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AN EXPLORATORY STUDY OF THE COMMON PRACTICES PREVALENT IN TODAY'S GLOBAL ECONOMIC LANDSCAPE, WHERE RIVAL COMPANIES COLLABORATE TO ENHANCE THEIR PROBABILITY OF SUCCESS.

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ABSTRACT

This research study examines the changing patterns of cooperation among rival companies in the current global economy. In today's harsh economic climate, businesses are paying more attention to the idea of forging strategic alliances as a way to grow their market share, pool their resources and encourage new ideas. This article also addresses the problems of coopetition, including trust issues, leaking information, and complicated governance. The researcher used a quantitative strategy and used structured questionnaires to gather data from 778 individuals. The connection between rival companies collaborating and their chance of success was tested using statistical methods such as ANOVA and factor analysis. The study shows how coopetition sustains companies essential for the economy as a whole by looking at genuine examples of competing businesses working together. Furthermore, businesses that are considering or are already involved in collaborations with rivals might benefit from the research's practical findings. Strategy, governance and relationship management are essential for maximising advantages and minimising risks. Moreover, this study adds to the understanding that has already been established about collaborative relationships in competitive situations and provides helpful recommendations for businesses that are trying to figure out how to deal with competitive cooperation. Companies may achieve a competitive advantage in the ever-changing global market by learning these principles and better using the power of collaboration. Industries that depend on cooperation to innovate, optimise resource use and adapt swiftly to changes in the market include technology, medicines, aviation and automobile manufacture.

Keywords: Coopetition; rival companies; collaboration; global economy; competitiveness.

INTRODUCTION

Competition is a natural and often important factor that every organisation has to manage with. Businesses of all sizes from fresh start-ups to established ones that have been around for a while, consider it exciting and daunting to have to stay ahead of the competition. In brief, collaborative competition is a way for companies to work together with their rivals to move ahead of each other instead of trying to eliminate each other. People who use it have experienced a lot of success and it is an appealing departure from the aggressive mindset of regular competition. The entire world's economy has transformed a lot in the last several decades because of increased connectivity, new technologies and competition. The growing trend of "coopetition", or working together with competitors is changing how people perceive competition in a world that is always transforming. Coopetition is a tactical idea that is separate from regular competition since it means that competing companies work together in certain areas while still competing in others (Corbo et al., 2023). This mutually profitable partnership indicates how people need to be practical in today's complicated economy. Working together to come up with new ideas, share knowledge and pool resources is often the key to success in these markets. Companies in the IT, pharmaceutical, airline, and automobile industries commonly collaborate to save money, speed up research and development (R&D) and contact customers across the world. While seeking to win customers' business, IT companies could work together on standards or infrastructure projects. To maintain their unique products and help produce new medicines, the pharmaceutical industry typically works together on clinical studies. These kinds of actions indicate how competitors may make industrial ecosystems stronger and more efficient and give personnel an advantage (Geng et al., 2022). This research explores the current global economy to comprehend the reasons behind the frequent cooperation among competing firms. The pros and cons such as the possibility of information leakage, issues with trust, and governance concerns might be considered. Accordingly, the research indicates that coopetition is a vital strategy for surviving in today's fierce market. Industries including technology, medicine, and aviation have found success via collaboration which increases industry resilience and generates mutual benefits. The purpose of this exploratory study is to examine these ordinary events with a focus on the factors that motivate rival companies to form partnerships to achieve greater success.

BACKGROUND OF THE STUDY

Chinese brands can no longer keep their monopoly on the Chinese market. Some of the most prominent companies that want to be global leaders include BYD, MINISO, HEYTEA and Pop Mart. International audiences are interested in these businesses because of their distinct cultural stories, creative products, and smart partnerships. The growth of knowledge-based companies, the rapid pace of globalisation and the rise of the internet have all made the international economy more complex, productive and connected (Liu et al., 2024). In earlier times, the phrase corporate rivalry implied that different companies were constantly attempting to perform better and get bigger market shares. Companies used to see their rivals as inactive participants in a competition that was unjust. Gaining a greater share of the market was the objective and getting there required defeating or outperforming any competitors. While this method has its advantages, it frequently results in a workplace that fails to encourage innovative thought among employees. It may also cause an unhealthy obsession with business as a zero-sum game, where one firm succeeds while the others fail. On the other hand, advantageous competition recognises that companies may frequently accomplish more by collaborating even when they are formal rivals. This method helps businesses find characteristics they have in common and work together in ways which are favourable to both of them. Some instances of this include sharing distribution networks, co-branding marketing efforts, or doing research and development together. Businesses are dealing with higher costs, unpredictability and a need for advancements in technology by using innovative strategic methods that challenge traditional ideas of competitiveness. The contradictory coopetition approach is different from the others since it involves corporations working together in certain areas while yet competing in others. People's practical responses to the changing patterns of the global economy have made co-optation common. Increasingly more companies are joining collaborations as they realise the advantages of working together. This strategy presents new markets, makes things function better and improves ecosystems in the industry (Pietronudo et al., 2023).

