

Team competition and competition in team*

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Abstract

This paper addresses the activity of associations, in particular, the association of tourism. We observe that these associations compete with each other. At the same time, the firm to belong to each association cooperatively performs a promotion activity. Considering these situations, this paper analyzes (1) why does the firm cooperatively perform a promotion activity?, and (2) does the cooperative promotion activity increase the firm's profit?

This paper demonstrates the following results. both cities' firms always select cooperation. However, this equilibrium can take a prisoner's dilemma. With regard to the level of promotion activity, comparing the three cases (non-cooperative case, cooperative case, and asymmetric case), its rank depends on the number of firm in each city.

Keywords: team competition, promotion activity, prisoner's dilemma

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