



Contents lists available at ScienceDirect

# Industrial Marketing Management

journal homepage: [www.elsevier.com/locate/indmarman](http://www.elsevier.com/locate/indmarman)

Target and position article

## Critical success factors in coopetition: Evidence on a business network

Luis Maurício Martins de Resende<sup>a</sup>, Isabela Volski<sup>b,\*</sup>, Leozenir Mendes Betim<sup>c</sup>,  
Gustavo Dambiski Gomes de Carvalho<sup>d</sup>, Rodrigo de Barros<sup>e</sup>, Fabio Pietrobelli Senger<sup>f</sup>

<sup>a</sup> Department of Production Engineering, Federal University of Technology, Paraná, Brazil

<sup>b</sup> Student Master's Degree of Production Engineering, Federal University of Technology, Paraná, Brazil

<sup>c</sup> PhD Student of Production Engineering, Federal University of Technology, Paraná, Brazil

<sup>d</sup> PhD Student of Production Engineering, Federal University of Technology, Paraná, Brazil

<sup>e</sup> Master's Degree of Production Engineering, Federal University of Technology, Paraná, Brazil

<sup>f</sup> Student Master's Degree of Production Engineering, Federal University of Technology, Paraná, Brazil

### ARTICLE INFO

#### Keywords:

Coopetition  
Critical success factors  
Network enterprises

### ABSTRACT

Coopetition in the literature of business networks has been discussed as a base strategy to potentiate competitiveness. This research investigates the main inter-relationship factors among the companies that are part of a network involving cooperation and competition, as well as their relationship in coopetition. This research discusses these questions through a review of the literature on coopetition and its application in business networks, basing the analysis on the critical success factors (CSF). Our analysis is conducted in the gastronomic industry, obtaining results through an exploratory investigation, conducted by applying the model suggested by Petter (2014) in a business network, attesting the means of the critical success factors and their correlations on the suggested dimensions and on coopetition. The main results for the critical success factors in coopetition indicate the importance of governance to maintain business networks, of cooperation to leverage innovative competencies, and that companies that have lower competencies regarding financial resources are more engaged in cooperation.

### 1. Introduction

Inserted into a competitive environment, small and medium-sized companies have chosen to create business networks, congregating companies from the same operation sector in order to overcome common limitations, generating competitive advantages (Chennamaneni & Desiraju, 2011). The constitution of business networks involves procedures and aspects that need to be observed and managed according to the need of the network and its objectives (Elbers & Schulpen, 2011). Among them, one highlight is the evaluation and observation of the criteria to select the partners for the creation of the network, with the purpose of identifying the value-adding potential of the participants for the larger group (Park, Srivastava, & Gnyawali, 2014; Wu, Shih, & Chan, 2009).

The compatibility and congruence among the partners is an essential factor that determines the behavior, the strategy, and structure of network businesses. Thus, the potential of the partners regarding the complementation and addition of value in terms of processes, competencies and resources are aspects that promote benefits on the coopetition process (Bravo, Squazzoni, & Boero, 2012; Dorn, Schweiger, &

Albers, 2016; Meuleman, Lockett, Manigart, & Wright, 2010; Moeller, 2010).

The literature on coopetition discusses the several factors that influence inter-organizational cooperation and competitiveness (Hu, 2014). In addition, the analysis of which factors prevail for the success of coopetition in business networks is still scarce in the literature. In that sense, this study discusses the existing research gap, suggesting the following questions: (a) what are the main factors for the inter-relationship among companies (cooperation)? (b) what are the main internal factors among companies (competition)? (c) what is the necessary relationship among these factors in coopetition?

This research discusses the above-mentioned questions through a review of the literature on coopetition and its application in business networks, basing the analysis on the critical success factors (CSF). More specifically, in order to analyze the coopetitive interactions (on the network level), an existing model was applied in order to evaluate the coopetitive maturity on a network of companies from the gastronomic industry sector, located in the South region of Brazil, calculating the means of the CSF and then making a correlation among them regarding the cooperation and competence dimensions, as well as the correlation

\* Corresponding author.

E-mail address: [isavolski@hotmail.com](mailto:isavolski@hotmail.com) (I. Volski).

<https://doi.org/10.1016/j.indmarman.2017.10.013>

Received 21 March 2017; Received in revised form 8 September 2017; Accepted 26 October 2017  
0019-8501/ © 2017 Elsevier Inc. All rights reserved.

between these dimensions – cooptation.

From these premises, in order for cooptation to occur, the objective of the study is to analyze the critical success factors (CSF) related to cooptation on a business network. This is an investigation of the existing cooptative relationships in the analyzed network of companies through the model suggested by [Petter et al. \(2014\)](#) and, from the obtained diagnosis, the prevailing critical success factors.

Our study contributes to the studies related to cooptation, investigating the main inter-relationship factors among the companies that are part of a network within the dimensions of cooperation and competition, as well as the relationship among them in cooptation. The current focus has been to manage the tensions resulting from cooptation ([Fernandez & Chiambaretto, 2016](#); [Raza-Ullah, Bengtsson, & Kock, 2014](#); [Tidstrom, 2014](#)) or to create a systematics for the inter-organizational coordination on cooptative interactions ([Gnyawali, Madhavan, He, & Bengtsson, 2016](#); [Mariani, 2016](#)). Another relevant notion is the influence of the process to select companies, used by the studied network, for the participation of new members. This fact, allied to the integration practices, maintains the network at similar cooptation levels, and the cooptative practices are leveled.

