

Cooperative Competition Strategies of Industrial Marketing in the Period of Covid-19 Disease

Mohammad Taleghani^{1*}, Maral Shadpour²

¹Department of Industrial Management, Rasht Branch, Islamic Azad University, Rasht, Iran ²Department of Business Management, Rasht Branch, Islamic Azad University, Rasht, Iran Email: *Taleghani@iaurasht.ac.ir

How to cite this paper: Taleghani, M., & Shadpour, M. (2023). Cooperative Competition Strategies of Industrial Marketing in the Period of Covid-19 Disease. *American Journal of Industrial and Business Management, 13,* 1319-1334. https://doi.org/10.4236/ajibm.2023.1311073

Received: September 21, 2023 Accepted: November 27, 2023 Published: November 30, 2023

Copyright © 2023 by author(s) and Scientific Research Publishing Inc. This work is licensed under the Creative Commons Attribution International License (CC BY 4.0).

http://creativecommons.org/licenses/by/4.0/

Abstract

Although cooperation (simultaneous cooperation and competition) can have a positive effect on company performance, it is unclear how implementation of these business-to-business marketing strategies can take place during large-scale emergencies. Therefore, this article examines how organizations use cooperative competition to cope with the Covid-19 pandemic by benefiting from the resource-based theory and relational perspective. Prime examples include online stores, pharmaceutical organizations collaborating to produce vaccines, tech giants collaborating for greater profits, and charities forming alliances to create a common goal. This paper enhances the existing literature by highlighting the heterogeneity of cooperation strategies that firms can face in a global crisis. Industry players must balance the risks and benefits of collaborative activities. They also have to decide whether to continue working with their competitors after the end of the pandemic or to continue their activities based on individual business models. The paper concludes with some directions for future research.

Keywords

Industrial Marketing, Cooperative Competition, Strategy, Covid-19 Disease

1. Introduction

The main purpose of cooperation is to pursue goals jointly; otherwise it will be difficult to pursue goals (Di Benedetto, Lindgreen, Storgaard, & Clarke, 2019). While the health-related shocks associated with the novel Coronavirus (COVID-19) are well known, the disease has caused commerce to change in unprecedented

ways (Cortez & Johnston, 2020), more employees are working from home, the demand for home delivery has increased significantly, restaurants and many other centers have closed their doors to the public and the rate of business failure has increased dramatically (Washington Post, 2020).

Most of the companies are facing many problems in the supply chain of raw materials and logistics, reducing sales and productivity (supply side). Also, the attitudes and expectations of customers are changing (demand side), which will result in an increase in business risks. Online sales businesses, manufacturers of food and health products, and companies that have the ability to work remotely will experience a lower risk, and other businesses will have a medium to high risk. Also, the probability of business bankruptcy has increased. Statistics of the International Organization Labor (ILO) shows that 81% (2.7 billion people out of 3.3 billion people) of the working people in the world have been affected by Corona. Also, in the second quarter of 2020, due to the spread of Corona, a total of 6.7% of working hours have been reduced (assuming 40 working hours per week) which is equivalent to the unemployment of 230 million full-time workers in the world. The reports of the Ministry of Labor also show that 20% of the country's employed people, which are nearly 5 million people, are likely to be unemployed. Most of the jobs that have been damaged are in the garment, tourism, transportation, face-to-face education, cultural and entertainment industries (Davari & Jafarzadeh, 2020). However, some sectors are performing better than others, such as food retailers that have acted as replacements for closed restaurants (MSN, 2020). There are various recommendations for businesses for the post-pandemic world, including open innovation and horizontal planning (Chesbrough, 2020; Lund Pedersen & Ritter, 2020).

For example, Lund Pedersen & Ritter (2020) pointed out the importance of decision makers in reviewing their business models, focusing on customer value propositions, demonstrating value and capabilities, along with the relationship between these issues. They add that decision makers should set realistic goals for their organizations, during and after a crisis. Indeed, a number of companies (e.g., Coca-Cola, Chevron, and Ford) have changed their business models by producing aspects of personal protective equipment (as opposed to their normal products) to help the global effort to fight Covid-19 (Fortune, 2020).

Another notable way in which companies' business models are changing is through the degree of cooperation between competing organizations (collaboration), which has now occurred as the Covid-19 outbreak has had a profound impact on the world economy (The Guardian, 2020). Indeed, even policy makers have engaged in coopetition activities (e.g., through contact tracing between rival government agencies in New York, Connecticut, and New Jersey), given the impact of the pandemic and the need to balance economic and health-related goals). Also, due to the impact of the epidemic and the need to balance economic and health goals (cooperation activities), they have carried out cooperation activities (National Post, 2020).

