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## Editorial

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**Biographical notes:** Frédéric Le Roy is a Professor at the University of Montpellier 1 (ISEM-ERFI) and at GSCM-Montpellier Business School, France. As the Director of the Research Center ERFI, he published many scientific articles and several books. His research relates to competitive and cooperative relations. He published, in particular, 'Stratégie militaire et management stratégique des entreprises' in 1999, 'La concurrence: entre affrontement et connivence' in 2002 and, with S. Yami, 'Stratégies Collectives: rivaliser et coopérer avec ses concurrents' in 2007.

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With its birth in the 1960s, strategic management fell under the dominating economic paradigm. Insulated or in competition with all the firms of its industry, a firm must develop a durable competitive advantage which will allow its long-term competitiveness (Porter, 1980). In this primarily competitive vision of interfirm relations, which was prolonged until the 1980s, cooperation is not considered and is even condemned as an agreement which distorts the competitive game.

From the mid-1980s, the multiplication of cooperation agreements between rival firms has obliged us to look from another angle, that of competitive relations (Hamel *et al.*, 1989). Today, firms are in competition on certain points and are in cooperation on others (Bengtsson and Kock, 1999). This phenomenon was qualified for the first time as 'coopetition' by Ray Noorda, Novell founder. This neologism, born from the combination of the words 'competition' and 'cooperation', is popularised by Nalebuff and Brandenburger (1996) in a world bestseller.

In this conception of competitive relations, firms adopt aggressive strategies, because they must adapt to a hypercompetitive universe (D'Aveni, 1994) and must also carry out cooperative strategies, either to counter their competitors or to mutualise their resources and to exchange knowledge (Lado *et al.*, 1997). These practices of coopetition are common, as testified to by many examples. So, NEC cooperates in R&D with its competitors such as Honeywell, Siemens or Northern Telecom; meanwhile Philips and Sony collaborate to develop and produce new DVDs, while competing aggressively concerning other products and markets (Luo, 2007).

In other fields, the research on entrepreneurship has developed much longer than the work on coopetition. Two main perspectives of entrepreneurship can be distinguished in this abundant literature. In the first conception, similar to that of Cantillon, entrepreneurship corresponds to the creation of an independent firm, *i.e.*, a firm founded and directed by its owner. The concept of entrepreneurship is thus very close to that of SMEs. In the second conception, similar to that of Schumpeter, entrepreneurship is an attitude, a state of mind, which can be found both in large structures and in small ones. This concept of entrepreneurship is thus very close to that of innovation.

It is precisely in this double conception of entrepreneurship that this special issue proposes to explore the links between the concepts of coopetition and entrepreneurship. In particular, four contributions, those of Marques *et al.*, Czakon and Tidström and Le Cren *et al.*, are focused on coopetition between SMEs. In a general way, the questions which arise are as follows: Is coopetition only one strategy for large firms or can we see developing coopetitions between SMEs? Is there a specificity of coopetition relations between SMEs? Can we establish a link between the choice of a coopetition strategy in SME context and performance?

The five other contributions, those of Baumard, Roy and Yami, Mione, Broløs and Gueguen, develop thinking on the links between coopetition and innovation. In a general way, the questions which arise are as follows: Is it possible to innovate without doing so with one's competitors? On the other hand, is it necessary to deliberately seek cooperation with one's competitors to innovate and develop a competitive advantage? Can we identify in which sectors coopetition is essential to innovation and in which sectors it is not necessary to cooperate with one's competitors? Can we establish a link between modes of entry in cooperation with one's competitors and performances in terms of innovation?

In this way, in the first article, Baumard argues that situations of coopetition may well become the dominant logic of many industrial sectors. Their common feature is a strategy that obstructs independent and discretionary innovation by forcing companies to share the exploitation and/or exploration of critical assets with competing firms. These new coopetitive dynamics raise the question of adapting the innovation strategies of small and medium firms to enable them to maintain their place in the coopetitive game, without losing their individual capacity for innovation. It also raises the issue of formulating innovation strategies that can integrate the coopetitive component as a strategic

advantage, rather than enduring its puzzling architecture. This article proposes to explore two original processes of innovation, which attempt to respond, in their different ways, to the transformation of firms' environments into coepetitive arenas.

In the second article, Marques *et al.* analyse the existence of coepetition within French professional football characterised by a high number of SMEs. The empirical method consists in factor and cluster analyses based on the economic and competitive variables of organisations that participated in the French Ligue 1 and Ligue 2 during the 2005–2006 season. The results show the existence of coepetition within the sector in so far as some clubs base their strategies explicitly upon this type of behaviour. Moreover, this research shows that the more a club collaborates with its competitors, the more it is performant in terms of sports and finance.

In the third article, Czakon questions the impact of interorganisational features on the relationship development process. He studied this phenomenon through the case of SMEs' relationships with a franchisor in the banking sector. The study provides a real-life, in-depth study of SME-franchisor relationships, including the development, disruption and propensity to coepete. Power asymmetry reveals itself to be a major reason for the formation of the relationship, whereas flexibility seems to be positively correlated with development. There is evidence that a development model should encompass mutually agreed evolution but also unilateral actions, including coepetition and opportunism. The author proposes a development model.

