

Utilizing Coopetition to Reduce Take-off Time of Resistant Innovations

Submitted to the 15th Annual Multi-Organizational Partnerships,
Alliances and Networks International Conference

Pilsik Choi
Graduate School of Management
Clark University
Worcester, MA 01610
pchoi@clarku.edu

Rosanna Garcia
Northeastern University
Boston, MA 01930
r.garcia@neu.edu

Colette Friedrich
MIT Sloan School of Management
Cambridge, MA 02142
c.friedri@mit.edu

Utilizing Coopetition to Reduce Take-off Time of Resistant Innovations

Abstract

Coopetition has gained attention among researchers and practitioners as a new paradigm for inter-firm interactions in recent years. The concept of coopetition, the simultaneous cooperation and competition between direct competitors, is not a new concept. However, the systematic analysis of the concept of coopetition as a *Marketing Strategy* has been neglected so far. In this paper, we briefly review the literature on coopetition and identify four types of coopetition, which include R&D coopetition, manufacturing coopetition, distribution coopetition, and marketing coopetition. Out of these four types, we focus on marketing coopetition and examine what facilitates the formation of marketing coopetition among direct competitors in diffusing resistant innovations. Using extant literature and interviews with more than 20 wineries in three countries (i.e., the U.S., Australia, and New Zealand), we develop a model for marketing coopetition formation that emphasizes the following four factors: 1) specific, common end goal, 2) inertness of firm knowledge, 3) intra-industry complementarities, and 4) loosely structured intra-industry networks. We illustrate our model using a marketing coopetition case of the New Zealand wine industry that has successfully diffused screw caps to the marketplace. The case clearly shows that coopetition can be a useful and effective marketing strategy for various firms, especially those that face consumer resistance to their new products or technologies.