FEATURES OF STRATEGIC ALLIANCE DEVELOPMENT IN IT SPHERE

Abstract. Strategic alliances are flexible mechanisms of cooperation between firms that allow more efficient use of the strengths of the participants, solve strategic problems, strengthening the competitive advantages of each of the parties through the joint management of resources. With the help of alliances, large and medium-sized firms quickly adapt to changes in technology, carry out technological breakthroughs at the junctions of industries, overcome the borders of countries and economic unions, develop foreign markets, sharing risks and benefits with partners. New economy companies are rapidly adapting traditional methods of improving business performance, including those associated with economic integration, with other market participants. In the IT industry, partnership programs and strategic alliances have become key factors in the competitive struggle, their number exceeded that of traditional economic sectors. At the same time, in building such economic integrations, one should take into account the specific industry features that are superimposed on the rapid change in the expectations of market participants. As the main motives for the entry of an enterprise into a strategic alliance the following can be distinguished: achieving economies of scale in the marketing network; sharing of the procurement system; joining forces to create a service; reducing uncertainty and strengthening development stability, as long-term relationships with a critical partner combine their experience and resources; risk reduction in activities; gaining access to a market where they already exist established market structures and a certain mentality; promotion of each other's services; transfer of innovative technologies, holding joint scientific and experimental design research. The advantages of creating and developing strategic alliances not only in the global but also in the national economy are obvious. At it is important that the strategic must also be taken into account when building an alliance compatibility of partners' interests based on their relative competitiveness.
positions, as well as the coordination of strategic values of the enterprise with the mechanism creating value in the alliance.

**Keywords:** strategic alliances, partnership program; strategic alliance; IT sphere.

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**ОСОБЛИВОСТІ РОЗВИТКУ СТРАТЕГІЧНИХ АЛЬЯНСІВ В ІТ СФЕРІ**

**Анотація.** Стратегічні альянси є гнучкими механізмами співробітництва між компаніями, що дозволяють ефективніше використовувати сильні сторони учасників, вирішувати стратегічні завдання, зміцнюючи конкурентні переваги кожної зі сторін за рахунок спільного управління ресурсами. За допомогою альянсів великі та середні компанії швидко адаптуються до змін у технологіях, здійснюють технологічні прориви на стику галузей, долають межі країн та економічних союзів, освоюють зарубіжні ринки збуту, поділяючи з партнерами ризики та вигоди. Компанії з різних економік швидко адаптують традиційні методи підвищення ефективності бізнесу, зокрема пов’язані з економічною інтеграцією, за іншими учасниками ринку. У ІТ-галузі партнерські програми та стратегічні альянси стали ключовими факторами у конкурентній боротьбі, їх кількість перевищила аналогічний показник галузей традиційної економіки. При цьому у побудові таких економічних інтеграцій слід враховувати специфічні галузеві особливості, що накладаються на стрімку зміну очікувань учасників ринку. Як основні мотиви входження підприємства до стратегічного альянсу можна назвати такі: досягнення економії на масштабах маркетингової мережі; спільне використання системи закупівель; об’єднання зусиль у створенні послуги; зниження невизначеності та зміцнення стабільності розвитку, оскільки у довгострокових відносинах з критичним партнером поєднуються їх досвід та ресурси; зниження ризиків у діяльності; отримання доступу ринку, де вже існують ринкові структури, що склалися, і певний менталітет; просування ринку послуг одне одного; передача інноваційних технологій, проведення спільних наукових та дослідно-конструкторських вишукувань. Очевидними виявляються переваги створення та розвитку стратегічних альянсів у глобальній, а й у національній економіках. При цьому важливо, що при створенні альянсу має враховуватись також і
strategic consistency of partners' interests, based on their relative competitive positions, as well as the alignment of strategic values of the enterprise with the mechanism of creating value in the alliance.

**Key words:** strategic alliances, partnership program; strategic union; IT sphere.

**Literature review.** Among scientific researches in the field of the importance of the development of the strategic alliances, the specific features of the strategic alliances in IT sphere presented a number of theoretical, methodological and methodical approaches by foreign and domestic scientists such as Baker M., Bernard C., Beamish P., Garretga B., Goms-Casseres B., Dunning J., Drucker P., Dussosges P., Yoshino M., Killing P., Obugray P., Porter M., Pino R., Radovic S., Rangan W., Reiter J., Richter R., Sadowski B., Speakmap R., Stiglitz J., Turbip P., Williamson O., Wallace R., Furuborn E. G., Harrigan K. R., Heka A., Hickes B., Childa J. et al. At the same time, it is important to note that at the beginning of the XXI century, the understanding of the importance of the strategic alliances in the development of IT sector is very important.

**The aim of the article.** The aim of the article is to analyze the specific features of the development of strategic alliances in IT sphere in the period of the formation of the knowledge economy.

