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**IS COOPETITION STRATEGY POSSIBLE AMONG HOTELS?  
FINDINGS FROM LONDON HOTELS<sup>1</sup>**

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***Abstract***

The aim of this study is to explore and find out the applicability of cooperation strategy among hotels in the case of London small hotels by taking the views of hotel managers/owners into consideration. To achieve this aim, a quantitative research has been designed and conducted to 75 small accommodation suppliers (hotels) located in London. In the scope of the study a questionnaire form has been developed based on literature on cooperation strategy and data were collected by face to face interviews. By using explorative and descriptive statistic techniques on collected data, the participation levels of hotel managers/owners have been defined. According to results of the research there are not strong cooperative relations amongst small hotels in London. In conclusion it is understood that competitive behaviors are more dominant rather than cooperative and cooperative behaviors. Hotel managers/owners believe that cooperating with their rivals will improve competitive conditions of London hotel industry but in current position they aren't cooperating and competing simultaneously. Few of the managers/owners have defined the current conditions of hotel industry as "coopetitive."

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**Keywords:** Cooperation Strategy, Hotels, London.

## **1. Introduction**

One of the issues intensified the debate in the literature and the dilemmas on it are competition and cooperation among businesses. There is a dead-end question "are businesses should compete or cooperate?" has been discussed by many authors and discussions are going on with new directions. However the new question is that "would it be possible to cooperate and compete simultaneously?" The

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word “coopetition” is seemed as the balance between the discussions on the two constructs. Coopetition is one the concepts that intense debates made on entered to business and management literature in recent years. According to traditional management thoughts this concept is firstly used by Nadar who was the CEO of Novell. Coopetition has been examined later by Brandenburger and Stuart (1996) and Brandenburger, & Nalebuff (1996) in terms of business strategy. Coopetition is defined as a strategy based on competition and cooperation relation between two or more businesses. This cooperation and competition is means cooperative movements between competitors (Gurnani, *et al.*, 2007). Namely, if a firm cooperate with one or more its competitors while sustaining competition this case is conceptualized as coopetition. For instance, on the one hand doing co-operation on issues of purchasing and on the other hand competing on manufacturing and marketing is an example of coopetition between businesses (Laine, 2002). Although hotel businesses carrying out their activities separately from each other, they need to work together to improve the overall quality of the touristic product, and are obliged to reveal that this condition makes it difficult to distinguish between cooperation and competition between hotel businesses (Grängsjö, 2003). This case states to us coopetition strategies needs to be research between hotel businesses in particular. This study organized as defining the concept of coopetition in detail by taking theoretical and empirical papers, designing a research method and material, research section and discussions based on the results. In the research part it is aimed to find out the applicability of coopetition amongst hotel businesses in the case of small hotels located in London. The applicability of coopetition has been considered in five dimensions as perception of competition, cooperative, competitive, coopetitive behaviours and benefits of coopetition. By doing an explorative and descriptive analyzes the participation levels of hotel managers/owners to the statements directed under these five dimensions have been defined. Beside that the impacts of some demographic factors on applicability of coopetition have been determined. According to results of the research there are not strong cooperative relations amongst small hotels in London. Despite there are some limitations, it is expected that this study will contribute to exist literature on coopetition and future studies will be conducted in the hotel industry.

## **2. Literature Review and Theoretical Framework**

An extensive and critical review of the literature of general business indicates that a range of different terms - coordination, collaboration, co-operation and competition - have been used to describe the working relationships between and among businesses (Wang and Krakover, 2008). Some forms of working relationship between businesses are formal whereas others are informal. In recent years the concept of co-opetition (derived from competition and cooperation) emerged in the management literature and has been widely discussed. The literature on competition emphasizes the benefits of cooperation between organizations which compete with each other. The arguments show that cooperation and competition could be carried out together. Dagnino (2009) states that competition based on cooperation means to carry out the competition and cooperation simultaneously. For the authors, competition based on cooperation appears to be good at first, but is a complicated competitive behaviour which redefines the dynamics between the organizations in practice.