Cooperative competition is defined as "a conflicting relationship between two or more actors, regardless of whether they are involved in horizontal or vertical relationships, simultaneously engaged in collaborative and competitive interactions" (Bengtsson & Kock, 2014). Cooperation strategies related to commonwealth companies (e.g., equipment and funds) and capabilities (e.g., knowledge and experience) are used to obtain beneficial results. In fact, although the discussion of network relations is broader than cooperation, Lund Pedersen & Ritter (2020) noted that the ability to effectively deal with interactions between network relationships is one of the main competencies of a company, which is directly related to the strength and competitive performance of a company. While there are problems related to the lack of effective management of activities between companies, such as tensions, opportunistic behaviors, but most of the researches about increasing performance are due to the benefits of cooperation. So far, no research center that implements cooperation activities in times of crisis has been researched yet. Therefore, it is unclear how actors within organizations (small and large) can manage the interplay between cooperation and competition to cope with the potentially disruptive effects of a widespread emergency (Covid-19) (Crick & Crick, 2020). This is a matter of concern because it is difficult for researchers and practitioners to advise whether engaging in these volatile conditions is (or is not) an industrial marketing strategy. In particular, there is a need for research to provide images of the implementation of different forms of collaboration that occur during a pandemic crisis, as well as examining the advantages and disadvantages of the companies involved (along with their customers and other key stakeholders). Taken together, this insight highlights the risks and benefits of collaborating with industry competitors in these extraordinary circumstances.

Hence, with an emphasis on resource-based theory and a relational perspective, the purpose of this paper is to investigate how decision-makers can improve their business models through the implementation of cooperation strategies in times of crisis (with a focus on covid-19) improve. Because the mechanism of cooperation strategies can realize these conditions by taking advantage of positive synergy in different sectors of the respective businesses. Therefore, by achieving the research objectives, three important points are observed to strengthen the industrial marketing literature:

1) Cooperative competitive insight is a multifaceted set of firm-level behaviors that are used to help firms (which might otherwise not cooperate) work through an unstable crisis (Pangarkar, 2007; Medrano & Olarte, 2007).

2) Barriers to Participation in Collaborative Competition Activities. It has been shown how certain political, bureaucratic and legal forces can prevent organizations from working with industry competitors in health emergencies (responding to Schiavone & Simoni, 2019).

3) The subtle nature of the paradox of cooperative competition is evaluated to gain a stronger insight into how firms cooperate with their competitors during

(and possibly after) the pandemic crisis (Luo et al., 2007; Raza-Ullah et al., 2014; Crick, 2019).

In order to examine these three categories, the structure of this article is as follows. First, the participation literature is reviewed. Then, some industry news is discussed in relation to the main themes in the business marketing literature, which is how some specific organizations have developed their business models to use collaborative strategies in response to the Covid-19 outbreak. In the following, some concepts of practical management are stated, and conclusions are made, and finally, several suggestions for future research are described.

2. Research Literature Review

2.1. Theory Based on Sources and Relational Perspective

The resource-based view examines the relationship between the organization's resources and capabilities and their performance. The basic assumption of this view is that larger companies, with a larger volume of resources and capabilities, can typically outperform smaller-sized companies. With fewer assets (Crick & Crick, 2020) to create a competitive advantage, the use of company resources and capabilities can be manifested in well-organized assets, which should also be valuable, rare, are non-repeatable and non-substitutable (Kozlenkova, Samaha, & Palmatier, 2014). However, having managers and owners with resources and capabilities does not necessarily lead to competitive advantage. Instead, strategic flexibility in decision-making is an important issue (Priem & Butler, 2001). The compatibility of marketing strategy with resources and capabilities, as well as the relationship of performance increase according to resource-based theory in previous research shows the benefits of using partnership as a B2B marketing strategy (Gnyawali & Charleton, 2018). For example (Rindfleisch & Moorman, 2003) emphasized that if organizations cooperate with their competitors (what they call inter-firm cooperation), they can acquire new resources and capabilities (along with their own assets). To a higher level of performance compared to when they operate under an individualized business model. However, although the resource-based view helps to explain how the ability to divide activities and resources can positively affect the relationship, it does not fully consider the nature of the relationships involved in cooperation strategies, that is, which competitors the firm cooperates with. And how this is done. As pointed out by Crick (2019), the relational perspective focuses on how quality relationships between organizations (potentially competitors) can positively affect firm performance (Dyer & Singh, 1998). In fact, Barney's (2018) recent work has extended the resource-based perspective to encompass stakeholder dimensions, research findings suggest situations in which decision makers must closely interact with key stakeholders (e.g., competitors in this study). Therefore, resource-based theory and the relational perspective can be integrated to examine the cooperative and competitive aspects of the cooperative structure, including how decision makers work with potential competitors. Trust to achieve mutually beneficial results

(Lavie, 2006; Barney, 2018; Dyer et al., 2018).

