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Coopetition and customers' experience in the Nigerian banking sector: The moderating effect of technology

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Abstract

Coopetition, which is a combination of competition and collaboration, has engendered a lot of discussions in recent times. The study examines the effect of coopetition on customers' experience in the banking industry using technology as a moderator factor. The study utilised common risk management, strategic alliance, common network governance, sales of common financial product and common central procedure as measures of coopetition. Employing the survey research design, customers from 21 deposit money banks were sampled. 1,537 structured questionnaires were administered to the customers of these deposit money banks. The study applied the PLS-SEM in the analysis of data. The results reveal that the dimensions of coopetition have a significant effect on customers' experience as it relates to service encounter. The study concludes that coopetition and technology are significant drivers of customers' experience. It recommends that banks should engage in coopetition to improve their service delivery and enhance positive customers' experience. Firms should also invest more in technology to enhance their coopetition strategy.

Keywords: Collaboration, competition, coopetition, customers' experience, value creation.

JEL Classification: C12, D12, D21, D46, L12.

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1. Introduction

The banking industry, in most recent times, has employed strategies that will lead them to better performance and outperform their rivals. Banks have recognised that combining and sharing strengths could bring about an increase in customers' satisfaction and a win-win-win situation for them; hence, the need for coopetition (Ardnt, Grewe & Unger, 2018). Coopetition is a situation where competitors create synergy by combining strengths and opportunities to achieve a goal. Various scholars in marketing literature suggest that the relationship between firms can either be competitive or cooperative, but both not simultaneously (Luo, Slotegraaf & Pan, 2006; Vargo & Luch, 2004). The coopetition relationship is paradoxical, and firms who are involved in it expect to benefit from both the competition and cooperation simultaneously (Ullah, Bengtsson & Kock, 2014). As a market behaviour, coopetition can influence a firm's competitiveness; this is premised on the theory that the firm exists in an environment characterised by pressure from its market competitors which makes it perform better than its rivals (Jankowska, 2010). Coopetition is simultaneous competition and cooperation among rivals in the same market. It is the inter-organisational highest cost relationship which is based on conflict and trust (Brito &Costa de Silva, 2009;Fernandez, LeRoy& Gnyawali, 2014). How coopetition translates to better customers' experience in the banking industry remains scarce in extant literature due to the measurement of both constructs. A bank's survival depends on their driver to create and deliver services, which will provide exceptional and unique customers' experience (Ardnt et al., 2018), and coopetition is a strategy which could be employed to achieve this drive. Although the benefits of cooperation have been extensively discussed in the literature and applied in real-life scenarios (Cygler, Sroka, Solesvik & Debkowska, 2018), banks still struggle for market share and how to better their customers' experience with the encountering of their services offered. The coopetition strategy could be affected by unintended spillovers and technology plunders; therefore, it is suggested that firms who take part in coopetition should do so based on the separation principle, co-management principle and the integration principle (Fernandez et al., 2014). Jain, Aagja and Bagdare (2017) explain that it is not enough for firms to strategise to seek customers' satisfaction and consumption of goods and services, instead they should seek customers' experience which is the fourth wave in economic progression. According to Gilmore and Pine (2002), conventional value creation in product and services is no longer sufficient in attracting customers and product differentiations but, rather, firms need to concentrate on customers' experience which is pivotal to the sustainability of a firm.

Customers' value and experience are not created by one element alone but by the total of all elements as it relates to the customers, and this creates a need for firms to redefine their value creation in terms of customisation and personalised experience (Gronroos, 2006; Prahalad & Ramaswamy, 2004). Crosby and Johnson (2005) maintain that there is a need for businesses to build and manage new strategies which will lead to customers' experience that provide lasting experiential memories. Hence, the need to examine how coopetition as a strategy could impact customers experience.

Various scholars have established the effect of coopetition on value capture, creation and delivery (Ritala &Sainio, 2014), managing coopetition in knowledge-based industries (LeRoy et al., 2017) and examined coopetition differences in firm sizes (Krommendijk, 2017); however, there is a dart of literature on how coopetition and its dimensions could influence customers experience. Aims (2018) suggests that further research should be done in establishing the effect of coopetition on firms' activities, while Walley (2007) argues that there is a need to expand the empirical evidence on the interaction and effect of coopetition on an industry basis. While all the aforementioned studies were carried out in the developing and developed economies, there is a dart of empirical studies on how coopetition influences customers' experience in the Nigerian environment. The kernel of this study is to establish the effect of coopetition on customers' experience in the Nigerian banking industry and how such an effect could be influenced by a common information system (technology). Current dynamics influenced the choice of the banking industry among competing firms in the banking sector in Nigeria. These dynamics include the adoption of the same technological platforms in meeting the growing need of customers, the collaboration among financial firms in expanding their operations and the intensity of competition among them in increasing their customers' base.