In academic as well as practitioner literature, many have been credited with inventing the term co-opetition, however, its principles and practices were only fully articulated in the 1996 book, *Co-opetition*,

by Harvard and Yale Business Professors, Adam M. Brandenburger and Barry J. Nalebuff (Kovacs, & Spens, 2013). Shortly, *co-opetition* is defined as a strategy based on competition and cooperation between two or more organizations. This cooperation and competition is not means that some competitive movements of some businesses to others, it means cooperative movements between competitors (Gurnani *et al.*, 2007). Namely, they were cooperative partnership activities that compete with some of the other activities of businesses are continuing competition (Bengtsson and Kock, 2000). Co-opetition is a revolutionary mindset that combines competition and cooperation Chin *et al.*, 2008) and it has become the current trend of economic activities (Sun and Xu, 2005). On the one hand co-operate on issues of purchasing and on the other hand competing on manufacturing and marketing is an example of co-opetition between businesses (Laine, 2002). Co-opetition is widely discussed in the literature in terms of different countries and industries by the different authors, such as: Loebecke *et al.* (1999); Levy *et al.* (2003); Grängsjö (2003); Luo (2007); Chin *et al.* (2008); Rodrigues *et al.* (2009). Researchers have argued that organizations could display an impressive performance in the long-term and obtain economic benefit by competing and cooperating simultaneously and that the most beneficial relations are cooperative arrangements between competitors (Lado *et al.* 1997). Although some researchers (e.g. Porter and Fuller. 1986) say that the cooperation between competitors will limit competition and cause anti-competitive consequences, researchers like Gnyawali, and Madhavan (2001) believe that organizations will be able to reach valuable sources and strengthen their competitive abilities through synchronized competition and cooperation (Gnyawali *et al.* 2006). Competition among rivals is called as cooperative-competition behaviour. Cooperative-competition behaviour appears when competition and cooperation are carried out simultaneously. Cooperative-competition behaviour means that the organizations not only compete with each other but also cooperate in different ways. The cooperation between organizations seems one of the ways to increase competitive advantage (Bengtsson, and Kock, 2000). Organizations do not always compete or cooperate. Some authors (e.g. Koza, and Levin, 1998) defined relationships among organizations according to distance between them and their customers. Cooperative or competitive relationships are divided due to the closeness or farness of an activity to customers. , Organizations compete in activities that close to the customer and cooperate in activities that far from customers (Wang and Krakover, 2008). From this perspective, co-opetition is possible according to the distance from customers. Cooperation among international companies has been seen as a way of gaining competitive advantage and strategic maneuvering (Ma, 2004). The author presented a wide knowledge about global competitive advantage by taking the views of different strategy gurus. When the basic characteristics of competition and co-operation defined it will be able to see the nature of co-opetition strategy among companies. Table 1 shows the nature of two types of working relationship.

**Table 01.** Cooperation versus competition

| Cooperation   | Competition  |
|---|--|
| <ul style="list-style-type: none"> <li>• Setting foothold</li> </ul>        | <ul style="list-style-type: none"> <li>• Timing and positioning</li> </ul> |
| <ul style="list-style-type: none"> <li>• Pooling resources</li> </ul>       | <ul style="list-style-type: none"> <li>• Pre-emption</li> </ul>            |
| <ul style="list-style-type: none"> <li>• Sharing complementarity</li> </ul> | <ul style="list-style-type: none"> <li>• Direct attack</li> </ul>          |

|                          |                   |
|--------------------------|-------------------|
| • Learning from partners | • Flanking attack |
| • Building alliances     | • Encirclement    |
| • Weighing options       | • Concentration   |

**Resource:** Adapted from Ma (2004), p.909

Is it possible to carry out these different types of actions simultaneously? Which conditions are convenient for a company to doing these actions? The relationship between Kodak and Fuji Companies is a good example of co-opetitive strategy. While these two firms compete with each other in photographic paper, they make joint investments in R&D (Gnyawali et al., 2006). A co-competition strategy promotes cooperation with competitors without giving up competition. There are some approaches evaluating the benefits of competition based on cooperation for the organizations in different respects. Dagnino (2009) who considered co-competition as a way of adding value says that organizations will maximize the economic value and the value based on knowledge thanks to co-operation at different levels. When the literature on co-opetition reviewed it is seen that several authors have examined the subject from different perspectives. Chin *et al.* (2008) aimed to determine and examine critical success factors to co-competition strategy and explored the identified factors in Hong Kong manufacturing. Ma (2004) includes co-competition to in his study that tries to do advance an integrative framework on the determinants of competitive advantage in global competition. In her empirical research Tidström (2009) tried to explain the causes of conflict in intercompetitor cooperation. In a different perspective Gnyawali *et al.* (2006) examined how co-opetition affects firms' competitive behavior by proposing that differential structural positions among firms in a co-competitive network reflects resource asymmetries among them and that such asymmetries lead to differences in the volume and diversity of competitive actions undertaken by those firms. Chin et al. (2008) in their study on manufacture organizations in Hong Kong, put the critical success factors that are necessary for competition based on cooperation in order in the following way:

- The leadership of the management
- Relationships based on trust
- Long-term involvement
- Clash management system
- Sharing the risk and information
- Organizational learning
- Information system support

Cooperation among competitors is valuable even if they may conflict each other because of unexpected and irresistible internal and external difficulties. In the study of Tidström (2009) conducted to transportation and natural product industry in Finland it has been founded that conflict in inter-competitor cooperation can be related organizationally, relationally or externally. Organizational causes of conflict in inter-competitor cooperation can be either operational or normative, while relational causes can be strategic or normative The author has explained that there are several actors (e.g. suppliers, salesmen, customers and political actors) may influence conflicts in intercompetitor cooperation (Tidström, 2009).

When co-competition is evaluated in terms of the tourism sector some perspectives and research issues arise. For example, according to Grängsjö, (2003) owing to the complexity of the tourist product most firms in a tourist destination are interdependent on one another. As well as being competitors they also have to work together on creating the destination image to upgrade the overall quality of total tourist product. So to distinguish cooperation from competition becomes difficult in such case. Grängsjö, (2003) has underlined the reason of co-competition in terms of difficulties in marketing of a tourist destination such as there are many stakeholders have had been involved and their aims, goals and motivations co-existed. So in a geographically-limited area, different enterprises exist side by side, and are obliged to cooperate with each other. Belleflamme and Neysen (2009) proposed some conditions of co-competition in the tourism sector in terms of e-tourism applications. They mentioned electronic marketplaces (EMPs) and the online information platforms (OIPs). According to the authors whereas EMPs allow buyers and sellers to operate and to conclude online transactions, OIPs focus more specifically on the informational exchange without playing a role in the transaction. In the tourism sector both of them exist; as OIP's online directories, web portals, classified ads and as EMP's online booking centres or electronic travel agencies Customers can find flights, accommodation, leisure parks, restaurants and choose a product, carry out the reservation, and even secure the payment of the stay by electronic payment in portal. On the one hand, both types are characterized by the paradox of any participation in a marketplace: by offering similar goods and services, all the suppliers present on an EMP or an OIP are competitors, but at the same time they collaborate in making this virtual marketplace successful.

In a study carried out by Ingram and Roberts (2000) on the hotels in Sydney, it was stated that the cooperation between the hotels competing with each other might lead to friendships. It was emphasized that the friendships mentioned could be the ones that would improve the cooperation between competitors and be effective in making the performance of the organizations better. The benefits that competitive understanding based on cooperation will bring for hotels are as follows (Ingram and Roberts, 2000):

- Improvements in performance,
- Advantages that will be provided by mutual information sharing,
- Eliminating the structural differences that the customers meet in the hotels,
- Being able to observe the competitors in a more normative way and
- Improvements in the financial outputs.

When the literature is examined it can be seen that there is a lack of research on the topic of co-competition related with hotel businesses. Hotel businesses could be divided into two groups, i.e. hotels which attract tourists independently and hotels which depend on the attractiveness of a tourist destination. The hotels in the second group are also the components of touristic product. Touristic product can be defined as a set of goods and services such as travel, transport, accommodation, food and beverage, entertainment and souvenirs purchased by tourists mainly related to an individual's trip. Therefore, hotel businesses which attract the tourism demand depending on the tourist destination a part of touristic product. Eventually, although hotel businesses carry out their activities separately, they need to work together to improve the overall quality of the touristic product (Grängsjö, 2003). In the study conducted by Kılınç *et al.* (2011) on the cooperative competitive behaviour between the hotels, it was argued whether it was possible to have competition and cooperation (jointly competition) between the hotels in a certain destination or not. The

