

Exploring co-competition strategies in sport tourism: the central role of non-for-profit nautical sports clubs of the northern french coast

Author: Nicolas Gilles & Albert Lorgnier
Institution: Canisius College
E-mail: lorgnier@canisius.edu

Aim

This paper studies the implementing of co-competition strategies between nautical sports clubs. More specifically, it is hypothesized that the non-for-profit organizations - thereafter called associations - draw from their capacity to work with competitors to overcome their internal weaknesses (i.e. amateurism with regards to supervision and administration as well as financing problems).

First, this contribution reveals the existence of co-competition within the sector. Second, the external development opportunities result in a panel of observable strategies which are described and discussed. Such strategies involve interplay between private non-for-profit, private for-profit and public organizations.

Theoretical background

Co-competition is a neologism that defines a hybrid behavior of cooperation and of competition within a firm, between firms or at the scale of the network. It aims to create a value by fending off competitors, pooling resources and/or exchanging ideas (Dagnino & Rocco, 2009).

Emerging research on professional sport shows that clubs from League 1 simultaneously implement strategies of collaboration and competition during the season. Robert et al. (2009) identified that football clubs benefited financially from negotiating some resources together. They also suggest a typology of three types of clubs: the efficient (they keep their players and rarely use co-competition strategies), the merchandiser (strongly benefit from merchandizing), and the co-competitor. For the latter type, results show that clubs favoring cooperative co-competition insured very good financial profitability while having access to top players. This research also emphasizes the role of the professional governing bodies (here the *Fédération Française de Football*) in the optimization of crucial resources such as broadcasting rights. Vernhet et al. (2011) also postulate that such co-competitive strategies can also be mediated through the leagues, acting as brokers for the clubs. Both studies identify co-competitive strategies in professional sports clubs. However, outside of the realms of professional sports, one may wonder if amateur sports clubs equally resort to these hybrid strategies.

In the tourism industry, the idea that companies have to cooperate and share in the responsibility for tourism quality growth has emerged with 1992's World summit in Rio. However, co-competitive strategies in the tourism industry haven't been discussed academically until 2007. Indeed, Mariani (2007) first describes emergent co-competition

strategies and introduces the concepts of imposed cooperation and induced co-competition. Building upon this research, Kylanden & Rusko (2011) identify intentional and unintentional co-competitive behaviors between for-profit companies and between these companies and the public sector at a Finnish tourism destination (Pyhä-Luosto). Their findings suggest that such co-competitive strategies had a positive effect on competencies, marketing efficiency, and strategic regional development.

Methodology

An in-depth qualitative approach was used for the study as it is consistent with our exploratory and descriptive aim. Therefore, on-site observation, both participatory and non-participatory, has been undertaken along with text-based data gathering and semi-structured interviews (n=12) (seven associations (non-for-profit) as well as four public organizations and one for-profit company working with nautical sports associations). The clubs have been chosen based on the quality of their development (their capacity to hire and the size of their budget). Each interview was conducted within the framework of a SWOT analysis (Strengths, Weaknesses, Opportunities, Threats), in order to identify the external factors (conjuncture, competition/cooperation, customers) and the internal factors (management, equipment, manpower, money, marketing) that influence the strategy. Each interview lasted between 45 minutes and 1:45 hours, and was the subject of an analysis following the protocol: study of the professions, general policies, financial analysis, SWOT analysis of each domain of strategic activity, synthesis.

Results and discussion

Six types of co-competition strategies are described, and advantages and disadvantages of each observed types are discussed. The following examples illustrate the findings. First, simple horizontal network co-competition among associations presented the advantages of blocking of sporting competitors at the national or international level and sharing of experience and knowledge of sporting competition. However, it also presented the disadvantage of aiding other participating organizations in beating one another (potential social and financial negative impact which could out weight other benefits). Second, two types describe dyadic co-competitive strategies between an association and a public establishment, one being a horizontal co-competition and the other a vertical co-competition. Here, pooling advantages are also observed as well as more opportunities to specialize knowledge (for the vertical co-competition) and to create new products (for the horizontal co-competition). On the down side, both types were highly vulnerable to political disagreements (risks for the long-term sustainability of the partnership).

References

- Dagnino, G, Rocco, E, 2009, *Co-competition strategy*, Routledge.
- Marquès, P, Robert, F, Le Roy, F, 2009, "Co-competition between SMEs: an empirical study of French professional football", *International Journal of Entrepreneurship and Small Business*, 8, 1, 23-43.

- Vernhet, A., Auge, B., Fernandez, A.-S. (2011). Dynamics between the French Federation of Rugby (FFR) and the national rugby league (NRL): competition, cooperation or coopeition? EASM conference, sept. 2011.
- Mariani, M. (2007). Coopetition as an emergent strategy: empirical evidence from an Italian consortium of opera houses, *International Studies of Management & Organization*, 37(2), 97-126.
- Kylanden, M. & Rusko, R. (2011). Unintentional coopetition in the service industries: the case of Pyha-Luosto tourism destination in the Finnish Lapland, *European Management Journal*, 29, 193-205.