2. Review of literature

2.1. Coopetition

The concept of coopetition is an existing concept and its impact has not been extensively explored in the literature. Park (2011) explains that firms in a coopetition relationship exist because they face similar pressure and have relevant resources, which enables them to collaborate with their competitors in creating and acquiring new technological knowledge and utilises such knowledge in the process of innovation. Coopetition is a joint occurrence of competitive and cooperative behaviour which allows a firm to take advantage of opportunities which are difficult and are not easily accessible by the firm operating alone. Yen et al. (2019) view coopetition as a relationship which exists among rival firms which provides a framework for the creation and implementation of a successful strategy which could lead to customers' satisfaction, firms' competitiveness and better performance. Cygler et al. (2018) establish that coopetition does not weaken a firm's ability to compete; rather it increases the intensity of the relationship between a firm and its rivals in undertaking ground breaking and innovative activities. Although the coopetition relationship among firms is perceived to be complex, paradoxical and conventional and seen as opposite behaviour, such a relationship is necessary for sustaining a firm's competitiveness in a changing business environment (Jankowska, 2010).

Coopetition is a multifaceted phenomenon which on the one hand focuses on harnessing resources which make a vulnerable firm competitive while making a stronger firm explore their dynamic capabilities, and on the other hand, could lead to a severe permanent battle for market share, cost leadership and customers retention (Jankowska, 2010; Windsor, 2017; Zerbini & Castalado, 2007). However, it is important to state that a coopetitive relationship might not necessarily be on a permanent basis. This is premised on the suggestions in extant literature that coopetition is undertaken to explore and exploit a specific benefit and aim at a particular period (Christ, Burrit & Varsei, 2017). The nature, period and value of coopetition are tied to why firms opt for such a strategy or relationship. Coopetition, if carefully managed by firms, could increase individual firm performance and dramatically improve their market positions (Fernandez et al., 2014; Park, 2011). Coopetition among many actors creates potentials and values which individual firms cannot generate. A coopetitive relationship among firms could take the form of strategic alliance (SA), common risk management (CRM), common network governance (CNG), sales of common financial products with their brands (SMFs) and common central procurement (CCP) strategies (Aims, 2018; Czakon, 2018). Studies are yet to establish how the aforementioned dimensions could be employed to better customers' experience in the banking sector.

2.2. Customers experience

Firms strive to survive and remain relevant in the longrun, and this can be achieved through customer retention (Worimegbe & Agbaje, 2020). However, Jain et al. (2017) posit that customers can only be retained through the creation and delivery of a pleasurable, memorable and unique experience. Carbone and Haeckel (1994) reveal that customers' satisfaction and loyalty are no longer adequate in explaining firms' competitiveness and creating differentiation, and that firms should concentrate efforts in creating seamless and complete customers' experience. Klaus and Maklan (2013) explain that customers experience is fast replacing service quality as a tool for driving competitiveness in marketing and that the conceptualisation of customers' experience provides the framework for service improvement and firm actualisation. Customer experience is achieved through the interactions of customers with multiple channels, interfaces and firm functional strategies (Maklan & Klaus, 2011). McDougall and Levesque (2000) argue that pinning firm performance to customers' satisfaction is good, but is insufficient in revealing customers' behaviour and intentions to remain with a firm. Customers' experience provides an explanation into the effect and cause of customers' behavioural intentions. Customers' experience is an expression of social and emotional behaviour of the customers fostered by the ability of the firm to integrate competitive service delivery, information technology, external partners and sound multifaceted strategies (Brynjolfsson, Hu & Rahman 2013; Lemon & Verhoef, 2016).