findings of study on the hotels in Cappadocia showed that it was an approach possible to practice between these hotels, but the hotel managers did not have enough information and experience about it (Kılınç et al. 2011). A similar study on the hotels in Ostersed in Sweden was performed by Grangsjö and Gummesson (2006). In their study, the authors explained that positive relationships between the local hotels, including trust and involvement, might contribute to destination marketing. They also stated that planned or unplanned cooperation activities made the network formation among the hotels studied easier. Co-competition among hotels in a tourism destination requires some collaboration between competitors. According to Wang and Krakover (2008) understanding the working relationships among tourism businesses in a destination is a critical prerequisite to the success of many collaborative destination-marketing programs. The authors examined the co-competition activities in a special area of marketing. Their core perspective was about collaborative relationships between stakeholders/shareholders in a destination. They tried to understand the relationship between cooperation and competition from the eyes of local tourism industry stakeholders in a destination. This case states to us co-competition strategies needs to research between hotel businesses in particular. This research will contribute to the literature on co-competition strategies among hotels. In this framework the purpose of this research is determined as to investigate the co-competition mindset among London hotels. The original roots of the study reveals from the factors as in the following;

- To contribute to the knowledge and awareness about co-competition amongst London hotels,
- To define the advantages of co-competition for the hotels and
- To determine the degree of cooperation with competitors in the hotel industry in London.

By taking the aim and scope of the study into consideration the hypothesis have been defined.

H1: *There are cooperative relations that enable the applicability of co-competition strategy amongst hotels in London.*

H2: *The gender of hotel managers-owners positively affects the applicability of co-competition strategy amongst hotels in London.*

H3: *Education level of hotel managers-owners positively affects the applicability of co-competition strategy amongst hotels in London.*

H4: *Position of hotel managers-owners positively affects the applicability of co-competition strategy amongst hotels in London.*

H5: *The number of years that managers-owners worked in the hotel industry as a manager positively affects the applicability of co-competition strategy amongst hotels in London.*

H6: *Defining the competitive conditions of the market positively affects the applicability of co-competition strategy amongst hotels in London.*

By using of quantitative research method and analysis techniques the values of hypothesis specified will be examined in the nature of working relationships amongst hotels in London.

### **3. Research Method**

This research will analyses *the possibility of co-competition* among hotel businesses in certain destination. This aim try to find out the answer of Research Question which is defines as “Is co-competition

(simultaneous competition and cooperation) possible among hotel businesses in the Westminster region of London?” In addition, it is targeted to find out the perceptions of hotels and benefits of this strategy for them. In this regard the possibility of co-competition strategy will be discovered by taking the views of hotel managers on their hotel’s corporation and competition with other hotels which are located in the same market. On the other hand finding out whether some characteristics of the hotels and their managers (age, education, etc.) make a difference or not is among the objectives of this research.

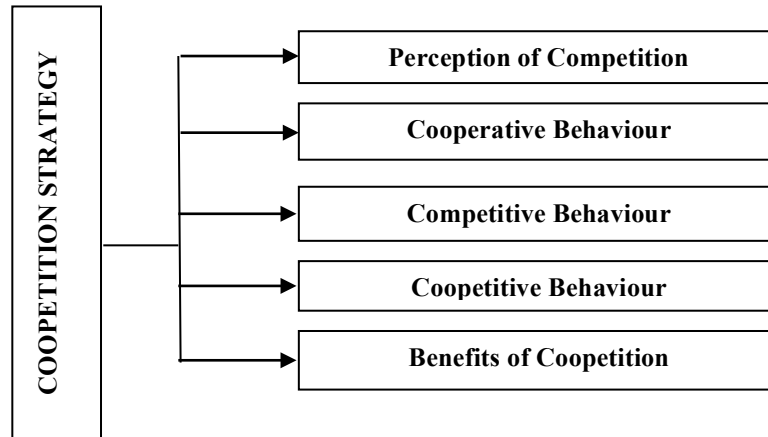
The population of this research is determined as the hotel located in Westminster region of London. Hotels in London are concentrated in the central area, but have increasingly been distributed more evenly across London after 2006 (London, 2006). Although leading brands have invested in London tourism market today still most hotels in London are bed & breakfast hotels, especially the hotels in Westminster. The reasons why this region selected are hotels in this region have been concentrated in geographically-limited area, closed to each other and their closeness to their customers are similar. According to the Report on Hotel Demand Study for London, there are some key challenges in relation with The Mayor of London's London Tourism Vision for the period 2006 to 2016. These are (London, 2006):

- Use of the internet in booking and planning trips
- Cash-rich/time-poor tourists
- New and emerging markets placing different demands
- Global competition
- Integration with inward investment
- Emergence of new technology (e.g. mobile phones, ticket-less travel)
- Ageing society

