

Coopetition in the Business Landscape: Shaping Strategies, Paradoxes, and Future Prospects

Jefferson Marlon Monticelli¹ , Emilene Leite² , Adriana Fumi Chim-Miki³ 

¹ Universidade do Vale do Rio dos Sinos, Escola de Gestão e Negócios, São Leopoldo, RS, Brazil

² Örebro University School of Business, Örebro, Sweden

³ Universidade Federal de Campina Grande, Programa de Pós-Graduação em Administração, Campina Grande, PB, Brazil

How to cite: Monticelli, J. M., Leite, E., & Chim-Miki, A. F. (2024). Coopetition in the business landscape: Shaping strategies, paradoxes, and future prospects. *BAR-Brazilian Administration Review*, 21(1), e240046.

DOI: <https://doi.org/10.1590/1807-7692bar2024240046>

Publication date: April 12, 2024.

Corresponding author: Jefferson Marlon Monticelli, Universidade do Vale do Rio dos Sinos, Escola de Gestão e Negócios, Av. Unisinos, n. 950, CEP 93022-000, São Leopoldo, RS, Brazil

Editor-in-Chief: Ivan Lapuente Garrido  (Universidade do Vale do Rio dos Sinos, Brazil).

Editorial assistants: Eduarda Anastacio and Simone Rafael (ANPAD, Brazil).

In today's rapidly evolving business landscape, coopetition has emerged as a powerful strategy for organizations seeking sustainable growth and competitive advantage. Coopetition is a blend of cooperation and competition between inside or within firms, or across industries (Bengtsson & Kock, 2014). The increased interest in coopetition research stems from its widespread existence as a common industry practice and its inherent paradoxical nature (Gernsheimer et al., 2024; Leite et al., 2018).

This special issue is inspired by the different themes and approaches to coopetition research, focusing on its multiple implications. Although there is a substantial advancement on coopetition, both theoretically and management-like, still exist gaps that require further development. These gaps include delving into the societal impacts of coopetition, its role to generate sustainable development, the dynamics of multimarket coopetition, the intra-firm coopetition, and its consequences within firms, as well as the complex processes to implement cooperative strategies within firms' networks.

Currently, coopetition is a well-known topic in interfirm relationships with 25 years of research. Therefore, coopetition achieved some maturity and can be defined as a theory (Gnyawali & Charleton, 2018), that supports the discussion of strategies of value creation, value appropriation, and value destruction (Albert-Cromarias et al., 2022) or social value devolution (Chim-Miki et al., 2023). The term, coined by Cherington (1913) through the discourse of Kirk S. Pickett, an oyster manufacturer of Sealshipt Oyster System, first appeared in literature to describe a network of relationships among oyster dealers. Pickett emphasized that these dealers were not in direct competition but cooperating to expand their collective business, thus engaging in 'co-opetition' (Rusko, 2015). In 1937, R. Hunt reintroduced the idea in the *Los Angeles Times*. However, the idea received little attention (Yami et al., 2010), and only in 1980s, decades later, the term gained traction in managerial discourse. The credit for popularizing the term 'coopetition' is often attributed to Ray Noorda, the founder and CEO of Novell, who mentioned it in the 1980s while discussing the need for firms to both compete and cooperate simultaneously in increasingly complex markets (Bengtsson & Kock, 2000; Padula & Dagnino, 2007). In the following decade, coopetition entered academic discourse and became the



Data Availability: BAR – Brazilian Administration Review encourages data sharing but, in compliance with ethical principles, it does not demand the disclosure of any means of identifying research subjects.

Plagiarism Check: BAR maintains the practice of submitting all documents received to the plagiarism check, using specific tools, e.g.: iThenticate.

Peer review: is responsible for acknowledging an article's potential contribution to the frontiers of scholarly knowledge on business or public administration. The authors are the ultimate responsible for the consistency of the theoretical references, the accurate report of empirical data, the personal perspectives, and the use of copyrighted material. This content was evaluated using the double-blind peer review process. The disclosure of the reviewers' information on the first page is made only after concluding the evaluation process, and with the voluntary consent of the respective reviewers.