The customer's experience conceptualisation and measurement are complex and require multidimensional items. However, scholars have come to the agreement that customers' experience should be evaluated in terms of customers' interaction with services offered by a firm and in terms of their emotions and behaviour (Chandler & Lusch, 2015; Klaus & Maklan, 2013)

Thus, in this study, customers' experience is explored as a more significant measure of firm performance, and its application is premised on the position of Klaus and Maklan (2013), who established that customers' experience is the highest expression of customers' behavioural intentions, perception and emotions. The measures adopted in this study are peace of mind, word of mouth, outcome focus and the moment of truth. Klaus and Maklan (2012) describe product experience as the ability of customers to compare firms' services and product with others, and according to McAlister and Srivastava (1991), the product experience is crucial in modelling customers' experience.

Brynjolfsson et al. (2013) view the product outcome focus measure of customers' experience as the perception of the customer viewed in terms of reduced transaction cost which reflects and provides a goal-oriented emotion in customers' behaviour. Chandler and Luch (2015) opine that the moment of truth deals with flexibility and speed of service recovery in the process of complicated service offering and delivery. Peace of mind dimension of customers' experience describes the emotions associated with service customers' service encounter with the firm. It shows the customers emotional evaluation of pre, during and post-service encounters (Edvardsson, 2005; Maklan & Klaus, 2011).

2.3. Theory of the firm and value creation

Brandenburger and Nalebuff (1997) explain that value creation theory looks at how to manage a firm from the viewpoints of competing alternatives (competition) and interdependence (cooperation). The concept of value creation is debated in the literature since it is believed to lack empirical verification and theoretical precision (Crane, Graham & Himick, 2015). However, Windor (2017) opines that the most important drive for the firm should be to identify the best value, which will increase the customers' overall welfare. In economics theory, value creation for the final consumer is the bases for a firm's existence. The creation of value is imperative for firms' survival and sustainability. It is, therefore, crucial for firms to create strategies which will enhance their value creation. Ornstein and Sandal (2015) posit that value capture and value creation are central forcoopetition; hence, firms should create models that will promote coopetition in order to enjoy the benefit of value delivery to the customers. Ritala and Hurmelinna-Laukkanen (2009) assert that coopetitive relationships will lead to innovation, and such innovation could lead to better customers' behaviour. Although measuring value and determining which strategy for value creation could better customers' behaviour is difficult, Osterwalder and Pigneur (2010) suggest that key collaboration in the competitive market could reduce risk, optimise business resources and create a good customer experience.

This study is premised on the idea that coopetition could create values that would have lasting impressions on customers' experience, provided competing firms utilise such an alliance and relationship effectively.

2.4. Hypothesis development

Mathur and Berndt (2006) opine that firms compete for resources, market share, customers and positioning of the firms' output (the benefits and values customers consider when making a purchasing decision), while Zehir and Zehir (2017) suggest that firms compete to benefit customers, businesses and itself. Cygler et al. (2018) posit that coopetition eliminates the gap created in product offering and delivery; how this translates to a better experience is scarce in the literature. Tierno, Kraus and Cruz (2018) are of the opinion that innovation is a requirement for competition which is an element of coopetition; therefore, for firms to enjoy the benefits of coopetition, there has to be the existence of innovation. Innovation is a source of competitiveness and it is rooted in a firm's capability to possess a value that surpasses its rivals. Scholars have examined the connection between coopetition and technological innovation (Bouncken & Fredrich 2012; Quintana-Garcia & Benavides-Velasco, 2004; Ritala & Sainio, 2014). Studies are yet to show how this connection leads to customers' experience. Rusko (2013) opines that coopetition works better when there is technology and such technology is what bridges the gap between coopetition and the benefits accrued from it. Tierno et al. (2018) assert that the utilisation of information technology and especially the web technology is crucial in bringing about efficiency and effectiveness in intra and inter firms' relationship. Crosby and Johnson (2005) explain that there is a need to create new strategies and competencies in sustaining customers' experience. Therefore, this study aims at establishing coopetition as a firm strategy in achieving customers' experience. The study also seeks to employ technology as a moderating factor in determining the effect of coopetition on customers' experience in the banking sector. On these premises, the following hypotheses were formulated:

H1: Coopetition has a significant influence on customers' experiences.

H2: Coopetition and technology significantly affect customers' experiences.