By taking the challenges mentioned above into consideration it is expected that this research will contribute to Tourism Vision of London. Because of co-competition strategy is seen as a way of gaining competitive advantage in global competition in this research it has been focused on cooperative relations between London hotels. The number of hotels in the selected region is 733 (Yell, 2014). Because of difficulties (time and costs limits) of reaching the whole population it has been decided to choose a sample to represent the population in this study. In accordance with the context and scope of the study the formula and table of determining sampling number developed by Sekaran (2003) were used in order to determine the number of sampling to represent the population of the study. Thus, the number of sampling was determined as 253 hotel business out of 733 hotels. Systematic random sampling method has been used in selecting samples. This method provides in which samples the population an equal probability of being has selected (Creswell, 2003). To find out the hotel which the questionnaire forms will be send all hotels has been listed and numbered. Burns (2000) stated that if the defined population can be listed then the sample can be drawn at fixed intervals from the list. So after listing the hotels the website of Random.Org has been used to determine the hotels in the sample systematically. The number of the hotels answering the survey carried out is 75 In other words; the data of the research were collected from 75 hotel businesses. This number represents % 30 of the sampling number.

This research has been conducted with approaches of the descriptive research which provides systematic and useful information about cases and reveals the relations between the cases (Aslanoğlu,

2012) and the explanatory research which makes the case be understood better, the problem clearer and defines the variables to be studied on (Gates and McDaniel, 2010). A quantitative research was pursued to reach the aim and objectives mentioned. The quantitative research is defined as the research type that gives the data by numbers in an observable, measurable and generalizable way by approaching the events and cases with a realistic view (Golafshani, 2003:597-598). The research design has been formed based on research aim and objectives as shown in Figure 1.



**Figure 01.** Research Design

Questionnaire form has been used as a means of data collecting so as to fulfill the aims of the research based on survey method. A survey is a list of questions arranged according to a certain aim and plan. Survey method which is a way of data collecting through correspondence is generally preferred in researches on social sciences (Yazıcıoğlu, and Erdoğan, 2004 and Bas, 2001). Why the survey technique was used in this study was that the advantages of survey technique were benefitted and the research topic was appropriate to be searched with this method. The questionnaire was prepared by considering the questionnaire preparation principles determined by Sekaran (2003) and the principles and rules in preparing questionnaires written by Baş (2001) and Yazıcıoğlu and Erdoğan (2004). In this respect, the principles such as determining the ways of expressing and evaluating and principles related with general appearance were given importance in the questionnaire. Propositions supported by the literature on co-opetition strategy and close-ended questions on certain characteristics of the hotels have been included in the questionnaire. In the questionnaire, the participation level of the hotel managers in the expressions related with possibility of co-opetition strategy have been rated on Likert Scale of 5. The questionnaire developed by scanning some specific studies in the related literature (e.g. Bengtsson and Kock 2000; Gnyawali et al., 2006; Dagnino, 2009 and Kılınç et al., 2011). Data of the research have been collected through phoning and face to face interviews with hotel managers. In the light of references on statistical analyses, the descriptive and exploratory analyses of the data obtained have been conducted. It was examined whether the factor analyses made for the expressions in the questionnaire formed a meaningful structure with the evaluation means developed for the possibility of co-opetition strategy or not. After that,



ANOVA and T tests have been done in order to determine the differentiation co-opetition strategy depending on some characteristics of the hotel businesses and hotel managers.

#### 4. Findings

In this research it is aimed to find out the applicability of co-opetition strategy by taking the point of views of hotel managers/owners from London small accommodation suppliers. A quantitative research has been conducted to 75 small hotel business and the results have been indicated below. Some frequencies about repliers who filled the questionnaire form prepared for data collection have been denoted as in the following. From descriptive statistics it has been seen that Male repliers are more than Females, most of repliers have Bachelor's Degree and % 41 of them are working in the hotel industry equal or less than 5 years. It is also determined that most of participants are manager and there is equality in defining the market position of the hotel they are managing with % 34 competitive and % 35 co-opetitive. On the other hand in this research some descriptive and explorative analysis done to find out the participation levels of repliers to the statements directed in the questionnaire form. Firstly Reliability statistics have been determined for 45 items in the scale and Value for Cronbach's Alpha is computed as ,870 in SPSS 20. In table 3 some descriptive statistics have been indicated for dimensions of the research by computing means for each of them.