**Presenting main material.** The eighties and nineties of the XX century. in the world economy were marked by an unprecedented increase in the number of mergers and acquisitions. However, the percentage of successfully completed such transactions was quite small. Most researchers and analysts cite data that 80% of mergers carried out by American companies at that time should not were held. Three quarters of the companies (their managers) have concluded such transactions, later on the results of their activities recognized, that they had to pay too much for it. The failures of mergers and acquisitions, to which many have come companies have encouraged managers to turn to this kind of joint activities as strategic alliances. Such alliances avoid breaking the structure and corporate culture of the acquired organization, which inevitably occurs during accession. As a result, the structure of the parent company completely subordinates the structure of the purchased one (affiliated) company. Alliances are based on economic integration and cooperation, which implies the roles and tasks of partners stipulated in advance, which is confirmed in the joint agreement. Except this, the area of joint action is stipulated, and if in the future this area ceases to be of interest to one or more partners, then it can be abandoned. This is the main advantage of global and national economies of strategic alliances [1].

The modern IT industry has a relatively short history of development and concentrates significant intellectual and financial resources. Not surprisingly, companies in the IT industry easily replicate and improve the most effective economic models of business development from the traditional economy (including those related to competitive strategies to join forces with other market players). The
level of integration of companies in local and global markets can vary smoothly from a friendly neighborhood to a merger. This article examines two types of interaction in the IT industry: partnerships and strategic alliances. The end of the last century was marked by the growing global demand for relationship marketing (RM) approaches, which means the active interaction of the manufacturer with its surrounding counterparties at all stages of business development.

At the same time, the concept of intra-industry competition has become even more complex: companies have begun to look for new points of cooperation, developing new approaches to R&D, production, sales expansion and even hiring. In the interaction of the manufacturer with external counterparties (competitors, value-added participants, consumers) there was a qualitative transition from strictly property relations to a whole set of different economic integrations (including virtual), which can be represented by the following list:

- informal cooperation (including cartels);
- contractual relations through an intermediary / consumer / contractor;
- one-time and long-term partnership programs;
- tactical and strategic alliances[2].

The IT industry, as a bright representative of the new economy, inclined to build virtuality in all its manifestations, quickly adapted these economic integrations, adapting them to meet key challenges in business development. Particular attention should be paid to such forms of cooperation as broad-based partnership programs and strategic alliances. The main problem considered in this article is a set of industry features that have received these forms of economic integration in the field of information technology (which are a striking example of the new economy) compared to the same forms of integration in the traditional economy[3].

Thus, in a traditional economy, an affiliate program is a special type of contractual relationship that pursues a set of goals, one of which is the main motive for cooperation. From the point of view of classical business analysis, affiliate programs are a continuation of the implementation of business processes that require the company to interact with the external environment: sales, staffing, marketing promotion.

From the point of view of transaction cost theory, partner programs are based on the idea of minimizing the cost of contracts with suppliers and the use of various resources, as it is more profitable for the company to maintain interaction with existing suppliers (partners), avoiding the cost of finding information and conclusion of new contracts. The development of affiliate programs in the traditional economy is inextricably linked to concepts such as function outsourcing and vertical integration. It is no coincidence that the very first broad partnership programs in the twentieth century were associated with the distribution of goods, organization of production and sales in certain markets [4].

A number of current trends in the ICT sector (such as the development of Big Data processing technologies, the Internet of Things, cloud technologies, and
Artificial Intelligence) are increasing the propensity of companies in the sector to engage in inter-firm cooperation. With the successful development of the cooperation strategy, the company gains access to additional tangible and intangible resources (including "best practices"), which help strengthen its competitive position. In turn, the competitiveness of firms shapes the competitiveness of the industry, which is a factor in the international competitiveness of the country.

From the success of individual companies competing in international markets, the competitiveness of industries (meso-level of competitiveness) and the national economy as a whole (macro-level of competitiveness). The connection between increasing the competitiveness of the national economy and the activity of companies in a sector to form international strategic alliances (for example, the ICT sector, subsector - software development (software)) was considered using a number of methods of analysis. Based on the analysis of the annual and quarterly reports of the leading software development companies in Russia, all alliances established in the period from 2000 or since the establishment of the company to the present were identified.[5]

It should be noted that the very phenomenon of strategic alliance as a key manifestation of inter-firm cooperation, with significant potential for the development of exchange of experience between companies, while presenting certain difficulties for research and analysis due to the broad understanding of the alliance business. For example, many companies report alliances / partnerships, including major trade deals.

Strategic partnership and formation intercompany networking allows companies to capture markets but does not explain the phenomenon of growing profitability. The basis of increasing profitability is the presence of positive feedback. Factors which lead to the effect of positive feedback, as a rule, are reproducible and capable of development, so we can talk about the existence of loops of positive feedback or accelerators (accelerators) growth. The set of positive feedback loops that enhance each other's action is called the growth cycle. It is obvious that especially illustrative examples of the formation of inter-firm networks and ensuring growing profitability can be found in in the field of information technology [6].

