Selling coopetition in markets with calls for tenders: The case of architecture companies

Roy, Pierre
Institut MOMA, université de Montpellier
pierre.roy@umontpellier.fr

Pellegrin-Boucher, Estelle
Institut MOMA, université de Montpellier
estelle.boucher@umontpellier.fr

Abstract

This paper explores the concept of coopetition (Brandenburger & Nalebuff, 1996; Bengtsson & Kock 1999; Gnyawali & Park 2009; Padula & Dagnino, 2007; Le Roy & Fernandez, 2015) and especially the specific issues related to coopetition located in the downstream activities of the value chain. Indeed, most researches about coopetition are focused on the upstream activities such as research & development and issues associated with innovation. Recently, some researchers have insisted on the fact that coopetition should also be explored through the commercial and marketing lenses (Peng & Bourne, 2009; Kylänen & Mariani, 2014; Chiambaretto & Dumez, 2016; Pellegrin-Boucher *et al*, 2017). Therefore, our paper intends to discuss the emerging concept of selling coopetition and more specifically its motivations, forms and issues for companies. In particular, our research is exploring this concept of selling coopetition in the context of markets ruled by calls for tenders. No research has been conducted about coopetition is these kind of markets and we believe that they represent an opportunity to enlighten some specific patterns and to open new perspectives of research.

The empirical side of our research relies on a single industry tackled for a qualitative perspective. We selected the French architecture industry (its "B to B" segment) as a fertile industry to explore selling coopetition in a market concerned by calls for tenders. The case study is based on primary data collected through 15 interviews conducted in Montpellier and Paris, as well as some secondary data. Our main contribution is the proposition of a theoretical model about selling coopetition in markets with calls for tenders. In this model, we distinguish three different forms of selling coopetition. The first one, named "a priori coopetition", refers to the formal and informal relationships developed between competitors before the launch of a call for tenders. The main aim is to develop contacts for a potential coopetitive project. The second one, named "coopetitive answer", refers to the strategy of developing a mutual proposal for a call for tenders in order to reinforce the chance to be selected by the client. Lastly, a third form of selling coopetition has been revealed in our research. "A posteriori coopetition" takes place after the project selection by the client and illustrates the ex-post coopetition between a winner and a loser of the same call for tenders. Both theoretical and managerial issues for each form are discussed in our paper.

Key words: selling coopetition, calls for tenders, case study, architecture

---

Selling coopetition in markets with calls for tenders: The case of architecture companies

INTRODUCTION

Strategic management literature has recently showed an increasing interest for the concept of coopetition and the discussion of its issues for companies and managers (Bengtsson & Kock 1999, 2000; 2014; Gnyawali & Park 2009; Padula & Dagnino, 2007; Yami *et al*., 2010). More and more companies seem to be concerned by this simultaneous combination of competition and cooperation (Brandenburger & Nalebuff, 1996) targeting different types of advantages such as access to new resources, economies of scale, inter-organisational synergies, etc. (Gnyawali & Park, 2009, 2011; Yami *et al*., 2010; Bouncken & Kraus, 2013). In most of these publications, coopetition is presented as a strategy where competitors cooperate for the upstream stages of the value chain – far from the customer – and compete in downstream activities (Bengtsson & Kock, 1999, 2000). Therefore, many researches focused the attention on coopetition concerning research & development and innovation (Quintana-García & Benavides-Velasco, 2004; Gnyawali & Park, 2011; Ritala, 2012; Bouncken & Kraus, 2013; Ritala & Sainio, 2014; Le Roy & Fernandez, 2015; Estrada *et al*., 2015).

In parallel, some authors have insisted on the fact that coopetition is also more and more implemented in marketing, commercial and sales activities (Peng & Bourne, 2009; Kylänen & Mariani, 2014; Chiambaretto & Dumez, 2016; Chiambaretto *et al*., 2016; Mariani, 2016; Pellegrin-Boucher *et al*, 2017). They suggest that coopetition located downstream in the value chain presents some specific patterns and issues that requires a specific attention from academics (Czakon, & Czernek, 2016). In particular, some key issues are concerning the way the value is created and captured by companies, the impact on the relationship with customers

and the role played by customers in such a strategy. Our paper intends to provide some answers to these questions by studying the specific case of coopetition in markets ruled by calls for tenders. The impressive turnover generated by these markets and the relative lack of interest from the strategic management literature suppose that it is a fertile stream of research (Skaates & Tikkanen, 2003). Thus, our research intends to explore the forms and the issues of selling coopetition in markets with calls for tenders.

Our research is based on a single and qualitative case study. We selected the French architecture industry both for its originality (no research in strategy has been conducted in this industry) and its fitting characteristics with our research question. Based on this empirical case study, our paper intends to develop two main contributions. First, we propose a theroretical model about the dynamics of selling coopetition in markets with calls for tenders. Three different forms of selling coopetition are identified, defined and discussed based on our empirical results. Secondly, the paper insists on the practical issues of selling coopetition for managers.

The paper is divided into four different parts. We start by a synthetic review of coopetition literature and a specific focus on selling coopetition when companies are operating on markets with calls for tenders. The second section details our methodological choices and specifically the way we collected and analysed our empirical data in the architecture industry. Then, we expose the main results of our study: three forms of selling coopetition between architecture companies are presented and compared. Finally, we open a discussion about the selling coopetition model enriched by our research concerning both theoretical and practical issues.

1. THEORETICAL BACKGROUND

1.1. COOPETITION: CHARACTERISTICS AND ISSUES

Within strategic management theory, there used to be dichotomy until the end of the 90's between cooperation and competition paradigms (Yami *et al*., 2010 ; Le Roy et Sanou, 2014).