3. Methods

3.1. Research design

The survey research design was employed in accessing information from the banking industry in Nigeria. The Nigerian banking industry is made of 23 banks, as of December 2019. Twenty-one banks were purposively selected as the theatre for the study based on their year of existence. The total number of customers in these banks is40 million based on their bank verification number (BVN). The BVN was used as the criteria to avoid the issue of double-counting since most customers have more than one bank account. Using the raosoft sample size estimator at 95% confidence level and 2.5% margin of error, the estimated sample size is 1,536. A well-structured questionnaire was equally distributed among the three categories (international, national and regional) of banks customers in Lagos, Nigeria. The deposit money banks in focus are heterogeneous and to ensure adequate representations; employees were taken from each deposit money bank.

The questionnaire administered was designed on a 7-pointLikert scale instrument (1 = least agree to 7 = strongly agree). Paired 20-measure items, grouped into five observed dimensions (CRM, SA, CNG, sales of common financial product and common central procedure), were adopted in measuring coopetition based on previous studies (Aims, 2018; Czakon, 2018). 20 items adopted from the studies of Klaus and Maklan (2013), modified by the researchers, was employed in measuring customers experience grouped into product experience, moments of truth, outcome focus and peace of mind. The questionnaires were personally administered with the aid of research assistants and the bank employees to customers of the banks who are 18 years and above and who are not direct relatives of the bank employees. 1,185 questionnaires were retrieved and considered sufficient for analysis based on the recommendations of Hair et al. (2010).

In establishing construct validity, the test-retest method was applied by administering the research instrument twice on a selected set of respondents at different times. The result of the first and second pilot tests was correlated. Cronbach's alpha of α= 0.772, 0.728, 0.841, 0.812, 0.766, 0.872, 0.833, 0.933, 0.644, 0.774, 0.814 and0.911 was obtained for SA, CRM, CNG, sales of common financial product and common central procedure, product experience, moments of truth, outcome focus and peace of mind, prevalent technology, leading-edge technology and emerging technology, respectively.

Model specification

Model 1

$$\text{Customers}'\text{Experience} = \beta_0 + \beta_1(Coopetition)(1)$$

$$\text{Customers}'\text{Experience} = \beta_0 + \beta_1(CRM) + \beta_2(CNG) + \beta_3(\text{SMF}) + \beta_4(\text{CCP}) + \beta_5(\text{SA}) + \mu \qquad (2)$$

Customers Experience= word of mouth, moment of truth, peace of mind, outcome focus

where

CRM= Common risk management

CNG= Common network Governance

SMF: Sales of common financial products with their brand

CCP: Common central procurement

SA: Strategic alliance

β_0 is the constant

β_1, β_2, β_3 are the coefficient estimators

μ is the error term

From the model formulated, it is expected that all the dimensions of coopetition will exhibit a positive relationship with the dimensions of customers' expectation. Hence, there will be a direct proportionate relationship between coopetition and customers' experience.

Model 2

$$\text{Customers}'\text{Experience} = \beta_0 + \beta_1(Coopetition) \ + \ \beta_2(Technology)(3)$$

Customers Experience= word of mouth, moment of truth, peace of mind, outcome focus

β_0 is the constant

β_1, β_2, β_3 are the coefficient estimators

μ is the error term

From this model, it is expected that all the dimensions of coopetition and technology will exhibit a positive relationship with the dimensions of customers' expectation. Hence, there will be a direct proportionate relationship between coopetition, technology and customers experience.

3.2. Measurement of variables

Variable	Type	Observed variables	Authors
Coopetition	Explanatory	SA CRM Common network governance SMF CCP	Czakon (2018) and Aims (2018)
Technology	Control	Emerging technology Leading-edge technology Prevalent technology	Cozens et al. (2010). Author's modification

Customers'experience	Dependent	Words of mouth Outcome focus Moments of truth Peace of mind	Klaus and Maklan(2013), Maklan and Klaus (2011) and author's modification

Table 1. Test of normality

		Recommended value	Coopetition	Technology	Customers experience
Normality	Skewness	−3 to 3	0.322–0.762	−0.473 to 0.621	0.181–0.551
	Kurtosis	−10 to 10	−1.254 to 2.01	−0.466 to 1.413	0.323–0.641
Multi collinearity	Tolerance	>0.10	0.636–0.764	0.667–0.781	0.444–0.612
	VIF	<10	1.439–1.704	1.341–1.912	1.483–2.415
Collinearity statistics	Correlation between variables	<0.90	0.41–0.69	0.38–0.71	0.22–0.48
Independence of residual	Cook's distance for residual	< 1.0	0.4	0.3	0.4

Based on the recommendations of Kline (1998), all variables in the analysis for skewness and kurtosis were satisfactory within conventional criteria for normality, i.e., −3 to 3 for skewness and −10 to 10 for kurtosis (Table 1). Multivariate normality reveals that the individual variable is normal in a univariate sense and that their combinations are also normal (Hair et al., 2010).