2.2. The Origin of the Cooperative Competition Structure

Collaboration gained attention among industrial marketing scholars in the 1990s with the emergence of two schools of thought. On the one hand, cooperation is considered as a mentality in the whole organization, which is related to managers and functional level employees who believed in the importance of cooperation with industry competitors. On the other hand, Bengtsson and Cook (1999) argued that collaboration is a set of firm-level behaviors whereby organizations share resources and capabilities with competitors to improve their performance in their markets. In fact, this recent perspective has led to a continued interest that includes shared activities, resources and capabilities of decision makers and related to aspects of corporate performance (Crick & Crick, 2019). Crick (2019) did not formally define the structure of cooperation in his research. Rather, they focused on cooperating with competitors. A year later, (Bengtsson & Kock, 2000) described collaborative activities as the interaction between cooperation and competition in which two competing firms cooperate. After that, they expanded their ideas to acknowledge that cooperation can be implemented across horizontal and vertical channels as well as between multiple competitors (Bengtsson & Kock, 2014). The present paper used these developments to explore the heterogeneity of the cooperation structure (horizontal and vertical activities) that applies to a large number of potential industry competitors (not just two competitors). In particular, how different types of cooperation relate to the response of the respective cooperative competitors to the covid-19 pandemic (Crick & Crick, 2020).

2.3. Paradox of Cooperative Competition

Although collaboration has evolved as a business-to-business marketing structure over the past twenty-five years, existing studies have largely considered it a paradoxical strategy. In fact (Bengtsson & Kock, 2000) noted in their original works that there are conditions that if the amount of competitors exceeds the amount of competition in a market (and vice versa), or if the contradictory forces are equal, in All cooperative partnerships, any cooperative behavior will interact with some form of competitive action (Park et al., 2014). In fact, some researchers have considered the cooperation structure as a concept of yin and yang (the concept of the unity of contradictions), by which, if competitive and competitive forces are balanced, it is considered an advantage. For example, if decision makers work with complementary partners and manage potential tensions. Alternatively, if these conflicting forces are not neutralized through excessive forms of competition, performance outcomes can be negative (Crick & Crick, 2020). With the beginning of the corona pandemic in the world, the digital world has also faced a new and strange wave of users and it has been proven more than before how much the Amazon Company affects the daily lives of people in European and American countries. Amazon has a great influence in the world of business, logistics and cloud processing industry, and this important influence has made this company one of the most important and original companies in the industry.

2.4. Records of Cooperative Competition

An emerging body of literature surrounds the antecedents (or drivers) of collaborative strategies. For example, (Gnyawali & Park, 2011) used case study data from Sony and Samsung Electronics to explain how larger-sized firms (as opposed to resource-poor entities) were equipped with collaborative mechanisms. They suggested that an important driver of collaborative strategies is a collaborative mindset. In other words, (Gnyawali & Park, 2011) argued that if managers and functional level employees believe in the importance of cooperation with their competitors, these values and assumptions should be translated into behavioral forms of cooperation, such as sharing resources and capabilities with competing entities. Another antecedent of coopetition is associated with the magnitude of competition within a market. That is, for coopetition to exist, organisations require rival firms to collaborate with (Bengtsson & Kock, 2000; Bouncken et al., 2018). Therefore, some researchers concluded that how competitive forces (such as the intensity of competition) provide market-level conditions for the implementation of cooperative strategies. However, in order to have cooperation, managers must cooperate with reliable competitors in order to achieve mutually beneficial results. Be relevant, including targeting complementary product markets (Lascaux, 2020). Based on the resource-based theory and the relational perspective, the competitive business environment can influence the performance outcomes of organizational resources and capabilities, as well as determine the specific strategies that decision makers apply (Crick & Crick, 2020). Indeed, from an external perspective, there is a recognition of the need for decision makers to guide the market. To demonstrate this, he offers some typical questions from an external perspective. "How and why do customers change? What new needs do they have? For what can we do to solve their problems and help them generate more revenue? What new competitors are lurking around the corner, and how can we derail their efforts?"

In the context of this present study, the latter question is appropriate, as collaborative activities can help decision makers to sense and exploit opportunities by collaborating with competitors (rather than seeing them as part of business models). However, in the following sections of this article, some of the barriers to collaborative activities are shown, as there are political, bureaucratic and legal forces that can prevent companies from working with their industry competitors across the board. Emergencies are universal barriers (Schiavone & Simoni, 2019). If disincentives are removed, these environmental barriers can act as precursors to cooperation during a pandemic crisis such as Covid-19, provided that decision makers have the strategic flexibility to respond to changing circumstances (Crick & Crick, 2020).

2.5. Cooperative Competition and Company Performance

Industrial marketing (B2B) researchers have helped explain the nature of the relationship between cooperative competitive activities and firm performance (Crick, 2019; Ritala, 2012). To clarify this, some studies have shown that although cooperation may lead to a level of higher than performance (for example, sales linearly), but a non-linear relationship (inverse shape) may also exist (Crick & Crick, 2020).

