

SUCCESSFUL INTERNATIONAL STRATEGIC ALLIANCES

Massoud M. Saghafi, San Diego State University
Sheryl Wangler, San Diego State University

Abstract

International strategic alliances are long-term, collaborative agreements in which two or more companies of different nationalities work as partners in one or more markets while competing in others. Strategic alliances have become quite popular for companies that are aspired to expand their marketing efforts internationally. Not all of these strategic alliances are successful. The purpose of this study is to identify the success factors for firms involved in international strategic alliances in high-technology industries. It is found that three factors "need" for the marketing, financial, management or technological resource which each partner is able to provide; the relative amount of resources each partner "commits" to the alliance; and the consequence of failure to the partners are important factors in determining the success of alliances.

Technology sharing issues as motives for entering into alliances and as exit barriers were also studied. Technology in product development was found to be an important long term partner contribution in successful alliances. Technology sharing, willingness to adapt products/ technologies to those of partners in the alliance and significant commitment of technical personnel to the alliance, all showed positive correlation to the success of the alliance. Finally, the loss of advanced proprietary technology was found to be a significant factor contributing to the success of alliances, perhaps serving as an exit deterrent.