Indeed, the ambivalent mix of these two opposite dimensions was, until recently, difficult to accept. Nevertheless, at the end of the 90's, some scholars have noticed that this separation was artificial and that companies could and should manage cooperative and competitive relationships at the same time (Brandenburger et Nalebuff, 1996 ; Lado, Boyd et Hanlon, 1997 ; Bengtsson et Kock, 2000). The development of researches focusing on coopetition since the 2000's crystallizes this evolution in strategic thinking.

In this research, we use Bengtsson et Kock's (2000) definition of coopetition which they consider as a relationship between at least two competitors that mix simultaneously cooperation and competition. According to these authors, cooperation is located far from the clients (it concerns upstream activities such as R&D, production, etc.), whereas competition takes place close to the clients (within downstream activities such as sales, etc).

Scientific works shows several advantages in collaborating with competitors. Coopetition can allow to create new knowledge and to generate syncretic rents (Lado *et al*., 1997). Synergies between high competition and high cooperation can also improve clients satisfaction and firms performance (Hamel, Doz, et Prahalad, 1989 ; Tsai, 2002). More precisely, coopetition allows to cumulate benefits linked to competition and those linked to cooperation (Lado *et al*., 1997; Gnyawali et Park, 2009). Cooperation allows to cumulate resources and competences, whereas competition creates innovation. When two competitors cooperate, their resources and capacities are similar thus highly compatible and inter operable (Gnyawali et Park, 2009 ; Ritala, Golnam et Wegmann, 2014). This similarity allows to take advantage of synergies and to reach a critical size (Dussauge *et al*., 2000 ; Gnyawali et Park, 2009, 2011 ; Yami *et al*., 2010 ; Bouncken et Kraus, 2013).

Coopetition also conveys several risks such as partner opportunism, lack of trust, or inertia (Hakansson et Ford, 2002; Santamaria et Surroca, 2011). Some scholars also underline that companies can have a « hidden agenda » and may use common new knowledge against their partners (Hamel, 1991; Lei *et al.,* 1997). The firm may "arm" the competitor and lose its competitive advantage (Pellegrin-Boucher *et al*., 2013). At any time, one of the companies may feel that the partner has more advantages to collaborate (Park et Russo, 1996). For these reasons, coopetition creates tensions within the organizations (Le Roy et Fernandez, 2015). In

order to reduce these tensions, Seran *et al.* (2016) highlight the strategic role of formal coordination (contract, business plan, control, procedures), but also informal coordination (meetings, social networks, etc.). In particular, the existence of trust can reduce tensions (Tidström, 2014. Seran *et al*., 2016) and make coopetition strategies successful (Chin *et al.*, 2008). Furthermore, according to Uzzi (1997), strong social links allow to exchange strategic information that facilitates conflict solving.

The understanding of coopetitive strategies' characteristics is therefore essential to ensure their effective implementation. The question of their forms and their dynamics is also at the heart of the theoretical and managerial concerns (Gnyawali et Park, 2011 ; Depeyre et Dumez, 2007 ; Pellegrin-Boucher *et al*., 2013). Depeyre et Dumez (2007) show for instance that the client is central in the implementation of coopetition. Pellegrin-Boucher *et al*. (2013) also investigate coopetition evolution and dynamics within the business software industry. Nevertheless, researches mainly focus on R&D and production projects (Quintana-García et Benavides-Velasco, 2004 ; Gnyawali et Park, 2011 ; Ritala, 2012 ; Bouncken et Kraus, 2013 ; Ritala et Sainio, 2014 ; Estrada *et al*., 2015 ; Estrada *et al.*, 2016 ; Ritala *et al.*, 2016). However, competitors not only cooperate on activities far from the client, they also cooperate on downstream activities such as sales or marketing (Pellegrin-Boucher et al, 2017).

1.2. SELLING COOPETITION IN A CONTEXT OF CALL FOR TENDERS

Some works have shown that sales and marketing coopetitive forms were increasing (Peng et Bourne, 2009; Kylänen et Mariani, 2014; Chiambaretto et Dumez, 2016; Chiambaretto *et al.*, 2016; Mariani, 2016; Kylänen et Mariani, 2012, 2014; Czakon et Czernek, 2016). According to Pellegrin-Boucher *et al*. (2017), selling coopetition can be defined as a collaboration between competitors concerning activities liked to sales and distribution. These authors insist on the necessity to develop new researches on this topic.

In practice, selling coopetition can take several forms according to the type of the industry and the way of selling. For example, in the IT industry, selling coopetition involves to answer in common to call for tenders (Pellegrin-Boucher *et al.*, 2013). In the touristic industry, it consists in developing common platforms with complementary offers (Czakon and Czernek,

2016; Kylänen and Mariani, 2014). Pellegrin-Boucher *et al*. (2017) show that selling coopetition is different than R&D coopetition. In R&D, are generally long-term and continuous (Gnyawali and Park, 2011), where as selling coopetition can be short term (Czakon and Czernek, 2016). Table 1 sets alongside these two coopetitive forms and highlights their differences.

Table 1: R&D and selling coopetition

Characteristics	R&D coopetition	Selling coopetition
Cooperative activities	R&D, production.	Sales and distribution
Type of shared resources	Technological (e.g., raw materials, know-how)	Commercial / market (e.g., customers, brands, distribution channels, communication)
Time horizon	Long term Continuous process	Long term or short term Continuous or discontinuous process
Value creation	Sharing R&D costs Technological learning	Winning a market, a client, a call for tender
Value appropriation	Difficult to measure (e.g., knowledge, know-how)	Easy to measure (joint sales turnover)

Source : Pellegrin-Boucher et al., 2017

In particular, in the case of call for tenders, projects are discontinuous unique and complex (Skaates et Tikkanen, 2003). R&D coopetition drivers are also different from selling coopetition. Within R&D projects, the main objectives are to improve technological expertise, to quickly develop new products and to reduce costs (Gnyawali et Park, 2009), whereas selling coopetition objective is to win new clients and new markets (Czakon et Czernek, 2016) or win a call for tenders (Pellegrin-Boucher *et al.*, 2013).