That is, with "too little" cooperation, organizations may struggle to achieve their goals due to insufficient resources and capabilities (Dahl, 2014; Rusko, 2011; Velu, 2016). "Too much", there may be a range of problems, including tension (for example, conflict, power imbalance and opportunistic behavior), resulting in the company losing intellectual property and reducing competitive advantage (Tidstrom, 2014; Lascaux, 2020). And decision makers face the challenge of engaging in the "optimal level" of cooperation when these factors prevent them from performing optimally. It is clear that this "tipping point" is difficult to predict, which in that decision makers cannot plan for the exact phase of the end of cooperation and the resumption of competition. However, managers and performance level employees should consider that if they are in minimal or excessive degrees of these activities, cooperation may occur. Does not always lead to improved performance. In fact, specific studies have shown that there are prominent market-level forces (e.g., the intensity of competition) that can moderate this relationship. To emphasize the previous point, cooperation strategies are composed of the contradictory forces of cooperation and competition, meaning that regardless of whether managers and employees at the functional level share their resources and capabilities with their partners, they are industry competitors. Through these moderating effects, it appears that aspects of the competitive business environment (such as competitive intensity) can distort the subtle nature of the collaboration paradox and negatively affect firm performance (Ang, 2008; Cui, Yang, & Vertinsky, 2018; Luo et al., 2007). As a result, decision makers should work with appropriate competitors (such as reliable or targeting complementary product markets) to reduce the dark spots of collaborative activities (Felzensztein et al., 2014; Felzensztein & Deans, 2016; Czakon & Czernek 2016; Lascaux, 2020) to In turn, these observers have identified situations where collaboration is (and is not) a cross-business marketing strategy for performance enhancement. Current research extends these conceptualizations to highlight the advantages and disadvantages of cooperation in a global pandemic crisis.

2.6. Measuring the Structure of Cooperative Competition

Throughout the extensive industrial marketing literature, there have been various operationalization's of the collaboration construct (including studies supported by resource-based theory and the relational perspective), such as single indicators, survey-based instruments, dummy variables, proximity Archiving, and multidimensional scales While there are limitations in all structural measures (Lee & Cadogan, 2013), the best collaboration is one that shows how the dimensions of cooperation and competition underlie these industrial marketing strategies. Charlton's research (2018) explains why some of the operationalizations of the collaboration structure in the existing studies include a combination of cooperation and competition. Create competitiveness or the degree of cooperation of companies with their competitors (Bouncken et al., 2018). Which is not an easy task, because there are different views on how to obtain the variance of cooperation activities. Therefore, using insights based on cooperative competition, this current study demonstrates various "participatory" changes in firms' business models in response to the pandemic. In addition, when conducting quantitative research involving the operationalization of collaboration structure, researchers must find a suitable environment for their research. An ideal experimental context for participatory research is a sector that requires high levels of cooperation and competition. For example, agricultural businesses, high-tech companies, sports organizations, alcohol producers, and automobile manufacturers. Hence, when assessing participation in times of crisis (according to this current research), there is a need not only for the presence of these cooperative and competitive forces. But there should be a crisis that has evidently negatively impacted a sector.

2.7. Marketing in Times of Crisis

Many studies have been conducted that examine extensive marketing activities in times of crisis, which mostly includes companies facing a shortage of goods and services (Kotler, 1974). In the marketing domain, a crisis can take many forms, but ultimately, it surrounds a large-scale situation where an event has involved a drastic and negative impact on an organisation, its customers, competitors, employees, and other relevant stakeholders. Nevertheless, there is limited knowledge of marketing in a pandemic crisis and provides an opportunity to contribute to the industrial marketing literature. Existing research on related decisions focused on public policy or consumer marketing activities—not industrial marketing. In addition, much research has been conducted on health marketing in the context of crisis management, but this research has typically are focused on hospitals and care providers managing their resources and capabilities to treat patients. Therefore, this article examines how collaboration was implemented by specific organizations in response to the outbreak of Covid-19 (Crick & Crick, 2020).

According to the introduced subject records and the review of the theoretical foundations and research literature in different sectors, it is possible to focus on the new and innovative aspects of the current research on how organizations active in the field of business use effective strategies of competitive interactions in order to face He emphasized with crises like Covid-19 and this issue is considered one of the most important achievements of theoretical gap analysis in the implementation of this research.

3. Research Methodology

The method of carrying out this research is descriptive and analytical, and the authors, while citing reference sources in different parts of the research, use tools such as semi-structured exploratory interviews with experts and specialists in the field of study, holding brainstorming sessions and the Delphi method to collect important information in order to investigate and measure the goals of this research, they used a library and field research plan.

3.1. Digikala in the Corona Crisis

Digikala operates as the largest online store in the country. At the time of the outbreak of the Corona virus in early March 2018, the number of daily orders of Digikala was 200 thousand items, which quickly reached 300 thousand items by the end of March 2019, and in late spring 2019, with a 70% increase in new customers, it increased to 500 thousand orders per day; It means doubling or tripling purchases and ordering goods in a short period of time and in a situation where the whole country is in a semi-closed state. In some product categories, such as supermarkets, orders grew by 2.5 to 5 times, and in clothing, an increase of over 80% was registered.