Therefore, a conceptual parameter was developed, assisting in the perception of the prevailing characteristics in the cooptative process in business networks. This offers a solid basis to move forward in understanding the formalization and coordination procedures and criteria for business networks. With the purpose of answering to the suggested questions, the article shows the following structure: the first section implies the theoretical review around cooptation in business networks and their critical success factors; the second section illustrates the research method used; the following section describes and discusses the results; the fifth and last section offers the conclusions and describes suggestions for further research.

## 2. Literature review

### 2.1. Cooptation

In competitive markets, an alternative to potentiate the competitiveness of rival organizations is the complementarity of their competencies through collaboration. Hence, this is the concept of cooptation, based on the premise that it is possible to compete and cooperate concomitantly, allowing the mutual cooperation, with the purpose of potentiating the competitive forces ([Hermes, Resende, & Andrade Júnior, 2013](#)).

In their seminal works, [Brandenburger & Nalebuff \(1996\)](#) (also [Nalebuff & Brandenburger, 1997](#)) conceptualized the term cooptation based on game theory concepts. According to the authors, business is simultaneously war and peace, that is, firms cooperate to bake a bigger pie and then compete in order to take a larger slice. Moreover, the authors assert that cooptation is a complex and somehow a contradictory strategy, since competitors have to cooperate aiming mutual benefits and compete at the same time, but without eliminating each other. [Bengtsson & Kock \(2000\)](#) convey that these two interaction logics (cooperation and competition) should be separated adequately by companies in different activities in order to make possible cooptative relationships. In this vein, some authors ([Devece, Ribeiro-Soriano & Palacios-Marqués, 2017](#), [Petter et al., 2014](#)) developed further this view by delineating the scope of cooperation and competition relationships separately.

More recently, [Bengtsson & Raza-Ullah \(2016\)](#) identified two main approaches on cooptation studies: the actor school and the activity school of thought. The former sees cooptation in a broader sense such as a context involving the network level, wherein cooperation and competition are generally divided among actors (e.g., [Damayanti, Scott & Ruhani, 2017](#)). The latter focuses on the cooptative relationship instead of the network context, that is, it generally focuses on the tensions of the paradoxical one-to-one relationship (either vertical or

horizontal), which is simultaneously cooperative and competitive (e.g., [Chim-Miki, Batista-Canino, 2017](#)). The authors also propose a novel overarching approach, named as the blended school of thought, which encompasses a multilevel analysis of cooptation. In their model, drivers at external, relational, and internal levels may influence cooptation on the inter-firm, intra-firm, dyadic, network, and inter-network levels.

As stated by [Hung & Chang \(2012\)](#), alliance partners with market overlap are current direct competitors, while current non-competitor partners with similar technological competencies may become competitors in the future as they enter the same market. The authors verified by hypotheses testing that partners prefer contractual agreements to joint ventures when they are current competitors or potential competitors because of cooptation risks such as knowledge leakage. On the other hand, joint ventures are preferred in technological environments characterized by high sophistication and volatility, notwithstanding the cooptation risks. Complementarily, [Schmoltzi & Wallenburg \(2012\)](#) warn that when cooperation is low and competition is high, cooptation risks such as opportunism and conflicts may arise, thus mining the cooptative relationship.

Adopting the concept of cooptation refers to some critical points. Since its very basis is the intensity of competition and cooperation, it is important to examine each one and their effects before investigating the simultaneous effects. A very intense competition and very poor cooperation (or vice-versa) may make the relationship unstable and create limited benefits ([Raza-Ullah, Bengtsson, and Kock, 2014](#)). In cooptation, therefore, there is a dynamic balance between two opposing forces, and the transparency and reciprocal transfer of knowledge must be maintained in order to prevent dissolution ([Pathak, Wu, & Johnston, 2014](#)).

Balancing competition and cooperation relates to several types of tensions that may be managed in several ways. There are underlying issues as to the nature of this relationship, such as trust and commitment ([Tidström, 2014](#)). The social capital must be considered in order to improve the results when managing the tensions of the team, through cooperation. Trust within the team must be the most critical factor for the social capital, since cooperation and competition are simultaneously managed, becoming essential for the success of cooptation ([Baruch & Lin, 2012](#)). Another aspect related to the social capital takes into consideration the individual and inter-individual dimensions. In fact, behind every contract, transaction, and convention, people are the ones who create different relationships among their companies. Cooptative relationships are like a contract in a win-win situation. This contract is celebrated due to the individual characteristics and the inter-individual connections. Despite the competitive environment, it is possible to find a cooperative method to work together, if common interests exist. Cooptation must be the product of a common desire for cooperation, aiming at greater competitiveness ([Geraudel & Salvetat, 2012](#)).

Due to the simultaneous existence of cooperative and competitive interactions, the development of contrasting experiences is clear. Hence, managers must acknowledge the value of exchanging these different experiences within the organization, in order to avoid cooperative and competitive interactions as two separate inter-organizational learning processes ([Dahl, 2014](#)). Conflicting interests develop impacts in the relationship among the partners and may decrease their mutual dependence. This state stimulates companies to get further away from each other; that is, they may focus only on competition. However, the competitive involvement allied to cooperation among the companies implies a juxtaposed limit, which, in turn, determines the internal frontiers between competition and cooperation. Thus, the paradox of cooptation is materialized.

### 2.2. Cooptation in business networks

By analyzing the roots of a competitive advantage, there is the need to make strategic choices. The analysis may be conducted on the level

Download English Version:

<https://daneshyari.com/en/article/7432063>

Download Persian Version:

<https://daneshyari.com/article/7432063>

[Daneshyari.com](https://daneshyari.com)