PURPOSE OF THE STUDY

In the contemporary global economy, the purpose of this study was to analyse how rival companies collaborate. The main goal of the study was to learn about the tactics that rivals employ to make effective partnerships. Its purpose was to find out what helps organisations that compete with one another function well together and what problems they may run into. The main goal of the research was to show how these kinds of alliances may help companies by improving their market position, speeding up innovation and reaching shared goals. The study aimed to explore the beneficial features of collaboration such as increased access to markets and resources in addition to recognising potential hazards including conflicts of interest and proprietary rights difficulties. The purpose of the research was to shed light on the issue for companies that are considering participation in competitive partnerships or that are currently involved in such partnerships. The fundamental objective of this project was to contribute to the current understanding of how collaboration and competition may be balanced in a way that is beneficial to both parties.

LITERATURE REVIEW

Since then, a lot of studies have come out discussing how collaboration is becoming more popular in certain industries and how it may make markets more resilient, efficient and creative. Recent research studied coopetition from both the beneficial and adverse points of view. Collaboration is when people work together even when they cannot predict exactly what is going to happen, share resources and pass on expertise. On the other hand, it makes people worry about accountability, exposure and the chance of someone taking advantage of the situation or leaking private information (Niu et al., 2021). Established governance mechanisms may make a major impact in making sure that there is an effective mix of competition and cooperation. Experts anticipate the impacts on the economy will be significant. Businesses could improve complete industry ecosystems by working together to solve global problems like sustainability, digitalisation and economic crises. A recent study shows that competitive collaboration has benefits for the global economy in two ways: first, it allows businesses to go forward in the market. Second, it creates networks of supply chains and innovation that depend on each other (Gao et al., 2024). Rather than being a remarkable technique, coopetition is increasingly dominant in today's global economy, according to the research. Businesses may better endure short-term difficulties, achieve sustainable success and stay competitive in today's interconnected world by working together with their rivals. Sectors, governance and trust all play a role in how effectively they operate. Brands that have been established in China for a longer period of time have the potential to reap significant benefits from collaborations, as they introduce the product with fresh air, attract new customers, and concentrate efforts on current ones. For start-ups looking to establish their brand identity, working in collaboration with other companies might be an effective approach (Zhuo et al., 2024). A great example is the partnership between MINISO and the Harry Potter series. In October 2024, MINISO turned its flagship outlet in Shanghai into a magical kingdom based on the Harry Potter books. The store has interactive displays and themed items. The first day of sales established a new record with the Harry Potter collection bringing in around 80% of the total. Also, the collaboration received a lot of attention on Chinese social media with over 1.6 million views on Weibo and 28 million views on Xiaohongshu (Wang, 2024). Along a similar vein, the Chinese collectables store Pop Mart has become an obsession across Southeast Asia and beyond. Pop Mart has seized the region's pop culture vibe with its adored figure LABUBU becoming prominent among influencers. In 2024, the brand's international sales skyrocketed by 440%, a precise indication of its increasing popularity throughout the world (Yang & Li, 2025).

RESEARCH QUESTION

What is the impact of rival companies collaborating on the probability of success?

RESEARCH METHODOLOGY

Research Design: The quantitative data analysis was conducted using SPSS version 25. The researcher evaluated the strength and direction of the statistical link using an odds ratio and a 95% confidence interval. At $p < 0.05$, the researchers set a threshold that was considered statistically significant. A comprehensive analysis uncovered the fundamental characteristics of the data. When analysing data gathered from polls, questionnaires, and surveys, or data processed using computational tools for statistical assessment, quantitative approaches are often used.