In the sellers section, an increase of 30,000 sellers to Digikala Marketplace was observed in three months, so that the total number of Digikala sellers reached 61,000 sellers. In order to respond to new orders and accelerate the delivery of goods, in the first phase, 700 new employees were added to the operations department, and gradually the number of employees reached more than 2 thousand employees in the warehousing, processing and order delivery departments. At the end of March 2018, 6000 new customers were added to the Digikala store every day, and gradually with the spread of the Corona virus and stricter quarantines and restrictions, nearly 10,000 new customers were seen in April and 12,000 new customers were seen after that. On some days of May, nearly 20,000 new customers entered Digikala and made their first purchases. The sudden increase of new customers, the growth of daily orders, sellers and goods in a store platform, more than anything, requires the development of infrastructure and logistics. It is not possible to respond to the volume of existing needs simply by hiring hundreds of new personnel. For this reason, from the very beginning of the corona virus epidemic, Digikala managers aimed to increase the processing center capacity of this store from 200,000 orders per day to 300,000 orders and to 500,000 orders per day by the second half of 2019. This decision requires fresh investment, updating all technological and logistics infrastructure, creating new processes for product sales, communicating with vendors, customers, and complex planning with precise timelines. Similarly, new design and standards for development should be formulated with priority to comply with health standards. During the Corona pandemic, many businesses faced various restrictions on physical sales, reduced traffic and sending goods to different parts of the country, and their market faced a slowdown. In this situation, Digikala was able to be a suitable platform for this category of sellers to be able to sell part of their products on the marketplace platform of this store and take advantage of the advantages of the sales system, online payment, warehousing and shipping of digital goods (Digikala news site).

3.2. Pharmaceutical Companies Compete with Each Other for Health-Related Results

According to the New York Times (2020), pharmaceutical companies from the United States, China and Germany are working by sharing knowledge and equipment to produce a Covid-19 vaccine as well as manufacturers producing medical supplies (e.g., ventilators, masks, and other breathing devices). These competitors have shared scientific data such as tests and clinical trials with each other to accelerate the process of finding treatment options for this disease. As previously noted, there are often bureaucratic, political, and legal factors that act as barriers to implementing collaborative strategies during pandemics. In this context, the facilitation of cooperation at the level between countries is not only through laws on cooperation versus competition, but also through a common motivation to develop a treatment or at least treatment options as soon as possible. To emphasize an important point mentioned earlier, during all collaborative partnerships, a mutually beneficial outcome should be achieved, which usually includes a higher level of performance (Czakon & Czernek, 2016). Here, this more beneficial joint outcome for human health (and related economic benefits), and provides a new, but broad rationale for engaging in collaboration as an industrial marketing strategy. These organizations have shown that despite the existence of institutional differences, they can have short-term cooperation, which is more useful than some competitive behaviors. There is now a situation where companies are cooperating more than competing. This news story from the New York Times (2020) shows how companies that normally exhibit high-degrees of rivalry have used this global pandemic to collaborate for the greater good. Furthermore, there has been scarce research pertaining to coopetition in an international arena. International cooperation agreements show how companies can pool resources and capabilities across national borders for mutually beneficial results. In fact, companies' globalization efforts allow competitors to collaborate to achieve common performance outcomes, even if they are located at great distances (Crick & Crick, 2020).

3.3. Non-Profit Organizations Unite for a Common Goal

Referring to the non-profit sector, a small group of competing charities working together to raise funds, borrow equipment (e.g. call centers and vehicles) and share staff members, in an industrial marketing capacity in a commercial space. They cooperate and volunteers to respond to covid-19. Charities work to raise awareness of a specific issue (e.g., homelessness, cancer research, heart disease and animal welfare), which means it is appropriate for them to (O'Shaughnessy,

1996). In relation to the rationale that charities cooperate in response to the pandemic, due to job losses and corporate bankruptcy, rates of homelessness and hunger have increased (CNN, 2020). This means that charities are under more pressure to help vulnerable populations. Participating at the social level of this industrial marketing strategy against the covid-19 pandemic is related to the mutually beneficial and non-profit outcome of the cooperative activities that charities intend to carry out, as opposed to sales and profitability, which are more interested in private companies (Milne et al., 1996). In other words, the employment of this form of coopetition has taken place to tackle the devastating consequences of the pandemic, whereby, these non-profit organisations have put aside their competitive differences (regarding the need for donations) to work together for this joint cause (Wyllie, 2020). Beyond the "social" value of these industrial marketing relationships, this form of collaboration is symbolic of these activities, helping resource-poor organizations to achieve higher performance among other mutually beneficial outcomes. In addition, these charities have shown how changing market-level forces can change the dynamics of cooperation and competition in a sector and lead these non-profit organizations to cooperate with their competitors (Crick & Crick, 2020).

