodhi &amp; Tang (2012); Lacoste (2012); Tomlinson &amp; Fai (2012); Pressey et al. (2014); Pérez Mesa &amp; Galdeano-Gómez (2015); Jena &amp; Sarmah (2016); Teller et al. (2016)</p>
<p>Bengtsson &amp; Kock (2000: 412)</p>	<p>„The dyadic and paradoxical relationship that emerges when two firms cooperate in some activities, such as in a strategic alliance, and at the same time compete with each other in other activities is here called ‘coopetition’.”</p>	<p>Andersen &amp; Fjeldstad (2003); Lejeune &amp; Yakova (2005); Noonan &amp; Wallance (2006); Yee &amp; Platts (2006); Zerbini &amp; Castaldo (2007); Roseira et al. (2010); Fang et al. (2011); Lacoste (2012); Medlin &amp; Elleegaard (2015); Vedel et al. (2016); Klimas (2016); Teller et al. (2016); Lindström &amp; Polska (2016)</p>
<p>Bengtsson &amp; Kock (2014: 180)</p>	<p>„Coopetition is a paradoxical relationship between two or more actors, regardless of whether they are in horizontal or vertical relationships, simultaneously involved in cooperative and competitive interactions.”</p>	<p>Scandeliuss &amp; Cohen (2016); Gnyawali et al. (2016); Lindström &amp; Polska (2016)</p>

Source: based on own construction, 2017

From the most cited definitions we can conclude that after years the figured form of coopetition changed a lot. It has been moved from a phenomenon defined as the participation of 2 actors (mainly competitors) to participation of more than 2 actors, including the possibility to introduce a triadic or network perspective of coopetition. Also, the original understanding of the phenomenon moved from the strictly defined horizontal view to a horizontal or vertical understanding giving the opportunity to examine the phenomenon of coopetition through the entire supply chain.

## *Conclusions*

Finally based on the results shown in the previous section, the conclusions and future plans are collected. Beside several interesting conclusions of the research (related to the methodologies used, the different sectors examined, or the main topics discussed), four important remarks can be listed. First conclusion is that coopetition landed in a more distinguished position on academic level during the past time period, it became into center of interest of researchers. The second main remark is that authors of the selected European journals are in majority not from Europe. The third remark of the study is that during the past 16 years the cooperation between the authors has sensibly increased. Fourth main message is the evolution of the definition in the last years according to the most cited wordings.

As plans for future research the following ideas can be suggested. Based on the literature of coopetition till nowadays the main research gaps can be identified. It would be interesting to study the current situation in a developed industrial region in Hungary as the number of researches in this field is really limited. A good region for this research can be the Central Transdanubia region with potential focus on Székesfehérvár.

## ***Acknowledgement***

Széchenyi 2020 program framework (EFOP-3.6.1-16-2016-00013) under the European Union project titled: „Institutional developments for intelligent specialization at the Székesfehérvár Campus of Corvinus University of Budapest.”

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