Call for tenders is a complex procedure aiming to answer to a client's needs. The client defines his needs and select the best solution among competing offers (Skaates *et al*., 2002). Industries with calls for tenders share some common characteristics summarized in the DUC model (Skaates et Tikkanen, 2003). First, they face a discountinuous demand (D). Second, projects are unique (U) financially and technically speaking. Third, their forms are very complex (C), notably due to many stakeholders. Complexity deals with technical and financial data but also with political and relational issues. The answers to the call for tenders

imply a high level of uncertainty, a long-term and complex process of decision and specific strategies. This process can be divided between three main steps or forms: when the offers doesn't exist yet, when the call for tender is launched and finally, the preparation of the answer to the call for tender (Cova *et al.*, 2002 ; Cova and Salle, 2007).

Through this research, we aim to explore dynamics and forms of selling coopetition in the markets with calls for tenders. As far as we know, there is no study realizes on this subject yet. The purpose of our empirical study is to address this theoretical gap and to enlighten managerial stakes specific to this unprecedented research object.

2. RESEARCH METHOD

2.1. CASE STUDY SELECTION

Our research is based on a single industry case study tackled from a qualitative perspective. We identified the French architecture industry as a stimulating field of study. The architecture industry is part of the construction industry which showed in France an approximated €123 billions turnover back in 2010. The share of the architecture industry is estimated to 44% of this turnover according to the French architectural authority[1]. The architecture value chain can be divided into two separate parts each of them representing 50% of the value creation process: the building design (project development and various studies) and the building construction (coordination of stakeholders and control of the process).

Literature in strategic management shows a lack of interest from the academic world for this cultural industry. Early observations during our empirical research showed that companies are developing and implementing innovative strategies in this industry. In order to fit with our theoretical framework (Yin, 1994), we decided to explore coopetitive strategies developed by companies concerned by call for tenders, either for a private or a public client. The selected empirical field fits with the three characteristics of the D-U-C model developed by Skaates and Tikkanen (2003). Indeed, architecture companies operating in B-to-B segment are

[1] Source: architectes.org

concerned by a discontinuity of demand for projects, the uniqueness of each project both for technical and financial issues, and the complexity of each project (specific resources and competences, stakeholders' expectations, etc.). In particular, we focused our attention on the selling side of the architecture industry rather than on the design and creative dimension.

In terms of geographical markets, our empirical study is based on two different phases. First, we investigated between 2013 and 2015 the architectural market in the south of France and especially companies located in Montpellier area. The French 8th largest city is considered as one of the fastest growing urban area in France and has been labeled as a dynamic and leading architecture city in Europe by the *New-York Times* (2012). In order to avoid the limits of a single and local empirical study, we decided in 2017 to conduct a second phase of empirical study based on architecture companies located in Paris.

2.2. DATA COLLECTION

The data collection process concerns both primary and secondary data. We started our empirical study by gathering some secondary data – both quantitative and qualitative – in order to understand the different stakeholders and the main issues and trends concerning the architecture industry. Secondary data also helped us to achieve a triangulation objective in our empirical design. Different sources were tackled to enrich our knowledge about the architecture industry such as press articles discussing architectural projects and call for tenders (through the *Factiva* database), market studies available online, various statistics and figures about the industry (turnover, market growth, etc.) and public regulation issues (laws and rules about call for tenders). Besides these traditional secondary sources, we also collected some data from a powerful source of information: the French architecture professional authority (aka "*l'ordre des architects*").

Concerning primary data, we conducted 15 semi-structured interviews with architects in a two-step process. First, we investigated three architecture companies located in Montpellier between 2013 and 2015 (named archi1, archi2 and archi3 in our research), and then two companies located in Paris in 2017 (archi4 and archi5) (see table 2). The length of these face-

to-face interviews varies from one to two hour(s). Interviews were all based on the same guide including 18 questions divided in three different parts (namely the determinants, the drivers and the outputs/issues of selling coopetition). For each architecture company, we interviewed two different members of the organization: first, founders of the company and then architects engaged in a project conducted in coopetition. We started our empirical data collection by opportunities in the field (private contacts) and then we asked for contacts in companies concerned by coopetition strategies. In this process, we used recommendations to contact other companies in the industry. We also tried to investigate different types of architecture companies (mainly based on the criteria of size) in order to enrich the discussion of our results.

Table 2: Profiles of architecture companies investigated

Company	Archi1	Archi2	Archi3	Archi4	Archi5
Location	Montpellier	Montpellier	Montpellier	Paris	Paris
Founded in	2005	1997	1995	2006	2005
Number of employees	4	5	40	15	2
Turnover in 2015	1.1M€	0.6M€	4.1M€	0.8M€	0.3M€
Volume of interviews	3	4	5	2	1

Sources: primary and secondary data

2.3. DATA ANALYSIS

Interviews have all been recorded, transcripted and manually coded by the two researchers involved in this research and according to the content analysis principles developed by Miles and Huberman (1994). As suggested by the authors, the primary data analysis was conducted with a data dictionary based on our interview guide and theoretical backgrounds, especially publications from Bengtsson & Kock (1999, 2000) and Skaates & Tikkanen (2003). The final dictionary included 8 themes divided into 43 sub-themes concerning the different issues about selling coopetition (see table 3).