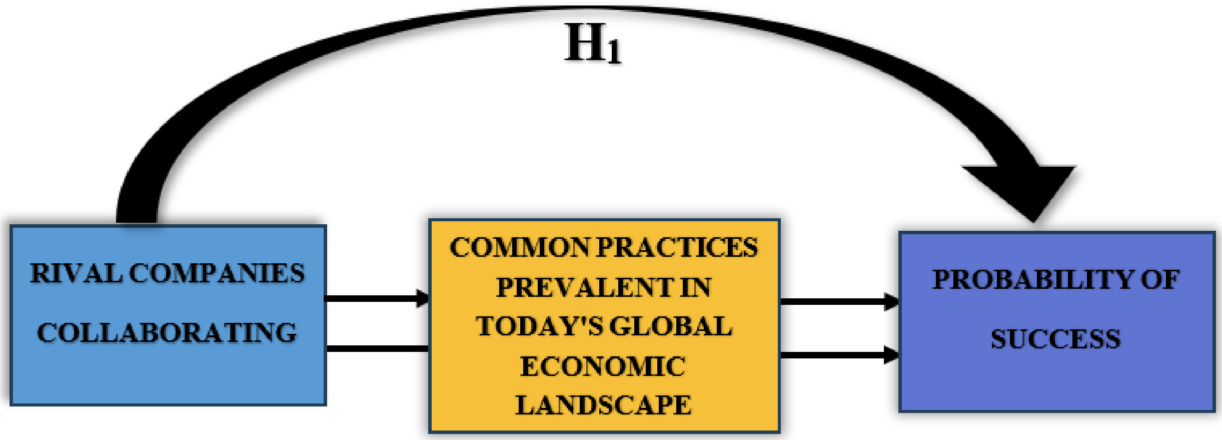
Sampling: To gather data for the research, participants filled out questionnaires. Researchers used the Rao-soft technique to determine that the study required 657 participants. Individuals were given access to 896 surveys by researchers. The researchers received 823 responses, of which 45 were excluded owing to incompleteness, resulting in a final sample size of 778.

Data and Measurement: Results from a questionnaire were the primary source of information for this study. Prior to anything else, researchers needed the participant's vital demographic details. After that, researchers had participants rate the online and offline channels using a 5-point Likert scale. For this secondary data collection, the researchers meticulously examined various resources, particularly online databases.

Statistical Software: Microsoft Excel and SPSS 25 were used to do the statistical analysis.

Statistical Tools: A descriptive research study shed light on many demographic and level-specific features of the project. Probability ratios with 95% Confidence Intervals, analysis of variance (ANOVA) for comparing groups, and factor analysis for confirming measures and their theoretical dependability are all examples of inductive statistical research.

CONCEPTUAL FRAMEWORK



RESULTS

Factor Analysis: Discovering latent variables in observable data is a prevalent use of Factor Analysis (FA). When there are no obvious symptoms or indicators, it is usual practice to utilise regression coefficients to determine a rating. Models are crucial to FA success. Finding mistakes, intrusions, and apparent connections are the main aims of modelling. The Kaiser-Meyer-Olkin (KMO) Test is one method for assessing datasets produced by multiple regression studies. They ensure that the variables in the sample and the model are representative. According to the figures, there seems to be duplicate data. Data is better understood when proportions are reduced. The result of running KMO is an integer between zero and one. If the KMO value is between 0.8 and 1, then the sample size is considered adequate.

Measured by Kaiser-Meyer-Olkin .968

The results of Bartlett's test of Sphericity are as follows:

Approx. chi-square = 3252.983df = 190

sig =.000

Table 1. Testing for KMO and Bartlett's Sampling Adequacy.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.968
Bartlett's Test of Sphericity	Approx. Chi-Square	3252.983
	df	190
	Sig.	.000

This essentially permits claims about sampling. The researcher used Bartlett's Test of Sphericity to determine whether the correlation matrices were statistically significant. An adequate sample size is indicated by the Kaiser-Meyer-Olkin statistic, which has a value of 0.968. A p-value of 0.00 was the outcome of Bartlett's Sphericity test. A positive outcome from Bartlett's Sphericity test suggests that the correlation matrix is not an identity matrix.

INDEPENDENT VARIABLE

Rival Companies Collaborate: "Rival Companies Collaborate" refers to companies establishing partnerships in certain industries while competing in others. This interaction which is often called "coopetition", seems to be contradictory at first, but it started with the idea that working together may help more people than working independently. Collaborations in logistics, facilities, or uniformity; joint ventures; research partnerships and the sharing of technology are all instances of this form of cooperation. The desire to expand into new markets, reduce costs, accelerate innovation, and share risks primarily drives this strategy. IT companies may work together on sales platforms, and pharmaceutical organisations can combine their resources to do clinical tests more quickly and cheaply (Abdullahi & Ajulo, 2023). There are several potential problems with this method such as transmitting private information, trust concerns, and conflicts of interest. By handling coopetition well, companies may become more competitive, resilient, and able to respond to global economic problems. Companies are able to take advantage of one another's strong suits while also resolving one another's weaknesses by collaborating with businesses that are in direct competition with one another. By working together, two software companies with complementary skill sets may be able to provide their customers with a solution that is more comprehensive (Amadie, 2023).