Table 2. Goodness-of–fit index

Goodness-of-fit model index	Recommended value*	Coopetition	Technology	Customers experience
Chi-square		458.663	118.422	661.821
GFI	≥ 0.90	0.901	0.90	0.921
AGFI	≥ 0.80	0.84	0.88	0.844
NFI	≥ 0.90	0.94	0.91	0.911
TLI/NNFI	≥ 0.90	0.91	0.93	0.90
CFI/RNI	≥ 0.90	0.90	0.92	0.92
RMSEA	≤0.08	0.065	0.071	0.621
Standardised RMR	≤ 0.08	0.005	0.062	0.581

These criteria are according to Hair et al. (2010). The chi-square/degree of freedom value is <5.00. Table 2 reveals that goodness-of-fit indices which indicate that the measurement model is acceptable. That is, coopetition, technology and customers' experience have all fit indices with the values recommended.

4. Results

4.1. Hypotheses testing

Table 3. H1: Coopetition has a significant influence on customers' experiences

	Customers' experience				
Variable	**β**	**SE**	**β**	***t*-value**	***p*-value**
Coopetition	0.942	0.0019	0.979	49.544	0.000
Adjusted R^2	0.957				
F-Stat	96.76 (p=0.000)				

The results from Table 3 reveal that there is a positive and significant relationship (β = 0.979) between coopetition and customers experience. The coefficient of determination (R^2 = 0.957) reveals that 95.7% variation in customers' experience is explained by coopetition. The standard error (SE = 0.0019) indicates that the model is a good fit by revealing that how precisely coopetition predicts customers' experience since the value falls between the accepted estimates. This also indicates that coopetition is a driver of customers' experience. The *t*-value (*t*-value = 49.544, p = 0.000) establishes that coopetition is a significant predictor of customers' experience. The *F*-value (*F*-value = 96.76, p = 0.0000) establishes that the model is a best fit in explaining the effect of coopetition on customers' experience.

4.2. Path analysis

All the paths were freely estimated and error variances were constrained to one, which is the programme's default. The proposed structural equation model achieved a good fit (χ^2 = 698.93, df = 108, $p < 0.00$; GFI = 0.94, IFI = 0.96, CFI = 0.92, RMSEA = 0.082). The path coefficients are shown in Figure 1.