Table 3: Qualitative data analysis

Theme 1: Selling coopetition determinants DET		
Political (DET-POL) Legal (DET-LEG)	Economical (DET-ECO) Clients (DET-CLTS)	Social Network (DET-NET)
Theme 2: Competition COMP		
Actions (COMP-ACT) Data protection (COMP-DAT)	Agressivity (COMP-AG) Opportunism (COMP-OPP)	More competition (COMP-MOR)
Theme 3: Cooperation COO		
Actions (COO-ACT) Nature (COO-NAT) Long-term/short-term (COO-TER)	Information sharing (COO-SHA) Social relations (COO-SR)	Local/national (COO-LOC) Complementarity (COO – CO)
Theme 4: Call for tender proposal CFT		
Types of relation (CFT-TYP) Contracts (CFT-CONT)	Management (CFT-MAN)	Types of partners (CFT-PAR)
Theme 5: Relationship Dynamics DYN		
Beginning (DYN-BEG) End (DYN-END)	Length (DYN-LEN)	
Theme 6: Relationship Characteristics CHAR		
Uniqueness (CHAR-UNI)	Complexity (CHAR-COM) Tensions (CHAR-TEN)	Paradox (CHAR-PAR) Loss of control (CHAR-CON)
Theme 7: Coopetition Advantages ADV		
Cost reduction (ADV-COS) Synergies (ADV-SYN) Reputation (ADV-REP)	Client demand (ADV-CLT) Access to new markets (ADV-MAR) Access to local market (ADV-LOC)	Access to international markets (ADV-INT) Critical mass (ADV-MAS)
Theme 8: Coopetition Disadvantages DIS		
Individual tensions (DIS-IND) Organizational tensions (DIS-ORG)	Negative sectorial impacts (DIS-SEC) Excess competition (DIS-EXC)	Information loss (DIS-INF) Partner opportunism (DIS-OPP)

We decided to select the "coopetitive project" as the main unit of analysis. In our research, we defined it as an architectural project where two (or more) competitive companies are cooperating on a project while competing on an(some) other(s) project(s) (see table 4). For each identified project, we verified the relationship between partners involved into the project in order to be sure that there was an actual competitive relationship between them aside from this collaborative project. If it was not the case, we did not consider the project as a relevant form of coopetition (but only a form of cooperation) and it was therefore excluded from our analysis.

Table 4: Selling coopetition with call for tenders

	Call for tenders project 1	**Call for tenders project 2**
Architecture company A	Proposal A	Proposal AB
Architecture company B	Proposal B	
	Competition	**Cooperation**
	Coopetition	

The final list of relevant coopetitive projects has been submitted to the interviewees to reinforce the validity of our understanding. 20 coopetitive projects have been identified in our content analysis (see table 5).

Table 5: Coopetitive projects

Architecture company	Nature of the coopetitive project (number of competitive companies involved)
Archi1	1.1. Research center (2) 1.2. Residential building (2)
Archi2	2.1. Residential building (8) 2.2. Parking (2) 2.3. Tramway stations (2) 2.4. City hall (2) 2.5. Public building (2) 2.6. Residential area (2) 2.7. Urban zone (2) 2.8. Tramway stations (4) 2.9. Laboratory (2)
Archi3	3.1. Urban zone (3) 3.2. Laboratory (2) 3.3. Museum (2) 3.4. Museum (2) 3.5. Stadium (2) 3.6. Residential building (2)
Archi4	4.1. Residential building (2)
Archi5	5.1. Residential building (2) 5.2. Business and arts area (3)

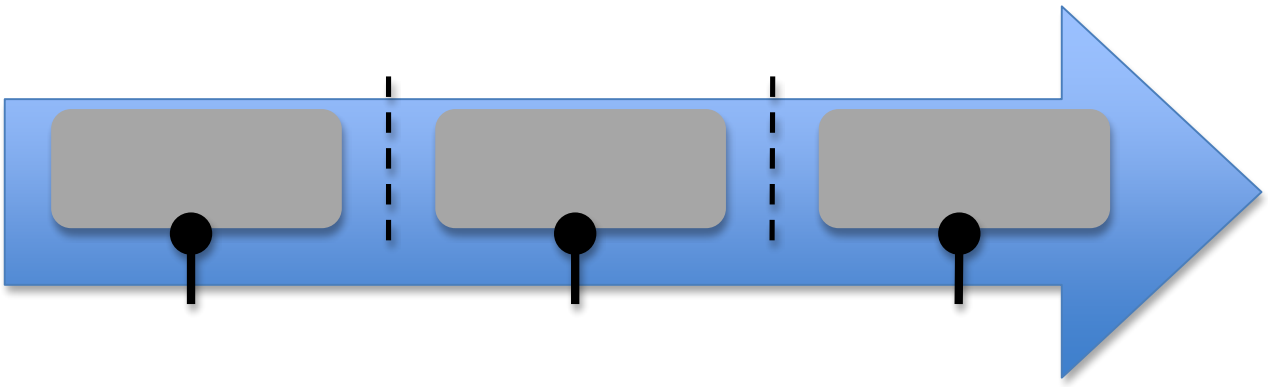
We used three main techniques for generating meaning from our data as proposed by Miles & Huberman (1994): identifying patterns in interviews (major and recurrent arguments concerning our research issues), partitioning some key variables (for example: different forms of selling coopetition) and noting relations between variables (for example: determinants of selling coopetition).

3. MAIN RESULTS: THREE FORMS OF SELLING COOPETITION GENERATED BY CALLS FOR TENDERS

The structured content analysis of our primary data helped us understanding the process of calls for tenders in this industry and the strategies of companies throughout the different stages. Thus, the case study reveals three different stages in the process and, therefore, three different forms of selling coopetition between architecture companies (see figure).

