



**Maynooth  
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National University  
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**School of Business  
Research Seminar Series 2017-2018**

***"Coopetition" – Value Creation Opportunities through Competitor  
Cooperation'***

**Tadhg Charleton**

**Date: Wednesday, 24 January 2018**

**Time: 12.00pm**

**Venue: RHE01, School of Business Building**

**Paper Abstract**

Strategic alliances among competitors – coopetition alliances – have emerged as a significant source of firm value creation and an important phenomenon in strategic management. Involving value co-creation through commitment and sharing of strategically relevant resources, coopetition alliances are particularly significant in high technology industries where high R&D costs and short product life cycles drive competitors to work together.

Despite rapid evolution of coopetition research, concerns persist regarding the likelihood of opportunism when competitors cooperate. The mainstream literature, driven by a traditional transaction cost orientation, assumes that competitors' incentives to act opportunistically threaten and frequently undermine their cooperative value creation efforts. Yet this does not appear to be reflected in the rapidly accumulating body of industry evidence.

To more closely understand opportunism in coopetition alliances, I isolate market commonality between alliance partners as the key defining characteristic of a coopetition alliance. Drawing from industrial organisation and game theory, I suggest that, to a point, the presence of common markets may actually reduce the likelihood of opportunism in coopetition alliances. Market commonality between partners offers additional opportunities for reward and punishment that can deter opportunism because a would-be opportunist must also consider the potential for retaliation in other areas. The model is tested with R&D alliances in the global semiconductor industry.

In this seminar, I will discuss the relationship between market commonality and opportunism, its role in determining value creation from coopetition, moderating influences, as well as a potential nonlinear effect. The research challenges conventional perspectives concerning the dynamics of coopetition alliances and suggests that market commonality may serve as a safeguard against opportunism. This deterring effect has potential to complement or substitute other formal and relational safeguards. For managers, the research affirms some of the initial promise of coopetition alliances while suggesting that governance costs and complexities may be less than often assumed.

**About the Speaker**

Tadhg is a final year PhD candidate in strategic management at the School of Business. His main research focus is value creation through competitive collaboration. As a Fulbright Scholar, Tadhg spent 2016/17 as a Visiting Researcher at the Pamplin College of Business, Virginia Tech. His research has been recognised with awards from the Irish Research Council, Fulbright Commission, Enterprise Ireland, John F. Kennedy Fund, John and Pat Hume Awards, and Collins Kitchin Fund. His research will appear in a forthcoming edited book and he has presented at national and international peer-reviewed conferences. Tadhg's dissertation is supervised by Professor Robert Galavan.

To RSVP, please email [business@mu.ie](mailto:business@mu.ie)