Copyright: The authors retain the copyright relating to their article and grant the journal BAR – Brazilian Administration Review, the right of first publication, with the work simultaneously licensed under the Creative Commons Attribution 4.0 International license (CC BY 4.0) The authors also retain their moral rights to the article, including the right to be identified as the authors whenever the article is used in any form.

subject of theoretical inquiry, notably with the publication of 'Co-opetition' by [Brandenburger and Nalebuff \(1996\)](#). This seminal publication utilized game theory to advocate for the strategic approach of 'sleeping with the enemy, urging firms to learn to cooperate with their competitors ([Coy, 2006](#)).

Coopetition is "a paradoxical relationship between two or more actors simultaneously involved in cooperative and competitive interactions, regardless of whether their relationship is horizontal or vertical" ([Bengtsson & Kock, 2014, p. 182](#)). It is acknowledged as a paradoxical, multifaceted, multilevel phenomenon aimed at comprehending the strategies employed in firm relationships ([Chen, 2008](#); [Gnyawali & Park, 2009](#)). Additionally, coopetition has been recognized as a context-dependent strategy that offers learning opportunities to suppliers, buyers, and other stakeholders ([Czakon et al., 2020](#)).

[Peng et al. \(2018\)](#) have classified prior work investigating coopetition as attempting to explain three different aspects: why it happens, how the process is carried out, and what outcomes it have. In these terms, coopetition can be analyzed as context, process, or result. Coopetition as a context is often depicted as a chain that enhances firm value through environmental interaction ([Brandenburger & Nalebuff, 1996](#)). This chain encompasses customers, suppliers, substitutes, and complementors collectively called 'the value net.' Coopetition as a process involves the dynamic interplay of collaboration and competition among firms over time. This process involves identifying areas where cooperation can be mutually beneficial, negotiating terms of collaboration, and managing the tensions that arise from simultaneous cooperation and competition ([Monticelli et al., 2023](#)). Coopetition as a result refers to the outcomes and implications of collaborative competition within an industry or ecosystem. These outcomes can manifest in various ways, such as increased market efficiency ([Monticelli et al., 2022](#)), enhanced sectorial standards ([Chim-Miki & Batista-Canino, 2018](#)), internationalization ([Dana et al., 2013](#)), or accelerated innovation ([Ritala & Sainio, 2014](#)). Ultimately, coopetition as a result underscores the transformative impact of cooperation and competition on industry dynamics and firm outcomes ([Leite et al., 2018](#)).

The theoretical foundations of coopetition are varied, with prominent influences from game theory, the resource-based view (RBV), and network theory ([Klimas et al., 2023](#)). From the perspective of game theory, scholars examine coopetition as a win-win interplay, analyzing the equilibrium between value creation (pursuing collective benefits) and value appropriation (seeking individual gains). Consequently, players engage in actions aimed at generating value for all participants ([Ritala & Tidström, 2014](#)). The resource-based view has been associated with the concept of coopetition to underscore the idea that through collaboration with rival entities, businesses can gain access to new resources and capabilities that may not be attainable through individualistic business models ([Crick, 2020](#)). Moreover, from the resource-based view, coopetition is a relational resource that can leverage the potential of sources to obtain a competitive advantage ([Crick et al., 2022](#)). Researchers in the network theory domain emphasize the significance of network characteristics and positions. Networks serve as the foundation for developing competitive advantages by elucidating how firms access and expand their knowledge and resources through cooperative relationships ([Meena et al., 2023](#)). The crucial aspect lies in the sharing of outcomes derived from cooperative strategies, which may result from joint value creation, company value enhancement, or even value destruction ([Gnyawali & Charleton, 2018](#)). However, balancing the dynamics of competition and cooperation can be challenging, primarily due to the tensions inherent in both strategies ([Schweizer et al., 2023](#)).

By pooling resources, sharing knowledge, and co-creating solutions, firms can address complex challenges, capitalize on emerging opportunities, and drive collective progress. However, realizing the full potential of coopetition requires a shift in mindset and organizational culture. Firms must cultivate a spirit of openness, trust, and collaboration, transcending traditional rivalries. They must embrace ambiguity, tolerate risk, and navigate the delicate balance between cooperation and competition. Policymakers and regulators play a crucial role in creating an enabling environment conducive to coopetition, fostering fair competition while safeguarding against anti-competitive behavior.