3.4. Consequences and Management Recommendations

This article provides the following concepts for co-op competitors. First, if decision-makers work in critical times, they must take advantage of specific market conditions that allow them to cooperate with their competitors. For example: If the rules of competition become easier, companies should exercise more freedom to share resources and capabilities with reliable and complementary competitors in their industry for mutually beneficial results. In emergencies around the world, organizations are encouraged to explore the potential mutual benefits of using collaborative strategies to perform at higher levels, meet unprecedented demand, work with efficient supply chains, or indeed survive in a volatile market. Do Second, following that, owner-managers should be aware of the extent to which their activities are permitted (by law) in collaborative partnerships. That is: Businesses must cooperate with their competitors to improve their performance, but not in ways that government laws do not allow, such as creating a monopoly or lowering prices to influence the performance of some smaller competitors that are part of the alliance. They are not. Many countries have regulations that penalize companies that engage in collusive competitive practices. Accordingly, companies should not engage in these illegal forms of cooperation. Third, collaboration consists of cooperative and competitive dimensions, meaning that although it involves organizations working with their competitors, there is always some form of competition (however small). As a result: decision makers must avoid dependence on their cooperation partners to survive in their markets, which allows them to compete through their own resources and capabilities under an individualistic business model. Owner-managers may acknowledge that once the global pandemic is over (and some form of cooperative regulation potentially applies), it may be challenging to end their partnerships with competitors. Therefore, they must agree on the extent to which they will cooperate with, versus compete with, their competitors before conditions change (Crick & Crick, 2020).

Fourth, owner managers and employees at the functional level must acknowledge that cooperation is an industrial marketing strategy, as it may have negative results. Hence: decision makers should engage in complementary activities of cooperation with trusted partners, but avoid negative situations that lead to tension (for example, conflicts, power imbalances and opportunistic behaviors), loss of intellectual property and reduction of competitive advantages.

It is specifically recommended that the senior managers of the businesses involved in the crisis situation take effective steps in improving their economic conditions and business operations with detailed implementation goals in line with the missions of their companies. Undoubtedly, in this challenging path, adopting cooperation policies through constructive partnerships based on strategic resources can play an effective role in improving the business environment and managing crisis situations.

Taken together, these managerial implications serve as viable considerations for co-opponents when implementing collaborative strategies in times of crisis, such as the Covid-19 outbreak. To be clear, collaboration can be a rewarding (performance-enhancing) industrial marketing strategy through business, but there are risks associated with companies working with untrustworthy competitors. Following these guidelines, if properly managed, cooperative activities can be beneficial in ameliorating global emergencies.

To minimize the dark side of cooperative competition, it is recommended that managers and operational employees watch out for situations involving the opportunistic behavior of cooperation partners. This time will indicate the time to leave these relationships (Crick & Crick, 2020).

4. Conclusion

The purpose of this article is to examine how organizations adapt using collaborative strategies in times of crisis (with a focus on Covid-19), emphasizing the resource-based theory and relational perspective. To achieve the goal of the research, various scientific and practical sources were examined, which in turn gives the following three results. The first conclusion is that collaboration can be an economic industrial marketing strategy during a pandemic, as companies may engage in such collaborations for the benefit of their organization (as well as their customers and other key stakeholders) and this can be one of the most important challenges facing business managers under critical conditions such as Covid-19.

The second conclusion is that competitive cooperation activities consist of both cooperative and competitive forces, whereby decision makers must be careful with which competitors they cooperate, as it has detrimental results in their performance. But it is possible to provide a clear picture of the reasonable expectations of companies by analyzing the trend of past forecasts.

A third (and final) consequence is that after the end of the Covid-19 outbreak, there is the question of whether these existing cooperation strategies will continue or end in the future. Of course, the answer to this challenge is based on a contingency approach that must be analyzed in changing economic conditions and considering the performance of competing companies in a fully interactive environment.

Of course, in the present study, this question is stated for future research that industrial marketing researchers prefer to pursue in scientific and logical ways.

5. Proposals for Future Research

Future researchers are suggested to examine the circumstances under which companies (in different industries and national contexts) cooperated with their competitors during the Covid-19 outbreak, and also examine the background of these cooperation strategies during this pandemic crisis (for example, critical resources and capabilities); examine the results of these cooperation activities in this extensive emergency situation (for example, improving the company's performance) and also investigate how to terminate the participation of enterprises (such as withdrawal of key tangible and intangible assets).

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

References

- Ang, S. H. (2008). Competitive Intensity and Collaboration: Impact on Firm Growth across Technological Environments. *Strategic Management Journal*, 29, 1057-1075. <u>https://doi.org/10.1002/smj.695</u>
- Barney, D. (2018). Analysis of the Role of Strategic Marketing in the Formation of Bilateral and Multilateral Cooperation in the Business Environment. *Journal of Public Policy in Developing Countries, 40,* 128-136.
- Bengtsson, M., & Kock, S. (1999). Cooperation and Coopetition in Relationships between Competitors in Business Networks. *Journal of Business & Industrial Marketing*, 14, 178-194. <u>https://doi.org/10.1108/08858629910272184</u>
- Bengtsson, M., & Kock, S. (2000). Cooperation in Business Networks: To Cooperate and Compete Simultaneously. *Industrial Marketing Management, 29*, 411-426. <u>https://doi.org/10.1016/S0019-8501(99)00067-X</u>
- Bengtsson, M., & Kock, S. (2014). Coopetition—Quo Vadis? Past Accomplishments and Future Challenges. *Industrial Marketing Management*, 43, 180-188. <u>https://doi.org/10.1016/j.indmarman.2014.02.015</u>
- Bouncken, R. B., Fredrich, V., Ritala, P., & Kraus, S. (2018). Coopetition in New Product Development Alliances: Advantages and Tensions for Incremental and Radical Innovation. *British Journal of Management, 29*, 391-410.