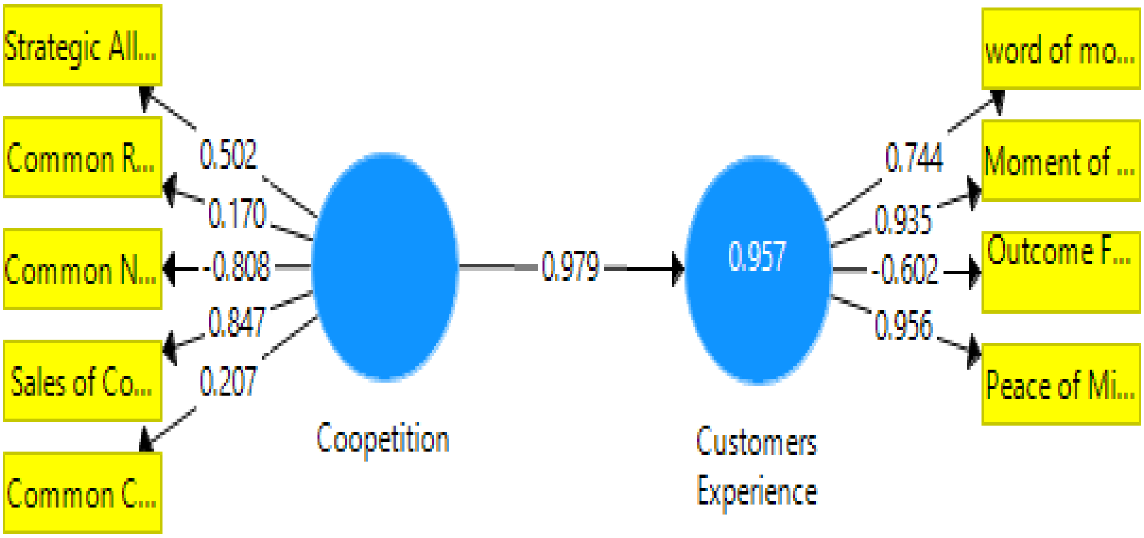

Figure 1. Influence of coopetition on customers' experience

The path analysis shows the interaction between coopetition and customers experience. From the associated values, there exists empirical evidence which establishes that coopetition significantly affects customers' experience. The analysis reveals that the sale of common financial products (*β*= 0.847) is the most significant measure of coopetition influencing customers experience, while moment of truth (*β*= 0.935) is the most significant measure of customers' experience affected by coopetition. The implication of this is that customers have the opinion that they have made the right choice when the bank delivers products that are the same with competitors. That is, coopetition enhances services recovery giving the customers a better experience. This supports the suggestions of Klaus and Maklan (2013) who established that the moments of truth is affected by firms' specific strategies.

Table 4. H2: Coopetition and technology significantly affect customers' experiences

	Customers experience				
Variable	***β***	**SE**	***β***	***T*-value**	***p*-value**
Coopetition and technology	0.893	0.022	0.932	41.090	0.000
Adjusted R^2	0.868				
F-Stat	98.741 (p = 0.000)				

The results from Table 4 reveal that there is a positive and significant relationship (β = 0.932) between coopetition and customers experience utilising technology as a moderating factor. The coefficient of determination (R^2 = 0.868) reveals that 86.8% variation in customers' experience is explained by coopetition and technology. The standard error (SE = 0.022) indicates that the model is a good fit by revealing that how precisely coopetition and technology predict customers' experience since the value falls between the accepted estimates. This also indicates that coopetition and technology combined influences customers' experience. The *t*-value (*t*-value = 41.090, p = 0.000) establishes that coopetition and technology combined significantly predict customers' experience.

4.3. Path analysis

All the paths were freely estimated and error variances were constrained to one, which is the programme's default. The proposed structural equation model achieved a good fit (χ^2 = 1,118.432, df = 638, $p < 0.00$; GFI = 0.98, IFI = 0.93, CFI = 0.96, RMSEA = 0.088) (Figure 2).

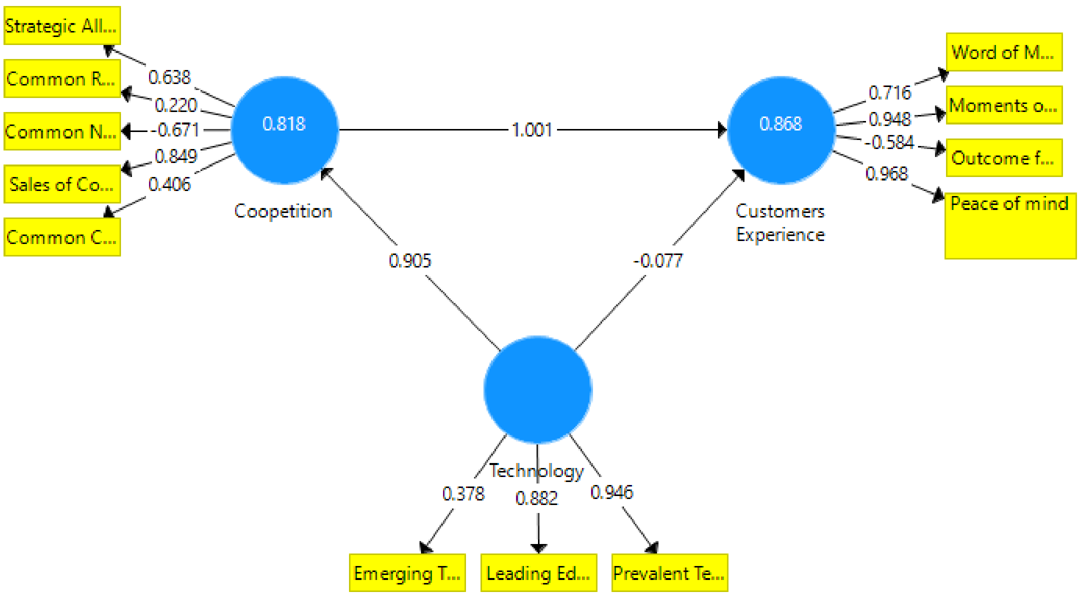

Figure 2. The moderating effect of technology on coopetition and customers' experience