A classic (and analyzed in detail by specialists and consulting companies example of the formation The growth cycle based on a set of positive feedback loops is a Windows operating system developed by Microsoft. The reason for this popularity The system is based on the fact that a significant number of applications run under it management. In turn, the developers of these programs prefer to create them on the basis Windows because of the number of installations this system is huge[7] Huge network size Windows users are attracted by themselves new users, which leads to an even greater increase. Distributors and authorized system integrators are involved in forming another loop of positive feedback. Because their income depends on the size of the service market, they seek to focus their efforts on sales of the most common operating systems, which also promotes growth the
number of installed programs. The same logic forces computer manufacturers to install on them Windows.

Once the software development is complete, the marginal cost of making each copy becomes almost zero. The resulting savings on scale is another loop positive feedback. Thus, an increase in the number of installations leads to the emergence cascading effects that entail further growth in sales. The action of growth accelerators is so strong that Windows' main competitor is the operating system the Linux system is not widespread, even though it is offered for free. In fairness, it should be noted that not the last role in the achievement long-term dominance on market and equally long-term profitability are played by the agreements concluded in 2004 Microsoft with a leading manufacturer of software for creation of Oracle enterprise databases on the development of compatible software, and another giant of the IT industry - Sun Corporation, on the use of technological solutions to each other. To this can be added the long-standing partnership between Microsoft and Intel [8].

As a result of existing agreements, companies actually completely share the global IT market, no launching new competitors on it. With this Sun, Oracle and Intel are strategic centers for their own software development business networks, which further enhances their dominant position in the market. However, the IT industry is interesting in that having undoubted leaders does not mean that relatively small companies cannot achieve significant success in capture and retention individual, specific market segments and ensuring long-term growing profitability.

Internet services became the first sector of the IT industry to make "referral" programs to attract customers and call them affiliate programs. Analyzing the interaction of "partners", it should be noted that these programs are pseudo-partnerships and are network marketing. Internet services offer a percentage of the profit (or discount on their services) received from new customers to those customers who recommend them. At the same time, the parties do not bear any costs and practically do not interact, which means that such a proposal can be virtual, not supported by legal formalities, and offered to the maximum number of potential stakeholders [9]. The type of interaction, which involves training and control of partners by the manufacturer, means that its products are quite simple to sell, install and maintain.

As a rule, the manufacturer organizes a training center, and its partners provide specialized practice in their business, whose employees are engaged in the sale, installation, maintenance of software and hardware supplied by the manufacturer. The manufacturer also organizes a line of support and control of the operation of products to end users, including the establishment of local offices in the countries of presence. This type of interaction requires significant capital costs of the manufacturer in the early stages of creating affiliate programs, but saves even more significant resources by reducing variable costs while significantly expanding sales. In the above examples of affiliate programs 1C and Microsoft data companies were able to almost completely transfer sales in local markets to partner networks.
supported by training center networks and local support lines in different languages.

A study of Ukrainian business practice shows that in recent years, more and more domestic companies are becoming members of strategic alliances. Industry companies already have significant experience in forming alliances, in other sectors of the economy alliances are just emerging and companies are just beginning to explore opportunities for joint activities. As world experience shows, enterprises in industries are more inclined to form strategic alliances.

This may be due to the specifics of their operation, the stage of the life cycle of the industry, the conditions of activity in local and global markets. The largest number of alliances with foreign companies is formed in the automotive, aviation, pharmaceutical, telecommunications and information technology industries. In the framework of this study we will determine the features of the formation of alliances of Ukrainian enterprises in certain industries, compare global and Ukrainian trends in inter-firm cooperation. Since the spheres of economic activity in which alliances are formed by domestic enterprises are quite diverse, consider the alliances formed in the machine-building, metallurgical, automotive, pharmaceutical and financial sectors of the Ukrainian economy.

Conclusions. It is important to emphasize that it is the creation of a business network built on a combination of vertical and horizontal links between participants that with the leading company as a strategic center, is a necessary condition for achieving a dominant position in the market. At In this, the role of a strategic center often does not imply traditional forms of relationships between customer and contractor. A bunch of growth factors and accelerators are outside spheres of direct control by the strategic center. Moreover, they are based on the actions of external partners carried out in their own interests. Successful use growth accelerators depends on the ability of the organization to form and maintain a network of counterparties that develop with it. This ability is especially needed in the early stages. Market developments when a brutal competition for the best partners and distribution channels. Of course, there are many problems associated with the choice of partners, the development of joint management principles, the distribution of income, and ensuring a high level of operational efficiency at all stages of creation. However, their successful solution makes it possible to create a "collective monopoly" - a business network that dominates the market and, moreover, providing long-term growing profitability for some (or all) members of the alliance.

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