DEPENDENT VARIABLE

Probability of Success: The "probability of success" measures the likelihood that a specific endeavour will yield the anticipated outcomes. When seen from a business perspective, it illustrates the extent to which an organisation can adapt to changing market conditions, expand, and survive. Innovation, utilisation of resources, market positioning, and strategic decision-making are some of the many variables that impact success. It is often the case that businesses that are direct competitors of one another experience more success when they combine their resources. This is because a partnership enables them to share resources, mitigate risk and boost their competitiveness. To be successful in the current global economy, an individual must possess an equal amount of personal brilliance, teamwork capabilities and flexibility (De Santis et al., 2025). The regularity with which an organisation pursues its internal processes has an impact on the likelihood that it will be successful. An improved product quality, lower costs, an increased client base and better advantages will all occur because of these techniques if they are implemented appropriately. All of these elements contribute to an improved chance of success for an organisation.

Relationship between rival companies collaborating and probability of success: The global marketplace is transforming in significant ways because Chinese enterprises are having a greater impact on consumers all around the world. In 2025, the relationship between foreign and Chinese enterprises is developing quickly. There will be stronger alliances, innovative strategies for international growth and inventive ways of presenting stories about other cultures. Companies may use each other's strengths and solve each other's deficiencies by collaborating with competing businesses. Businesses may save a lot of funds by sharing things like office space, factories or transportation networks. When companies work together, they can come up with new ideas, find better ways to deal with existing problems or discover new opportunities in the market. Companies may reduce the financial damage caused by market fluctuations and recessions by sharing their risk with other businesses in the same field (Honcharenko, 2024). Collaborating with companies in the West and China allows them to reconsider their uniqueness from a cultural standpoint which in turn enables them to develop products and services that are appealing to a larger variety of customers. Brands that are presently operating well in China might still profit from collaborating. Marketing has the potential to introduce new individuals to a business, capture their attention, increase the organisation's image and significance and provide new prospects for development (Yang, 2023).

Based on the above discussion, the researcher formulated the following hypothesis, which was to analyse the relationship between rival companies collaborating and probability of success.

“H_{01}: There is no significant relationship between rival companies collaborating and probability of success.”

“H_1: There is a significant relationship between rival companies collaborating and probability of success.”

Table 2. H1 ANOVA Test.

ANOVA					
Sum					
	Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
Between Groups	58234.287	325	3256.412	1045.732	.000
Within Groups	912.568	452	3.114		
Total	59146.855	777			

The outcome is substantial in this research. Statistical significance is achieved with a p-value of .000 (below the .05 alpha level), and the F value is 1045.732. This suggests that researchers might support the alternative view, "H_1: There is a significant relationship between rival companies collaborating and probability of success" is accepted and the null hypothesis is rejected.

DISCUSSION

The findings of this study clarified the collaborative strategies used by competing firms. Companies acknowledged that working together was beneficial to business, even if they were naturally competitive. The study findings underscore the significance of trust, transparent communication and well-defined governance structures for promoting successful collaborations. Cultural compatibility and similar strategic goals were among the key factors that helped these relationships stay strong. Collaborations have three main goals: to share resources, to persuade others to come up with fresh ideas, and to make sure that target consumers can see them. Coopetition is a strategic reaction to the growing costs of innovation, technological chaos, and unpredictability. To limit the effects of these risks, businesses need to specify formal contracts and find efficient mechanisms to resolve disputes. The findings suggest that when competitors work together, everyone succeeds. This concerns a higher market share and quicker innovation. Organisations must strike a delicate balance between working together and protecting their strategic objectives. This research suggests that to correctly guide these difficult partnerships, it is necessary to observe best practices. Future studies may examine the ongoing effects of competing alliances and conduct more thorough analyses of specific industries.

CONCLUSION

Collaboration between rival companies is increasing in the contemporary global economy, according to an exploratory study. Co-optation is a useful way for businesses to deal with problems that are too big for them to handle on their own at this time of advanced competition, digital transformation and globalisation. Partners may be able to enhance their position in the market and the industry as a whole by performing together, combining costs and investing in new technologies. The study's results indicate that coopetition may exist alongside other common global economic practices such as digital innovation, supply chain integration, collaborative study design, and efforts to be more environmentally friendly. For it to succeed, coopetition has to deal with problems including trust concerns, complicated governance and the possibility of individuals engaging opportunistically. Companies all around the world are using competitive alliances as a new way to do business that will last for a long time. In today's global economy, success depends on supporting sustainable growth, encouraging new ideas, and making ecosystems stronger. In brief, this research contributed to the field of strategic management by demonstrating that rival companies may convert barriers to collaboration into possibilities for reciprocal advantage, consequently enhancing their likelihood of success in ever-evolving markets.

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