The papers in this special issue covered different empirical settings, such as the shipping industry, breweries, the financial sector, new technology-based firms (NTBFs), and drugstore retailers. This editorial inspires the analysis of coopetition as a driver for strengthening different interplays among scholars, businesses, governments, and society. Is coopetition a motor of innovation and tech business? The article 'The role of coopetition in fostering innovation and growth in new technology-based firms: A game theory approach' helps answer this question. It presented a multi-method to verify the drivers of collaboration with competitors in a technology-based firm context. Coopetition showed its effect on competitive advantage since it accelerates the capacity of technological firms to amplify market share and commercialize their innovations.

Is coopetition cycle value creation context-dependent on specific business models? What challenges and solutions are faced by a non-technological and non-profit organization in a multisided platform business model that

operates as a coopetition network? These questions found some statements from the article 'Coopetition through multisided platforms business model: A case study of FEBRAFAR value cycle.' It studies coopetition within a multisided platform of drugstore retailers, manufacturers, and service providers. This business model offers considerable challenges to non-tech firms. In this context, the article's findings illustrated that coopetition has shown to be an asset to creating value; however, first, some conditions need to be created, such as rules and interaction protocols.

There is an intrinsic tension in cooperating with competitors, as scholars claim (Bengtsson & Kock, 2014). Nevertheless, previous studies point out that, in some contexts, competition has a higher effect on consolidating the coopetition networks than cooperation (Della Corte & Sciarelli, 2012). Then, we asked: Is the tension a negative output of coopetition or a necessary condition to maintain the cooperative dynamics in an ecosystem? Are there different types of tensions in coopetition? The article 'Untangling cooperative dynamics: A microanalysis of collaborative and competitive tensions in an ecosystem' will help understand these questions. The authors analyzed the coopetition dynamics in an ecosystem, a cooperative context where various behaviors coexist. The coopetition tensions emerge from both similarities and differences among players. The authors pointed out three key patterns of tension: the interplay between identity formation and self-determination, the dichotomy of 'islands' and 'archipelagos,' and the nuances of performance asymmetries. The article deepens the acknowledgement of this intrinsic tension that characterizes coopetition.

Another study related to understanding the tension of coopetition but focusing on a sector and horizontal network of competitors is the article 'Tensions in coopetition between gypsy and non-gypsy breweries in the light of actor-network theory.' This article helps us understand how to manage the tension to generate better rates of coopetition. It showed that in some contexts, nonhuman elements, such as factories, resources, equipment, and operations, are the main source of coopetition tensions. Under the light of actor-network theory, the authors help us understand the role of factors (human and nonhuman) in the interplay to achieve shared goals and how to manage coopetition tensions.

Coopetition occurs at different levels, but most studies focus on the inter-organizational level. Thus, many questions about coopetition at the intraorganizational level need to be answered. How can coopetition within organizations help them? The article 'Exploring the adoption of intraorganizational coopetition in competitive environments: Implications for the banking sector' contributes to deepening coopetition within firms using the Brazilian public bank as the context of analysis. It explores a sublevel of coopetition since it occurs among branches and superintendencies of the same business group. It is intraorganizational but also inter-organizational. Once more, coopetition has proven to be a powerful strategy to improve commercial performance, efficiency, and knowledge sharing, but it also presented challenges associated with the benefits.

Scholars claim that coopetition is an excellent business strategy. However, each industry has particularities. Is coopetition able to promote beneficial interplays between ecosystems that go beyond the conventional limits? To answer this question, the article 'Coopetition and cooperation in the shipping industry: A study on the Brazilian coast' presented coopetition effects on a particular sector and produced insights to understand coopetition strategies between global actors. The authors confirmed that market pressures induce coopetition since the interplay moves the players to attend to market coverage, customer needs, and reduced operating costs.

In resume, this editorial highlights the significance of understanding coopetition on both flanks, as strategy creation and execution, as well as the effects of coopetition, the positive and negative outputs. On top of it, valuable insights into decision-making processes, shaping behavior and performance from coopetition are delivered in this special issue. The coopetition strategy also generates concerns around mastering unprincipled activities inside cooperative arrangements, highlighting the need for efficient methods to guarantee fairly created values to firms, and to the consumers.