**Table 02.** Descriptive Statistics of Dimensions

| Dimensions   | Valid | Mean   | Std. Dev. |
|--|-------|--------|-----------|
| Perception of Competition  | 75    | 5,2173 | ,76129    |
| Cooperative Behavior   | 75    | 4,5338 | ,74212    |
| Competitive Behavior   | 75    | 5,4519 | ,77721    |
| Coopetitive Behaviour (Simultaneous Cooperation and Competition) | 75    | 4,9240 | ,57787    |
| Benefits of Coopetition  | 75    | 4,9837 | ,86486    |

It can be seen that the highest mean for dimensions is belong to “competitive behaviors” nearly “mostly agree” and the lowest mean belong to “cooperative behaviors” “Neither agree nor disagree”. It is seen also participation levels to Simultaneous Cooperation and Competition is about “Partially agree”. In the analysis it is decided to determine the correlations between the dimensions and they have been correlated. Results have been shown in table 3.

**Table 03.** Correlations amongst Dimensions of Research

| Dimensions                     | PC             | CoPB           | CoMB           | CooPB          | BC |
|--------------------------------|----------------|----------------|----------------|----------------|----|
| Perception of Competition (PC) | 1              |                |                |                |    |
| Cooperative Behaviour (CoPB)   | ,532**<br>,000 | 1              |                |                |    |
| Competitive Behaviour (CoMB)   | ,327**<br>,004 | ,184<br>,113   | 1              |                |    |
| Coopetitive Behaviour (CooPB)  | ,420**<br>,000 | ,531**<br>,000 | ,434**<br>,000 | 1              |    |
| Benefits of Coopetition (BC)   | ,417**<br>,000 | ,485**<br>,000 | ,405**<br>,000 | ,456**<br>,000 | 1  |

\*\* . Correlation is significant at the 0.01 level (2-tailed).

It can be said that there are more than one correlation between the dimensions at 0.01 level (2-tailed). The two strongest correlations are identified between CoPB and PC with rated ,532 and between CoPB and BC with rated ,456. There is only one correlation couldn't be determined and it is between CoMB and CoPB. It is needed to find out whether there are differences in participation level to the statements based on demographics or not. Some diversity analysis has been conducted to dataset to determine these differences. In table 4 the results of independent samples tests have been shown based on variable "Gender" of repliers.

**Table 04.** Independent Samples Test for Variable "Gender"

| Gender         | Dimensions                     | t      | df     | Sig. (2- | Differ. |
|----------------|--------------------------------|--------|--------|----------|---------|
| Male<br>Female | Perception of Competition (PC) | ,235   | 17,750 | ,817     | NO      |
|                | Cooperative Behaviour (CoPB)   | ,598   | 18,081 | ,557     | NO      |
|                | Competitive Behaviour ( CoMB)  | -,210  | 18,364 | ,836     | NO      |
|                | Coopetitive Behaviour (CooPB)  | -2,072 | 20,481 | ,051     | NO      |
|                | Benefits of Coopetition (BC)   | ,411   | 25,872 | ,685     | NO      |

Based on the Independent Samples Test it can be seen from t and sign values there is no any meaningful difference in participation levels of repliers to the statements. In this case Hypothesis 2: *The gender of hotel managers-owners positively affects the applicability of coopetition strategy amongst hotels in London* "has been rejected. On the other hand Oneway ANOVA tests were conducted to dataset to find out differences in participation levels based on education level, working experiences and positions of managers/owners and their definitions of hotel market positions. The results have been demonstrated in table 5.