Form 1 *Form 2* *Form 3*
A priori coopetition *Competitive answer* *A posteriori coopetition*

Figure: Forms of selling coopetition between architecture companies



The first form of selling coopetition, labelled "a priori coopetition", refers to the situation before the launch of any call for tenders. In this context, two competitive architecture companies are not concerned yet by collaboration on a specific project but are developing potentially useful contacts for future market opportunities. The main aim of this form of selling coopetition is to exchange ideas and information when a potential project arises. This is especially enabled by the fact that some companies belong to professional networks where architects encounter and discuss about evolution and issues concerning their activity[2]. Architects may also use their social networks connections developed during training at architecture school or past business opportunities in order to find new partners for future coopetitive projects. Concerning this first form, coopetition is not yet expressed on an actual project but competition and cooperation already coexist. Indeed, the two companies compete on the same market and they also share information and tacit agreements for future cooperative projects.

[2] For example, in Languedoc-Roussillon (region in south of France) 115 members belong to the professional association.

In our research, this form of selling coopetition appears as a consequence of the increasing competition in the industry and the growing geographical mobility of companies. Indeed, more and more, architecture companies are developing projects far from their own area of location in France and even abroad. This evolution of the business concerns French companies as well as foreign companies and is mainly due to the increasing internationalisation of the activity as revealed by both our primary and secondary data. The following verbatim from a partner of company Archi3 illustrates this form of selling coopetition: "*I have a good relationship with the partner of a company in Alsace. In the past, we've been competitors for different calls for tenders. If I want to conduct a project in this region, I know that, even if they are smaller than us, I'll select them for collaboration because they are efficient. We appreciate and we respect each other even if we are competitors. We have never worked together but we know that we will one day. In this perspective, we keep in touch, we share information about new calls for tenders".* Therefore*, a priori* coopetition appears as both emergent and deliberate if we consider the fact that some architects are expecting some project opportunities with previously identified coopetitors.

Then, we observed a second and more common form of selling coopetition. What we call coopetitive answer refers to the situation post-launch of the call for tenders. In this situation, both the characteristics of the project and the expectations from the client lead architecture companies to search for the right coopetitor on the market. The aim is to develop a mutual proposal for the call for tenders and to reinforce the chance to be selected by the client. Two (or more) competitive architecture companies are cooperating concerning the design and/or the construction of the project.

Our study reveals that different motivations can justify such a strategy. First of all, the criteria of geographical proximity from the project location may imply cooperation between two distant competitors. It means that two competitive companies with different profiles are cooperating: for example, a company is cooperating with a local company and taking benefits from its ability to follow the construction phase on a day by day basis. Another criteria identified in our empirical study lies in the complementarity of companies' resources and competences (for example: one requires the specific architectural competence of a competitor in terms of medical buildings). The search for a benefit in terms of notoriety also appears as a

motive for a smaller and specialized company and may justify a coopetitive answer for a specific project.

Finally, a third and more original form of selling coopetition has been revealed in our research. A posteriori coopetition takes place after the project selection made by the client. The company that wins the call for tenders is contacting a competitor that loses on this project in order to manage the project together rather than doing it alone. Different motives can be involved in this strategy such as taking benefit from some specific competences of the coopetitor, concentrating on some specific activity in the value chain (project design) and outsourcing the others, reducing costs concerning the construction phase or developing new knowledge.

The project of a stadium in Lozere (south of France) illustrates this strategy (project 3.5 in table 5). For this project, the partner of Archi3 explains that its company won alone the call for tenders and then contacted a losing competitor in the call in order to cooperate on the project. The contacted company that initially rejected the proposition of cooperation between them before the call for tenders accepted it afterwards. Concerning Archi3, the objective of this a posteriori coopetition was to expand its notoriety to a new location, develop new competences (*i.e.* designing a stadium) but also share resources and costs with a local partner. For the local coopetitor, the coopetition helps generating some value, being a contributor to the local ambitious project and improve its knowledge base by working with a bigger company. A posteriori coopetition refers to this specific situation where companies are competing in the call for tenders' process but actually cooperating at the end of the process.

The different architectural projects discussed in our empirical data may illustrate one, two or three of these different forms of selling coopetition. Table 6 associates the form(s) of selling coopetition with each architectural project.

Table 6: Form(s) of selling coopetition identified in each project

Companies	Projects*	Form(s)**
Archi1	1.1. Research center (2) 1.2. Residential building (2)	ANS ANS
Archi2	2.1. Residential building (8) 2.2. Parking (2) 2.3. Tramway stations (2) 2.4. City hall (2) 2.5. Public building (2) 2.6. Residential area (2) 2.7. Urban zone (2) 2.8. Tramway stations (4) 2.9. Laboratory (2)	PRIO + ANS PRIO + ANS + POST ANS + POST ANS PRIO + ANS ANS + POST ANS + POST PRIO + ANS + POST ANS + POST
Archi3	3.1. Urban zone (3) 3.2. Laboratory (2) 3.3. Museum (2) 3.4. Museum (2) 3.5. Stadium (2) 3.6. Residential building (2)	PRIO + ANS + POST ANS + POST PRIO + ANS ANS POST PRIO
Archi4	4.1. Residential building (2)	ANS
Archi5	5.1. Residential building (2) 5.2. Business and arts area (3)	PRIO + ANS ANS

* into brackets the number of companies engaged in the coopetition

** PRIO = a priori coopetition; ANS = coopetitive answer; POST = a posteriori coopetition

4. DISCUSSION

Our research emphasizes the development of coopetition between direct or indirect competitors (Bengtsson and Kock, 2014; Le Roy and Fernandez, 2015; Czakon and Czernek, 2016). The call for tenders' process, originally established to get more competition between providers, drives to cooperation and coopetition mechanisms. The empirical study thus contribute to the approach on forms and dynamics of selling coopetition, focusing on the specific case of call for tenders.