Conclusively, this editorial calls on scholars and practitioners to explore more deeply the paradoxical behavior of coopetition, discovering its diversity of dimensions and exploring its potential as an innovation driver, a source of sustainable growth, and a creator of value.

REFERENCES

- Albert-Cromarias, A., Asselineau, A., & Blanchard, G. (2022). Value creation, appropriation and destruction in cooperative relationships among micro-firms. *Industrial Marketing Management*, 104, 366-375. <https://doi.org/10.1016/j.indmarman.2022.05.009>
- Bengtsson, M., & Kock, S. (2000). "Coopetition" in business networks—to cooperate and compete simultaneously. *Industrial Marketing Management*, 29(5), 411-426. [https://doi.org/10.1016/S0019-8501\(99\)00067-X](https://doi.org/10.1016/S0019-8501(99)00067-X)
- Bengtsson, M., & Kock, S. (2014). Coopetition—Quo vadis? Past accomplishments and future challenges. *Industrial Marketing Management*, 43(2), 180-188. <https://doi.org/10.1016/j.indmarman.2014.02.015>

- Brandenburger, A. M., & Nalebuff, B. J. (1996). *Co-opetition: A revolutionary mindset that combines competition and cooperation in the marketplace*. Harvard Business School Press.
- Chen, M. J. (2008). Reconceptualizing the competition–Cooperation relationship a transparadox perspective. *Journal of Management Inquiry*, 17(4), 288-304. <https://doi.org/10.1177/1056492607312577>
- Cherington, P. T. (1913). Advertising as a business force. Page for the associated advertising clubs of America. Doubleday
- Chim-Miki, A. F., & Batista-Canino, R. M. (2018). Development of a tourism coopetition model: A preliminary Delphi study. *Journal of Hospitality and Tourism Management*, 37, 78-88. <https://doi.org/10.1016/j.jhtm.2018.10.004>
- Chim-Miki, A. F., Costa, R. A., & Oliveira-Ribeiro, R. (2023). Tourism coopetition for a better world: A cycle of creation, appropriation, and devolution of social value. *Current Issues in Tourism*. <https://doi.org/10.1080/13683500.2023.2254448>
- Coy, P. (August, 2006). "Sleeping with the Enemy." *Business Week*, 96-97.
- Crick, J. M. (2020). The dark side of coopetition: When collaborating with competitors is harmful for company performance. *Journal of Business & Industrial Marketing*, 35(2), 318-337.
- Crick, J. M., Crick, D., & Chaudhry, S. (2022). The dark-side of coopetition: It's not what you say, but the way that you do it. *Journal of Strategic Marketing*, 30(1), 22-44. <https://doi.org/10.1080/0965254X.2019.1642936>
- Czakov, W., Srivastava, M. K., Le Roy, F., & Gnyawali, D. (2020). Coopetition strategies: Critical issues and research directions. *Long Range Planning*, 53(1), 101948. <https://doi.org/10.1016/j.lrp.2019.101948>
- Dana, L. P., Granata, J., Lasch, F., & Carnaby, A. (2013). The evolution of co-opetition in the Waipara wine cluster of New Zealand. *Wine Economics and Policy*, 2(1), 42-49. <https://doi.org/10.1016/j.wep.2013.05.001>
- Della Corte, V., & Sciarelli, M. (2012). Can coopetition be source of competitive advantage for strategic networks. *Corporate Ownership and Control*, 10(1), 363-379. <https://doi.org/10.22495/cocv10i1c3art5>
- Gernsheimer, O., Kanbach, D. K., Gast, J., & Le Roy, F. (2024). Managing paradoxical tensions to initiate coopetition between MNEs: The rise of coopetition formation teams. *Industrial marketing management*, 118, 148-174. <https://doi.org/10.1016/j.indmarman.2024.02.006>
- Gnyawali, D. R., & Park, B. J. (2009). Co-opetition and technological innovation in small and medium-sized enterprises: A multilevel conceptual model. *Journal of Small Business Management*, 47(3), 308-330. <https://doi.org/10.1111/j.1540-627X.2009.00273.x>