In the fourth article, Roy and Yami propose to link two new conceptions of strategy, namely coepetition and disruptive strategy, in an oligopolistic context. The main research question is as follows: in an oligopoly, what happens, in terms of interfirm relations, when a dominant firm disrupts the competitive rules of the game? In this way, the authors investigate the case of the multiplex movie theatre's introduction in France. This event characterises an innovation strategy carried out individually by one of the dominant firms and going against the collective interests of the oligopoly formed by Gaumont, Pathé and UGC. Among the main results, the study shows that an innovation strategy leads dominant firms to be more cooperative and more competitive over time.

In the fifth article, Tidström highlights the fact that traditionally the business network approach focuses on cooperative aspects of business relationships. Competition is deliberately left aside. It is, however, a fact that business relationships often consist of both cooperation and competition, that is, 'coepetition'. Especially small- and medium-sized enterprises need to cooperate with other companies in order to develop, survive or get access to resources. One type of business relationship that seems to be especially interesting considering coepetition is intercompetitor cooperation. Conflicts are natural when competitors cooperate. The aim of this contribution is to increase the understanding about the causes of conflicts when small- and medium-sized competitors cooperate. The empirical part is based on two case studies within two different industries in Finland. The findings of the study show that causes of conflicts in intercompetitor cooperation can be organisational, relational or externally related.

In the sixth article, Mione notes that according to the Institutional approach, rules are required for the emergence and the functioning of a market. In her paper, she empirically validates that companies recognise the ability of norms to organise a new market. She observes that those who are most active in the development of standards are the leaders and innovators in the technology space. She argues that these businesses must cooperate because consensus is needed to establish institutional standards, but at the same

time, they compete with each other to promote their own technology and choose the direction that is most beneficial to them. Thus, 'coopetition' to establish norms appears to be a required phase of entrepreneurship strategy.

In the seventh article, Broløs builds on an explorative case study of coopetition in the Danish financial sector to develop a framework for cooperation in the early phase of innovation. The article argues that cooperation between competitors may be an advantage in this early phase of idea generation because network embeddedness may provide trust, a common understanding of basic conditions and a broader common knowledge base, while differences in specific capabilities and business models may still ensure some diversity. The article presents evidence from an explorative case study concerning the Information Technology (IT) cooperation of 75 Danish savings banks. The case supports the existence of four major prerequisites for cooperative innovation: knowledge, diversity, close relational ties and some mechanism of conceptualisation or exploitation.

In the eighth article, Gueguen tackles the context of Intelligent Mobile Terminals (IMTs). The author studies the cooperative behaviours of firms within the IT industry. In this context, establishing a standard is a key element for the development of a firm. To guarantee a company's diffusion and staying power, it must form alliances and share a common strategic destiny (a business ecosystem), particularly with competitors (coopetition). In operating systems, it is possible to identify five major ecosystems: Palm, Microsoft, Symbian, Research in Motion (RIM) and Linux. The main problem is rallying competitors to one's cause, as well as cooperating with key players from rival business ecosystems. This will lead us to analyse the various cooperative positions 'within' and 'between' business ecosystems. We will try to identify the reasons that push business ecosystems to adopt a coopetition-based form of logic. An analysis of social networks will be conducted on a press review over an eight-year period.

In the last paper, Le Cren *et al.* assess the role and level of collective action in New Zealand in comparison to other major international dairy exporters, including Australia, North America and Europe. They find that factors leading to successful collective action in New Zealand include the strong influence of vertical integration structures, increasing competition between cooperatives, high and continuous levels of education among cooperative members, no government support and a supportive New Zealand culture.

These different articles constitute an important contribution to understanding the links between coopetition and entrepreneurship. Several outstanding results can be deduced from these studies. First of all, coopetition really exists between SMEs and, therefore, is not a relational mode reserved only for large firms or groups. Specificities of coopetition between SMEs seem to exist also and remain to be defined in future research. In the same way, there is a need for new research to confirm the existence of links between this type of strategy and performance.

Second, we argue that coopetition is a relational mode which stimulates innovation, seen as market creation or transformation, and also as products and new technologies creation. It seems that, to be innovative in knowledge-based sectors, coopetition is a relational mode impossible to circumvent. From this point of view, new research questions in the field of entrepreneurship are less to focus on the individual entrepreneur than to understand the collective processes which lead to innovation. Future research on this topic of collective entrepreneurship thus seems more than necessary.

In a general way, the results show, at the same time, the richness and the fertility following the crossing of the concepts of coopeition and entrepreneurship. This crossing even seems to be essential for a better understanding of both the coopeition phenomenon and the entrepreneurial phenomenon. In other words, the research on coopeition would gain by integrating in their development the work on entrepreneurship, and the research on entrepreneurship would gain to include in their development the work on coopeition; which leads us, on the one hand, to propose to integrate the entrepreneur and entrepreneurship in the models of coopeition, which means 'humanising' coopeition, and, on the other hand, to propose to base the entrepreneurial models on interorganisational relations, which means 'socialising' the entrepreneur and entrepreneurship.

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