Beyond the architecture industry, the characteristics of demand within this type of market suggest that coopetition is a strategic type of relationship with specific dynamics and forms. In the DUC model developed by Skaates and Tikkanen (2003), authors insist on the "discontinuous" dimension of the offer. The settlement of "a priori coopetition", as described in our case study, can help firms to develop relationships between competitors, creating special links, economic and affective ones, in the expectation of future opportunities. The " unique" dimension of the offer on this type of market also suggests that companies have

specific competences within every project. Here again, our empirical study illustrates how coopetition facilitates the access to new resources and complementary competences needed for a new project. Finally, the "complex" dimension of markets with calls for tenders suggest that the company is capable to cope with the requirements of the different stakeholders. Cooperation with a competitor can compensate limits faced by a company alone in front of demanding customers.

Our results confirm the idea developed by Pellegrin-Boucher *et al.* (2017) according to which selling coopetition is different from R&D coopetition regarding various dimensions (*cf.* table 7). In particular, within markets with call for tenders, coopetitive companies elaborate on-demand projects and share various resources. Contrary to B to C coopetition, the process is discontinuous and can take one or more of the three forms described in this research. Concerning value creation, the objective is to win the call for tenders, to generate contacts and to acquire new knowledge in several fields (artistic, technological, legal, methodological, political ones, etc.). Consequently, value appropriation is more complex to measure since it does not only lay on the sales generated by coopetition.

Table 7: Selling coopetition with calls for tenders characteristics

Characteristics	R&D Coopetition	Selling Coopetition	Selling Coopetition with calls for tenders
Collaborative activities	R&D, production	Sales, distribution	Commercial proposal (on demand)
Type of shared resources	Technological	Sales, marketing (market knowledge, distribution strategy)	Technological, methodological, legal, political, marketing
Time	Long term Continuous process	Long term or short term Continuous or discontinuous process	Discontinuous process Three possible forms
Value creation	Share R&D costs Technological learning	Win a contratc, sell a solution/service/product	Win a call for tenders, build one's network and one's clients portfolio, acquiring knowledge
Value appropriation	Difficult	Easy	Depending on the project

Regarding these results, selling coopetition seems to be a strategy that helps to anticipate projects, to create, to work together and to win calls for tenders. Several markets with this type of mechanisms (IT, B-to-B services, transports, energy, water, etc.) show common

characteristics with our study case (Cova and Salle, 2007). Indeed, these sectors show a highly competitive dimension between providers in order to win new projects, a small number of potential clients, an active role of the client, a strong reciprocal implication between stakeholders, and a strong value creation. More precisely, our research allows us to discuss the dynamics of selling coopetition with call for tenders and to identify three different forms.

The study emphasizes the existence of three forms of selling coopetition within the markets with calls for tenders. Table 8 synthetizes these three forms regarding six criteria: time horizon, nature of interactions, degree of formalization, objectives, value creation and suggestions to managers for the implementation.

Table 8: Three forms of selling coopetition with calls for tenders

Characteristics	***a priori* Coopetition**	**Coopetitive answer**	***a posteriori* Coopetition**
Time horizon	Long term	Short term	Medium term
Nature of interactions	Discontinuous	Continuous	Continuous
Degree of formalization	Informal (without contract)	Formal (contract)	Formal (contract)
Objectives	Network extension Business Intelligence	Winning call for tenders Acquiring knowledge and competences	Reducing costs Focalization on the core activity Increasing the number of projects
Value creation	Know how, knowdledge, trust, informal contacts	Won project	Contract with responsibilities
Advices for the implementation	Belonging to a professional association Developing an Intelligence and Marketing department within the company	Cooperating on coopetitive projects Protecting the content of other projects Competition on other activities	Controlling the work done by the coopetitive partner Evaluating competing partners for future projects

The analysis of the first form, that is *a piori* coopetition, shows in particular that building links between competitors allows developing long term and informal relationships. This result emphasizes the importance of a sort of informal selling coopetition independently and before a call for tenders. The results concerning *a priori* coopetition thus suggest that managers should develop their social capital as defined by Bourdieu (1980), using their relationships network. Such informal coopetitive relationships have been underlined in the context of internal coopetition (Seran *et al.*, 2016) or companies networks (Tidström, 2014), but there is

no research, as far as we know, that studied this impact in the context of selling coopetition. Before implementing selling coopetition, firms should create links with competitors but also with potential clients. Indeed, in many markets with calls for tenders, it becomes necessary to identify the people who will take the decision. *A priori* coopetition may allow choosing more quickly and more efficiently the right partner when needed. It may facilitate the creation of links in the long term which will better guarantee the success of coopetitive relationships thanks to the building of trust (Chin *et al*., 2008; Tidström, 2014 ; Seran *et al.*, 2016). This coopetitive form also allows knowing the competitors, the potential clients and business opportunities like calls for tenders. Concretely, this view implies, for example, an active participation in professional associations and, within, the firms, investing in business intelligence and studies competences.

Our research emphasizes a second form of selling coopetition: the coopetitive answer. This form defines the specific situation when two competitors (or more) collectively answer to a call for tenders. In line with the IT sector (Pellegrin-Boucher *et al.*, 2013), competing architects are working increasingly together influenced by the clients. In sectors where clients are strong, they have interest in getting the providers working together. Doing that, the clients try to get best resources and competences available on the market (Depeyre and Dumez, 2007). During this second stage, competing companies interact in the context of a continuous and formal relationship that follows the constraints and agenda of the call for tender. From their point of view, the main objective is to share complementary resources and competences in order to win the call for tenders (*cf.* table 8). From the managerial side, the research suggests that companies should completely cooperate when they implement this type of strategy. For example, firms in coopetition are more sucessful when they share their methods and their working tools (software, internal process, documents, norms), and their ideas. However, our research underlines the importance of protecting the content of other projects.