- Gnyawali, D. R., & Charleton, T. R. (2018). Nuances in the interplay of competition and cooperation: Towards a theory of coopetition. *Journal of Management*, 44(7), 2511-2534. <https://doi.org/10.1177/0149206318788945>
- Klimas, P., Ahmadian, A. A., Soltani, M., Shahbazi, M., & Hamidzadeh, A. (2023). Coopetition, where do you come from? identification, categorization, and configuration of theoretical roots of Coopetition. *SAGE Open*, 13(1). <https://doi.org/10.1177/21582440221085003>
- Leite, E., Pahlberg, C., & Åberg, S. (2018). The cooperation-competition interplay in the ICT industry. *Journal of Business & Industrial Marketing*, 33(4), 495-505. <https://doi.org/10.1108/JBIM-02-2017-0038>
- Meena, A., Dhir, S., & Sushil, S. (2023). A review of coopetition and future research agenda. *Journal of Business & Industrial Marketing*, 38(1), 118-136. <https://doi.org/10.1108/JBIM-09-2021-0414>
- Monticelli, J. M., Garrido, I. L., Vieira, L. M., Chim-Miki, A. F., & Carneiro, J. (2022). Can competitors cooperate? The impact of formal institution agents in promoting coopetition among emerging market exporters. *Journal of Business & Industrial Marketing*, 37(9), 1915-1932. <https://doi.org/10.1108/JBIM-10-2020-0482>
- Monticelli, J. M., Verschoore, J. R., & Garrido, I. L. (2023). The emergence of coopetition in highly regulated industries: A study on the Brazilian private healthcare market. *Industrial Marketing Management*, 108, 35-46. <https://doi.org/10.1016/j.indmarman.2022.11.007>
- Padula, G., & Dagnino, G. B. (2007). Untangling the rise of coopetition: The intrusion of competition in a cooperative game structure. *International Studies of Management & Organization*, 37(2), 32-52. <https://www.jstor.org/stable/40397696>
- Peng, T. J. A., Yen, M. H., & Bourne, M. (2018). How rival partners compete based on cooperation?. *Long Range Planning*, 51(2), 351-383. <https://doi.org/10.1016/j.lrp.2017.10.003>
- Ritala, P., & Sainio, L. M. (2014). Coopetition for radical innovation: Technology, market and business-model perspectives. *Technology Analysis & Strategic Management*, 26(2), 155-169. <https://doi.org/10.1080/09537325.2013.850476>
- Ritala, P., & Tidström, A. (2014). Untangling the value-creation and value-appropriation elements of coopetition strategy: A longitudinal analysis on the firm and relational levels. *Scandinavian Journal of Management*, 30(4), 498-515. <https://doi.org/10.1016/j.scaman.2014.05.002>
- Rusko, R. (2015). Coopetition for organizations. In *Encyclopedia of Information Science and Technology, Third Edition* (pp. 576-586). IGI Global.
- Schweizer, R., Lagerström, K., Leite, E., & Pahlberg, C. (2023). The role of headquarters in managing coopetition within MNCs: A tale of two paradoxes. *Multinational Business Review*. <https://doi.org/10.1108/MBR-11-2022-0175>
- Yami, S., Castaldo, S., Dagnino, B., & Le Roy, F. (Eds.). (2010). *Coopetition: Winning strategies for the 21st century*. Edward Elgar Publishing.

Authors

Jefferson Marlon Monticelli

Universidade do Vale do Rio dos Sinos, Escola de Gestão e Negócios
Av. Unisinos, n. 950, CEP 93022-000, São Leopoldo, RS, Brazil
jmmticelli@unisinos.br

Emilene Leite

Örebro University School of Business
Örebro University SE-701 82, Örebro, Sweden
emilene.leite@oru.se

Adriana Fumi Chim-Miki

Universidade Federal de Campina Grande, Programa de Pós-Graduação em Administração
Rua Aprígio Veloso, n. 882, Bairro Universitário, CEP 58429-900, Campina Grande, PB, Brazil
adriana.c.miki@ufcg.edu.br