- Chesbrough, H. (2020). To Recover Faster from Covid-19, Open up: Managerial Implications from an Open Innovation Perspective. *Industrial Marketing Management, 88,* 410-413. <u>https://doi.org/10.1016/j.indmarman.2020.04.010</u>
- CNN (2020). Detroit Mom-and-Pop Restaurants, Forced to Close Due to Coronavirus, Now Cook Meals for Homeless. https://edition.cnn.com/2020/03/29/us/detroitcoronavirus-chefs-restaurants-homelessiyw-trnd/index.html
- Cortez, A. K., & Johnston, D. (2020). Crisis Management in Industrial Markets. *Journal of International Marketing, 24*, 216-229.
- Crick, J. M. (2019). Moderators Affecting the Relationship between Coopetition and Company Performance. *Journal of Business & Industrial Marketing, 34*, 518-531. <u>https://doi.org/10.1108/JBIM-03-2018-0102</u>
- Crick, J. M., & Crick, D. (2019). Developing and Validating a Multi-Dimensional Measure of Coopetition. *Journal of Business & Industrial Marketing, 34*, 665-689. <u>https://doi.org/10.1108/JBIM-07-2018-0217</u>
- Crick, J. M., & Crick, D. (2020). Coopetition and Covid-19: Collaborative Business-to-Business Marketing Strategies in a Pandemic Crisis. *Industrial Marketing Management*, 88, 206-213. <u>https://doi.org/10.1016/j.indmarman.2020.05.016</u>
- Cui, Y., & Vertinsky, J. (2018). Industrial Marketing Techniques in Market Segmentation and Positioning of Manufacturing Companies. *Industrial Marketing Journal*, 41, 75-86.
- Czakon, W., & Czernek, K. (2016). The Role of Trust-Building Mechanisms in Entering into Network Coopetition: The Case of Tourism Networks in Poland. *Industrial Marketing Management*, *57*, 64-74. <u>https://doi.org/10.1016/j.indmarman.2016.05.010</u>
- Dahl, B. S. (2014). Customer Orientation in Industrial Markets to Overcome Global Crises. *Journal of General Marketing and Services, 20,* 44-56.
- Davari, A., & Jafarzadeh, M. (2020). "Corona Crisis and Innovative Measures of Companies and Businesses" in Collaboration with the Islamic Republic of Iran News Agency.
- Di Benedetto, J., Lindgreen, M. P., Storgaard, A., & Clarke, F. G. (2019). The Role of Information Technologies in Financial Market Settings. *Journal of Financial Markets Management, 31*, 65-78.
- Dyer, J. H., & Singh, H. (1998). The Relational View: Cooperative Strategy and Sources of Inter-Organizational Competitive Advantage. Academy of Management Review, 23, 660-679. <u>https://doi.org/10.2307/259056</u>
- Dyer, J. H., Singh, H., & Hesterly, W. S. (2018). The Relational View Revisited: A Dynamic Perspective on Value Creation and Value Capture. *Strategic Management Journal, 39,* 3140-3162.
- Felzensztein, C., & Deans, K. O. (2016). The Process of Data Mining in Business Economics during Periods of Recession and Inflation. *Journal of Government Policy in Development Economics*, 16, 42-50.
- Felzensztein, C., Stringer, C., Benson-Rea, M., & Freeman, S. (2014). International Marketing Strategies in Industrial Clusters: Insights from the Southern Hemisphere. *Journal of Business Research*, 67, 837-846. <u>https://doi.org/10.1016/j.jbusres.2013.07.002</u>
- *Fortune* (2020). How Global 500 Companies Are Utilizing Their Resources and Expertise during the Coronavirus Pandemic.

https://fortune.com/2020/04/13/global-500-companies-coronavirus-response-covid-19 -pandemic/

Gnyawali, D. R., & Charleton, T. R. (2018). Nuances in the Interplay of Competition and Cooperation: Towards a Theory of Coopetition. *Journal of Management, 44,* 2511-