Finally, our research highlights a third form of selling coopetition (*a posteriori* coopetition). The study shows how companies can create links with competitors, upstream the call for tender, after they won the project. To our knowledge, neither theory on calls for tender, neither theory on coopetition, deals with upstream situations, after the client as decided to start a project with a supplier. One of our contributions lays in the identification of the existence of an important stage coming after principals' decision. In this stage, the architect

can have access to new external resources, can reduce some costs, multiply the projects with the same intern resources and focalize on some core activities. Concerning the implementation of *a posteriori* coopetition, it is recommended that managers pay attention to two strategic points. First, the company that won the call for tender must ensure that the competitors realizes a qualitative work. Second, the company should evaluate the competitor potential for future projects. This third form can be in some cases the first step for a continuous process of coopetition.

CONCLUSION

The objective of this research was to analyze coopetitive strategies through an unpublished perspective, i.e. selling coopetition in a context of call for tenders. Indeed, past and current academic studies show that markets with call for tenders are specific. As well, theory on coopetition suggests that there some differences between R&D coopetition and selling coopetition. We tried to understand coopetitive mechanisms when there are calls for tenders.

Our main contribution lays in the proposition of a dynamic model of selling coopetition that can include three forms. The first one, called *a priori* coopetition, consists in building and maintaining informal relationships with competitors in the perspective of future common projects. Then, the case study reveals the existence of stage of coopetitive answer consisting in building a common offer with a competitor after the publication of a call for tender. Finally, *a posteriori* coopetition represents an unpublished form, which shares some similarities with the concept of vertical coopetition. Our model enriches the current knowledge on coopetition dynamics by studying selling activities instead of R&D or technological ones.

From a managerial point of view, we show that there is a specific coopetitive dynamics which combines several stages (before the calls for tenders, during and after the answer of the call for tenders) and several types of relationships (formal and more informal ones), but also competition and cooperation. The knowledge of this dynamic is a key element for the managers that want to implement the types of strategies. Indeed, even if these projects are complex, we suggest that it is possible at various moments to create coopetitive links.

Certainly, it seems better to anticipate potential collaboration and projects developing *a priori* coopetition, however, firms may look for partners once they have signed the contract. For each of these coopetitive forms we also formulated recommendations.

Nevertheless, this study has several limitations that may suggest directions for future research. First, although the case study approach is the most appropriate method for investigating the multi-level complexity of structures and relationships, an analysis of only five case studies does not permit valid generalization of the results. Further research should be conducted on other firms and other sectors to confirm and refine our findings. Our results indeed suggest that other companies with similar stakes (closeness with the clients, projects complexity, projects uniqueness etc.) could benefit from selling coopetition. Furthermore, it could be interesting to analyze the impacts of selling coopetition in terms of value creation, protection and capture. Finally, our research represents a first step in a wider project to develop knowledge and best practices on selling coopetition.

REFERENCES

Brandenburger A., Nalebuff B. (1996). *Co-opetition*, Doubleday.

Bengtsson M., Kock S. (1999). « Cooperation and competition in relationships between competitors in business networks », *Journal of Business and Industrial Marketing,* vol. 14, p. 178-90.

Bengtsson M., Kock S. (2000). « Coopetition in Business Networks – to Cooperate and Compete Simultaneously », *Industrial Marketing Management*, vol. 29, p. 411-26.

Bengtsson M., Kock, S. (2014), « Coopetition – Quo Vadis ? Past accomplishments and future challenges », *Industrial Marketing Management*, vol. 43, p. 180-188.

Bouncken R.B., Kraus S. (2013), « Innovation in knowledge-intensive industries : The double-edged sword of coopetition », *Journal of Business Research*, vol. 6, n°10, p. 2060-2070.

Bourdieu P. (1980), « Le capital social : notes provisoires », *Actes de la recherche en sciences sociales*, vol. 31, p. 2-3.

Chiambaretto, P., Dumez, H; (2016), «Toward a typology of coopetition: A multilevel approach». *International Studies of Management and Organization*, 46: 110-129

Chiambaretto P. Gurau C., Le Roy F. (2016), « Coopetitive branding: Definition, typology, benefits and risks », *Industrial Marketing Management*, *in press*.

Chin, K. S., Chan, B. L., Lam, P. K. (2008), « Identifying and prioritizing critical success factors for coopetition strategy ». *Industrial Management & Data Systems*, *108*(4), 437-454.

Cova B. (1990). « Marketing international de projets: un panorama des concepts et des techniques », *Revue française du marketing*, n° 127-128, p. 9-38.

Cova B., Ghauri P., Salle R. (2002). *Project marketing : beyond competitive bidding*, Wiley.

Cova B., Salle R. (2007). « Introduction to the IMM special issue on 'Project marketing and the marketing of solutions' », *Industrial Marketing Management*, vol. 36, p. 138-146.

D'Aveni R. (1994). *Hypercompetition: managing the dynamics of strategic maneuvering*, Macmillan.

Depeyre C., Dumez H. (2007), « Le rôle du client dans les stratégies de coopétition », *Revue Française de Gestion,* vol. 7, n° 176, p. 216-228.

Dussauge P., Garrette B., Mitchell W. (2000), « Learning from competing partners: outcomes and duration of scale and link alliances in Europe, North America and Asia », *Strategic Management Journal*, vol. 21, p. 99-126.

Eisenhardt, K.M. (1989). «Building Theories from Case Study Research». *Academy of Management Review* 14: 532-50.

Estrada I, Faems D, De Faria P. (2016), « Coopetition and product innovation performance: The role of internal knowledge sharing mechanisms and formal knowledge protection mechanisms », *Industrial Marketing Management*, vol. 53, p. 56-65.

Fernandez, A-S., F. Le Roy, Gnyawali D. (2014), « Sources and management of tension in coopetition case evidence from telecommunications satellites manufacturing in Europe». *Industrial Marketing Management, 2*: 222-235.

Gnyawali, D. R., Park B-J. (2009). « Coopetition and Technological Innovation in Small and Medium-Sized Enterprises : a Multilevel Conceptual Model », J*ournal of Small Business Management,* vol. 47, p. 308-330.

