Destination Networking: Co-Opetition in a Ski Resort

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Abstract: In this paper the author discusses a co-opetitive theory of business derived from the results given by a networking study of a tourist destination dominated by micro businesses and independent entrepreneurs.

Due to the complexity of the tourist product most flrn1S in a tourist destination are interdependent on one another. As well as being competitors they also have to work together on creating the overall quality of the total tourist product. Because of the size of the flrn1S and their physical attachment to the destination, entrepreneurs develop ties to one another for different purposes. It is difficult to separate co-operation from competition when studying entrepreneurs. The results of the study show that there are two different sets of values in the destination and these determine and distinguish the way firms are involved in networking. In a recent article (Bengtsson and Kock, 2000) the authors deal with advantages of "co-opetition" between flrn1S. It is stated that existing theories and research focus either on competitive or on co-operative relationships between flrn1S. It is also argued that the most complex but also the most advantageous relationship between businesses is co-opetition, where they both compete and co-operate with each other. This paper discusses co-opetition in the context of marketing a tourist destination.

The results presented in this paper support the claim that the two aspects, competition and co-operation, can be distinguished by the degree of proximity to the customer shown by the business activity and on the access to specific resources available to the various companies. But it is also claimed that because the flrn1S in a tourist destination are tied to one specific place they are involved not only in horizontal relations but also in vertical relations with flrn1S inside as well as outside the destination. Therefore marketing at a tourist destination will involve both co-operative and competitive behaviour. The results from the case study identify different sorts of relationships between flrn1S in a destination network: social relationships and business relationships. It is shown that entrepreneurs having a network primarily within the village are dominated by emotional social ties, which are not easily changed; while entrepreneurs having a network primarily outside the village have more rational businesslike ties, which are more easily changed. The two aspects, competition and co-operation, can therefore be distinguished by the nature of the relationships between flrn1S. In co-opetitive theory, it is claimed that one important pre-requisite for co-opetition is that the two different logics of co-operation and competition are divided between individuals within the company or that one aspect is controlled and regulated by an intermediate actor such as a collective association. In the study it is shown that the different sets of values held by the entrepreneurs influence their attitudes towards co-operation and/or competition. It is also shown that the local tourist organisation has no authorization to take over the role of co-operation or competition because the entrepreneurs have an urge for control and independence.