2534. https://doi.org/10.1177/0149206318788945

- Gnyawali, D. R., & Park, B. J. R. (2011). Coopetition between Giants: Collaboration with Competitors for Technological Innovation. *Research Policy*, 40, 650-663. <u>https://www.digikala.com/mag/digikala-at-corona-time</u> <u>https://doi.org/10.1016/j.respol.2011.01.009</u>
- Kotler, P. (1974). Marketing during Periods of Shortage. *Journal of Marketing, 38*, 20-29. https://doi.org/10.1177/002224297403800305
- Kozlenkova, I. V., Samaha, S. A., & Palmatier, R. W. (2014). Resource-Based Theory in Marketing. *Journal of the Academy of Marketing Science*, 42, 1-21.
- Lascaux, A. (2020). Coopetition and Trust: What We Know, Where to Go Next. Industrial Marketing Management, 84, 2-18. <u>https://doi.org/10.1016/j.indmarman.2019.05.015</u>
- Lavie, K. P. (2006). Theory of Financial Markets in Strategic Cooperation. *Strategic Management Journal*, 19, 385-394.
- Lee, N., & Cadogan, J. W. (2013). Problems with Formative and Higher-Order Reflective Variables. *Journal of Business Research, 66,* 242-247. https://doi.org/10.1016/j.jbusres.2012.08.004
- Lund Pedersen, C., & Ritter, T. (2020). Preparing Your Business for a Post-Pandemic World. *Harvard Business Review*.
- Luo, Y. J. et al. (2007). Public Management in Industrial Social Crises and Its Impact on the Market Balance Process. *Journal of Business Management and Development, 4*, 78-91.
- Medrano, D., & Olarte, P. O. (2007). Mixed Design of Industrial Markets under Conditions of Uncertainty. *Industrial Marketing Ideas Journal*, *14*, 123-135.
- Milne, G. R., Iyer, E. S., & Gooding-Williams, S. (1996). Environmental Organization Alliance Relationships within and across Non-Profit, Business, and Government Sectors. *Journal of Public Policy & Marketing*, 15, 203-215. <u>https://doi.org/10.1177/074391569601500203</u>
- MSN (2020). Industries Performing Best and Worse during the Coronavirus and How They're Responding.

https://www.msn.com/en-us/money/markets/industries-performing-best-and-worst-during-the-coronavirus-----and-how-theyre-responding/ss-BB12CWOe?ocid=spartanntp

National Post (2020). New York to Launch Tri-State Virus Tracing Program with Michael Bloomberg's Help.

https://nationalpost.com/pmn/health-pmn/newyork-to-launch-tri-state-virus-tracing-program-with-michael-bloombergs-help

- *New York Times* (2020). Search for Coronavirus Vaccine Becomes a Global Competition. <u>https://www.nytimes.com/2020/03/19/us/politics/coronavirusvaccine-competition.htm</u> <u>l</u>
- O'Shaughnessy, N. (1996). Social Propaganda and Social Marketing: A Critical Difference? *European Journal of Marketing, 30,* 54-67. https://doi.org/10.1108/03090569610149791
- Pangarkar, H. N. (2007). Mixed Analysis of the Market in the Period of Covid Based on the Management of Cooperation in Crisis Conditions. Advanced Business Management Journal, 10, 311-323.
- Park, B. J. R., Srivastava, M. K., & Gnyawali, D. R. (2014). Walking the Tightrope of Coopetition: Impact of Competition and Cooperation Intensities and Balance on Firm Innovation Performance. *Industrial Marketing Management*, 43, 210-221. <u>https://doi.org/10.1016/j.indmarman.2013.11.003</u>

- Priem, R. L., & Butler, J. E. (2001). Is the Resource-Based View a Useful Perspective for Strategic Management Research? *Academy of Management Review*, 26, 57-66. <u>https://doi.org/10.5465/amr.2001.4011946</u>
- Raza-Ullah et al. (2014). The Perspective of Economic Development in International Crises. *Journal of Public Management in Healthcare, 14,* 218-234.
- Rindfleisch, A., & Moorman, C. (2003). Inter-Firm Cooperation and Customer Orientation. *Journal of Marketing Research*, 40, 421-436. https://doi.org/10.1509/imkr.40.4.421.19388
- Ritala, P. (2012). Coopetition Strategy—When Is It Successful? Empirical Evidence on Innovation and Market Performance. *British Journal of Management, 23,* 307-324.
- Rusko, H. M. (2011). Economic Shock in Global Markets and Its Effects. *Journal of Policymaking in Economics and Public Administration*, 19, 158-166.
- Schiavone, F., & Simoni, M. (2019). Strategic Marketing Approaches for the Diffusion of Innovation in Highly-Regulated Industrial Markets: The Value of Market Access. *Journal* of Business & Industrial Marketing, 34, 1606-1618. https://doi.org/10.1108/JBIM-08-2018-0232
- *The Guardian* (2020). Apple and Google Team up in Bid to Use Smartphones to Track Coronavirus Spread. <u>https://www.theguardian.com/world/2020/apr/10/apple-google-coronavirus-us-app-pr</u> <u>ivacy</u>
- Tidstrom, M. (2014). The Importance of Market Development Strategies in the Formation of Strategic Cooperation. *Strategic Management Journal, 25*, 99-113.
- Velu, J. K. (2016). Demarcation of Industrial Markets in Crisis Management. Journal of Business Management and Industrial Development, 44, 401-4013.
- Washington Post (2020). U.S. Becomes First Country to Report 100,000 Confirmed Coronavirus Cases; Trump Defense Production Act.

https://eu.usatoday.com/story/news/nation/2020/03/27/scientists-track-coronavirus-str ains-mutation/5080571002

Wyllie, J. (2020). Coronavirus: North-East Charities Unite for Feed the City Campaign to Help Those Affected by Outbreak.

https://www.pressandjournal.co.uk/fp/news/aberdeen/2088556/coronavirus-north-east -charities-unite-for-feed-thecity-campaign-to-help-those-affected-by-outbreak/