Gnyawali D. R, Park B-J (2011), Co-opetition between giants: Collaboration with competitors for technological innovation, *Research Policy*, **5**, 650-663.

Hakansson H., Ford D. (2002). «How should companies interact in business networks? », *Journal of Business Research*, vol. 55, n°2, p. 133-139.

Hamel G., Doz Y, Prahalad C.K. (1989). « Collaborate with your competitors and win », *Harvard Business Review,* vol. 67, n°1, p. 133-139.

Hamel G. (1991). « Competition for competence and inter-partner learning within international strategic alliances », *Strategic Management Journal*, vol.12, p. 83-104.

Kylänen, M. Mariani M. (2012), « Unpacking the temporal dimension of coopetition in tourism destinations: evidence from Finnish and Italian theme parks », Anatolia: *An International Journal of Tourism and Hospitality Research*, 23: 61-74.

Kylänen, M., Mariani, M. (2014), « Cooperative and coopetitive practices: Cases from the tourism industry». In Mariani, M.M., R. Baggio, D. Buhalis and C. Longhi (eds.), *Tourism Management, Marketing, and Development*: Volume I: The Importance of Networks and ICTs, New York: Palgrave, pp. 149-178.

Lado A.A., Boyd N., Hanlon S.C. (1997). « Competition, Cooperation, and the Search for Economic Rents : a Syncretic Model », Academy of Management Review, vol. 22, n°1, p. 110-141.

Lei D., Slocum J., Pitts R. (1997). «Designing Organizations for Competitive Advantage: The Power of Unlearning and Learning», Organizational Dynamics, vol. 27, n°. 3, p. 39-53.

Le Roy F., Fernandez A-S. (2015), « Managing coopetitive tensions at the working-group level : The rise of the Coopetitive Project Team », *British Journal of Management*, vol. 26, p. 671–686.

Le Roy F., Sanou F. (2014). « Stratégie de coopétition et performance de marché : une étude empirique », *Management International*, vol. 18, n° 2, p. 124-139.

Miles M. B., Huberman A. M. (1994, *rééd*. 2003). *Analyse des données qualitatives,* 2ème édition, De Boeck.

Malaval P., Bénaroya C. (2013). *Marketing Business to Business*, 5ème édition, Pearson.

Park H. S., Russo M.V. (1996), « When Competition Eclipses Cooperation: An Event History Analysis of Joint Venture Failure ». *Management Science,* vol. 42, p. 875-890.

Mariani, M.M. (2016), «Coordination in inter-network co-opetitition: Evidence from the tourism sector ». *Industrial Marketing Management*, 53: 103-123.

Pellegrin-Boucher E., Le Roy F., Gurau C. (2013). « Coopetitive strategies in the ICT sector : typology and stability », *Technology Analysis & Strategic Management*, vol. 25, p. 71-89.

Pellegrin-Boucher E. Le Roy F., Gurau C. (2017), « Managing selling coopetition : The case of the ERP industry », *European Management Review*.

Peng, T-J. A., Bourne M. (2009), « The coexistence of competition and cooperation between networks: Implications from two Taiwanese healthcare networks ». *British Journal of Management,* 20: 377–400.

Porter M.E. (1985), *Competitive advantages*, Mac Millan, New-York.

Quintana-García C., Benavides-Velasco C. (2004), « Cooperation, competition, and innovative capability : a panel data of European dedicated biotechnology firms », *Technovation*, vol. 24, n°12, p. 927–938.

Ritala P. (2012), « Coopetition strategy–when is it successful ? Empirical evidence on innovation and market performance », *British Journal of Management,* vol. 23, n°3, p. 307-324.

Ritala P., Sainio L.-M. (2014), « Coopetition for radical innovation: technology, market and business-model perspectives », *Technology Analysis & Strategic Management*, vol. 26, n°2, p.155–169.

Ritala P., Golnam A., Wegmann A. (2014). « Coopetition-based business models: The case of Amazon.com », *Industrial Marketing Management*, vol. 43, n° 2, p. 236-249.

Ritala, P., S. Kraus, Bouncken R. (2016), « Introduction to coopetition and innovation: Contemporary topics and future research opportunities ». *International Journal of Technology Management,* 71: 1-9.

Santamaria L., Surroca J. (2011). « Matching the Goals and Impacts of R&D Collaboration », *European Management Review*, vol. 8, n°2, p. 95-109.

Seran, T., E. Pellegrin-Boucher et Gurau C. (2016), «The management of coopetitive tensions within multi-unit organizations ». *Industrial Marketing Management*, 53: 31-41.

Sheth, J. N. (2007). « Emerging Research Opportunities for Doctoral Students in B-to-B Marketing », *Journal of Business to Business Marketing,* vol. 14, n°1, 13-18.

Skaates M. A., Tikkanen, H., Lindblom, J. (2002). « Relationships and project marketing success », *Journal of Business and Industrial Marketing*, vol. 17, n°5, p. 389-406.

Skaates M. A., Tikkanen H. (2003). « International project marketing : an introduction to the INMP approach », *International Journal of Project Management*, vol. 21, n°1, p. 503−510.

Tidström, A. (2014), «Managing tensions in coopetition », *Industrial Marketing Management*, 43: 261-271.

Tsai W. (2002). « Social structure of "Coopetition" within a multiunit organization », *Organization Science*, vol. 13, n° 2, p. 179-190.

Uzzi, B. (1997). «Social structure and competition in interfirm networks: The paradox of embeddedness. *Administrative Science Quarterly 42*, 35-67.

Yami S., Castaldo S., Dagnino G. B, Le Roy F (2010), *Coopetition: winning strategies for the 21st century,* Edward Elgar, Cheltenham.

Yin R. K. (1994). *Case Study Research : Design and Methods*, Sage.