The path analysis shows the moderating effect of technology on the interaction between coopetition and customers' experience. From the associated values, there exists empirical evidence which establishes that technology is a driver of coopetition (β = 0.905). The moderating effect of technology on coopetition shows a significant influence (β = 0.868) on customers' experience. The analysis reveals that when controlled by technology, the sale of common financial products (β = 0.849) is the most significant measure of coopetition influencing customers experience, while moment of truth (β = 0.948) is the most significant measure of customers' experience affected by coopetition. The implication of this is that technology is a significant driver of the sale of common financial products in coopetition, and this creates a memorable experience in the customer. Deposit money banks should utilise technology in their coopetitive relationship while paying attention to prevalent technology. Prevalent technology is the most significant measure of technology influencing coopetition and customers' experience.

4.4. Discussion of results

From analysing the results, it can be inferred that coopetition significantly affects customers' experience in deposit money banks. That is, in adding value to customers, deposit money banks should collaborate in creating services tailored in meeting customers' needs and increasing their experience. The result shows that SA, common network governance and SMF are the most critical factors of coopetition influencing customers experience in the banking industry. All the measures of customers experience are important to the customers, although peace of mind is revealed as what is influenced majorly by coopetition. The results corroborate the views of Zerbini andCastalado (2007), Jankowska (2010) and Windsor (2017), who envisaged that coopetition could significantly drive firm performance in both financial and non-financial terms. The result also shows that coopetition combined with technology are significant drivers of customers' experience in deposit money banks. Deposit money banks in the same industry are expected to combine resources and drive value creation through technology. This supports the opinion of Rusko (2013) who explains that coopetition works better when there is technology and such technology is what bridges the gap between coopetition and the benefits accrued from it. Firms must better their customers' experience through coopetition to remain competitive and stay relevant in the long run. This will improve the performance of the firm, and also enhance the firm in adapting to its competitive environment and respond favourably to the dynamic environment. The result reveals that SAs, common network and the sale of common products are significant in explaining coopetition in the banking industry. This corroborates the study of Ritala and Sainio (2014) who envisage that coopetition could capture, create value and after service delivery as it regards customers' behaviours and reaction in the creation of lasting memories. The findings of the study also explain how coopetition enhances customers experience by eliminating the gap created in product offering and delivery as discussed by Cygler et al. (2018), while adding credence to the position of Tierno et al. (2018), who posit that the utilisation of information technology and most especially the web technology has brought about efficiency and effectiveness in intra and inter firms' relationship.

4.5. Practical implication

Competing firms who collaborate can create better customers' experience, which in turn could bring about firms' survival and positive performance in the long run. Banks should engage in coopetition to improve their service delivery and enhance positive customers' experience. Firms should also invest more in technology to enhance the coopetition strategy. There is a need for banks to develop common network platforms, sell common but differentiated services and strategically cooperate in order to create a memorable and lasting customer experience.

5. Conclusion and recommendations

The study examines how coopetition influences customers' behaviours in the banking industry. Customers' behaviour was measured using the customers' experience as they encounter services delivered by a firm. The study establishes that coopetition as a strategy which significantly affects customers' experience. Technology also plays a pivotal in influencing the competitive behaviour among firms in the same industry, and this, in turn, affects the customers' perceptions of the nature of services offered by banks. The study concludes that competing firms, especially those in the banking industry, should collaborate to enjoy better performance since a positive customers' experience will influence the firms' behaviour in the long run. In addition to the adoption of the coopetitive strategy, the study concludes that there is a need for an infrastructural framework which will enhance the successful implementation of technological platforms that will increase customers' experience. This infrastructural framework should include common network facilities and the sale of common products. The study recommends that deposit money banks should increase the intensity of their relationship between with their rivals in undertaking ground breaking and innovative activities which will bring about positive customers' experience. In addition, coopeting firms in the same industry should create and align in terms of creating a common governance structure and similar but differentiated products and services.

5.1. Limitation of the study

The study was carried out in the banking sector, especially in the deposit money banks. There is a need to expand the frontier of knowledge by investigating coopetition in other vibrant sectors of the economy, while a more robust research instrument should be developed to capture other coopetition and customers' experience variables. Further studies on coopetition should be carried out in other sectors in order to determine how coopetition strategy could be utilised in driving other measures of performance. The predator–prey relationship in a coopetitive relationship should also be investigated.

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