**Table 05.** ANOVA Tests for Dimensions

| Education Level   | Dimensions                     | F     | Sig. | Differance |
|---|--------------------------------|-------|------|------------|
| High School<br>Associate's Degree<br>Bachelor's Degree<br>Post-Graduate | Perception of Competition (PC) | 1,338 | ,269 | NO         |
|   | Cooperative Behaviour (CoPB)   | ,113  | ,952 | NO         |
|   | Competitive Behaviour ( CoMB)  | ,893  | ,449 | NO         |
|   | Coopetitive Behaviour (CooPB)  | ,745  | ,529 | NO         |
|   | Benefits of Coopetition (BC)   | ,043  | ,988 | NO         |
| Working Experiences of Managers/Owner                                   | Dimensions                     | F     | Sig. | Differance |
| 0-5 Year<br>6-11 years<br>12-17 years<br>18 year and up                 | Perception of Competition (PC) | 2,687 | ,053 | NO         |
|   | Cooperative Behaviour (CoPB)   | 1,020 | ,389 | NO         |
|   | Competitive Behaviour ( CoMB)  | 1,374 | ,258 | NO         |
|   | Coopetitive Behaviour (CooPB)  | ,971  | ,411 | NO         |
|   | Benefits of Coopetition (BC)   | 1,175 | ,325 | NO         |
| Defined Market Conditions   | Dimensions                     | F     | Sig. | Differance |
| Competitive<br>Corporative<br>Coopetitive                               | Perception of Competition (PC) | 4,664 | ,012 | YES        |
|   | Cooperative Behaviour (CoPB)   | 3,027 | ,055 | NO         |
|   | Competitive Behaviour ( CoMB)  | 3,897 | ,025 | YES        |
|   | Coopetitive Behaviour (CooPB)  | 5,764 | ,005 | YES        |
|   | Benefits of Coopetition (BC)   | 1,725 | ,185 | NO         |
| Manager/Owner Position  | Dimensions                     | F     | Sig. | Differance |

|                                   |                                |       |      |           |
|-----------------------------------|--------------------------------|-------|------|-----------|
| Manager<br>Owner<br>Owner/Manager | Perception of Competition (PC) | ,428  | ,653 | <b>NO</b> |
|                                   | Cooperative Behaviour (CoPB)   | 2,987 | ,057 | <b>NO</b> |
|                                   | Competitive Behaviour ( CoMB)  | 1,207 | ,305 | <b>NO</b> |
|                                   | Coopetitive Behaviour (CooPB)  | ,441  | ,645 | <b>NO</b> |
|                                   | Benefits of Coopetition (BC)   | ,962  | ,387 | <b>NO</b> |

According to ANOVA Tests there are no any differences in participation levels of hotels managers/owner based on their education levels, their positions and working experiences in the hotel industry. Therefore *H3 H4* and *H5* have been rejected. However, it is determined that managers/owners have different ideas (sig. <0,05 ) depend on their definitions of hotels current market conditions. This diversity is valid for three dimensions. At this point, it is an obligatory to find out the direction of these differences. Therefore, Tukey HSD Homogeneous Subsets analyze has been conducted (Uses Harmonic Mean Sample Size = 13,354). The results of Tukey tests, for the dimension of “perception of competition” the hotel managers/owners who defined market conditions as “Cooperative” have different ideas than others. The Mean (6,0667) for the hotels which define themselves as “Cooperative” is higher than others. The second diversity was determined for the dimension of “Competitive Behaviour”. Those “Cooperative” hotels are more competitive because of the Mean (6,2407) for them is higher than the others. The last diversity is also between “Cooperative” and the others. The hotels which are more cooperative (Mean: 5,6212) show more coopetitive behaviours. In this case “*H6: Defining the competitive conditions of the market positively affects the applicability of coopetition strategy amongst hotels in London*” has been accepted. At the end of the analyse process it was decided to conduct descriptive statistics for some statements in dataset to find out the highest Means in each dimension of the research. In other words, it is considered that readers may wish to see the most participated statements in each dimension. There for a last table has been drafted based on descriptive statistics.

**Table 06.** Descriptive for Some Statements in Five Dimensions of the Research

| <b>Perception of Competition</b>   | <b>Mean</b> | <b>Std. Deviation</b> |
|--|-------------|-----------------------|
| Our hotel is located in a highly-competitive area.   | 6,1333      | 1,32882               |
| We are operating in a very competitive environment.  | 6,0933      | 1,24307               |
| We cannot behave aggressively in our actions against our competitors.  | 5,8667      | 1,21180               |
| <b>Cooperative Behaviour</b>   |             |                       |
| There are some areas in which we could cooperate with our competitors.   | 5,2533      | 1,10397               |
| We cooperate with our competitors as much as possible.   | 4,6533      | 1,52008               |
| Competition amongst small accommodation providers in London is forcing us to develop cooperative relations with our competitors. | 4,5946      | 1,56956               |
| <b>Competitive Behaviour</b>   |             |                       |
| We always want to provide best services for our customers.   | 6,4933      | ,84427                |
| We want to be preferred hotel amongst our competitors.   | 6,3333      | 1,05694               |
| We intensively advertise our hotel in the hotel market.  | 5,5067      | 1,78108               |
| <b>Coopetitive Behaviour (Simultaneous Cooperation and Competition)</b>  |             |                       |
| To improve conditions in the hotel industry we are ready to cooperate with other hotels.   | 5,4865      | 1,20777               |
| Competition should be replaced by cooperation when working relationships are appropriate.  | 5,4189      | 1,09803               |

