Competitive Network Positions and Co-opetitive Rivalry- An Examination of Global Shipping Containers

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Abstract

The focus of this research is to investigate how the positions of focal firms in a competitive network affect the competitive and cooperative behaviors between competitors. Incorporating the concept of social network and competitive dynamics theory, this research examining a sample of top 21 container shipping companies by collecting 3,681 competitive actions and 1,801 cooperative actions of 5,432 global competitive interactions news articles from 2003 to 2010, we found that: (1) A firm with higher outward centrality of competition is subject to less competitive intensity from its competitors’ actions; (2) a firm with higher outward centrality of competition is positively related to its cooperative intensity; (3) a firm with higher outward intermediary of competition is subject to less competitive intensity from its competitors’ actions; (4) a firm with higher outward intermediary of competition is positively related to its cooperative intensity; (5) the level of outward intermediary of a firm will strengthen the negative relationship between its outward centrality of competition and intensity of competitors’ actions; (6) the effect of a focal firm’s outward centrality of competition on its cooperative intensity is positively moderated by the level of its outward intermediary of competition; (7) the level of intensity from competitors’ competitive actions negatively affect a firm’s performance; (8) the level of cooperative intensity of a firm positively affect its own performance. The implications of these findings for research and practice are also discussed.

Keywords: competitive dynamics; competitive network; outward centrality of competition; outward intermediary of competition; rivals’ competitive intensity; cooperative intensity; performance