|   |        |         |
|---|--------|---------|
| We are cooperating and competing simultaneously.                                | 5,1892 | 1,32081 |
| <b>Benefits of Coopetition</b>  |        |         |
| Coopetition produces better-quality services.                                   | 5,8378 | 1,38512 |
| Coopetition increases our chances of success.                                   | 5,5946 | 1,35403 |
| All stakeholders would benefit positively if coopetition were applied properly. | 5,5811 | 1,38492 |

According to results in table 6 the highest Means are belong to competitive behaviours whereas the lowest Means are belong to cooperative behaviours. By taking the values indicated in table 273 and table 6 the Hypothesis 1: “*There are coopetitive relations that enable the applicability of coopetition strategy amongst hotels in London*” has been accepted because of the Means for the dimension “Coopetitive behaviour” and the statement under this dimension are about 5.00=*partially agree*. There was an open ended question entitled that “*in which areas would you like to cooperate you’re your competitors*” directed to hotel managers/owners. In the answers there have been some specific areas as marketing, training, human resource management and procurement.

## 5. Conclusion and Discussions

In this study an explorative research has been performed by taking the views of managers/owners from London hotel industry. It has been reached 75 totally small hotels from London city center, especially from Edgware Road, Oxford Street and Victoria. So the results of this research should be considered in terms of small hotels in these areas. According to results of the research the current competitive conditions are being perceived as intense. Hotel managers/owners think that even their hotel is located in a very competitive environment; they don’t behave aggressively against their competitors. From descriptive statistics it can be understood that there is peaceful competition amongst small hotel in London. This can be a result of their location that most of them are next to each other. The participation levels of hotel managers/owners are not too high to the statement directed under cooperative behaviours against rivals. Even if they believe that there are some areas in which they could cooperate, there cannot be said that they cooperate as much as possible exactly. This result overlaps with the research of Kılınc et al. (2011) and it can be said that hotels don’t aware of the advantages as defined by Ingram and Roberts (2000) about coopetitive links with rivals. The mostly agreed competitive actions by hotels are providing best services to customers and advertising intensely to become the most preferred hotel amongst near competitors. By the main question of this research was whether the coopetition (simultaneous cooperation and competition) is possible or not that has been expected highly between hotels. But it is concluded that hotel managers/owner didn’t agreed strongly to the statements related with coopetition. It has been understood that hotels believe that cooperating with rivals will improve competitive conditions of London hotel industry but in current position they aren’t cooperating and competing simultaneously. Only % 8 of them defined the current markets conditions as “coopetitive”. Based on results of the research it can be said that because of the *Mean* for coopetitive behaviours is low, the benefits defined in questionnaire form haven’t been agreed mostly or strongly. It is about partially agree. Hotel managers participated that if coopetition strategy applied properly they will produce better-quality services, increase their chances of success and all parts will benefit positively from coopetition climate. Another discussion point of this research is that specific demographics of hotel managers/owners don’t make any difference in

conclusions. In this context, it is understood that applicability of coopetition strategy is independent from gender, education level, working experience in the hotel industry and position of hotel managers/owner in London. But it is proved that hotel managers/owners have different ideas in respect of definition of competitive conditions in London hotel industry. The hotels which consider market conditions “cooperative” perceive the competition softer and look at their competitors as collaborators. So, improving coopetition is depending on the perceptions of hotel managers/owners about the collaborative structure of the hotel industry. In conclusion, at the end of this research it is understood that competitive behaviours are more dominant rather than cooperative and coopetitive behaviours. Despite the fact that small hotels in London are focusing to their operations instead of searching and developing cooperative links with competitors it is obvious that some hotel managers/owners are aware of the benefits of coopetition. This study has been conducted to limited hotels in a limited time. Those small hotels selected as analyze unit. Because of the most hotels in London weren’t willing to respond the questionnaire form this study can’t be generalized to all hotels in the population. There is need to expand the sample for more comprehensive results.

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