Much scholarly work has been devoted to studying the performance implications of multinationality (also referred to as international diversification). This presentation will report on a meta-analysis designed to reveal empirical generalizations from this vast body of evidence. While multinationality is found to be positively associated with overall firm performance, contextual analysis reveals even more interesting findings. Multinationality-performance relationship is found to be stronger for multinationals from European and Japanese multinationals. Firms in manufacturing industries benefit more from internationalization than firms in service industries. Bivariate results also indicate that multinationality-performance relationship is stronger for the period preceding 1980. Finally, the results indicate that multinationality positively affects performance during both the early and late stages of internationalization. Positive effects of multinationality are strongest for firms with moderate levels of internationalization.

Speaker’s Biography

S. Tamer Cavusgil is University Distinguished Faculty and The John W. Byington Endowed Chair in Global Marketing at Michigan State University. He also serves as the Executive Director of MSU-CIBER. Recently, he served as a visiting Professor at Manchester Business School, and as Gianni and Joan Montezemolo Visiting Chair at the University of Cambridge, and is a Visiting Professor at the Manchester Business School, the United Kingdom. Professor Cavusgil specializes in international marketing strategy, early internationalization by Born Global companies, emerging markets, and internationalization of business education. He has authored several dozen books and over 180 refereed articles. A new textbook, International Business: Strategy, Management, and the New Realities, co-authored with Gary Knight and John Riesenberger is just published by Prentice Hall. An elected Fellow of the Academy of International Business, he served as the inaugural Editor-in-Chief of the Journal of International Marketing, now published by the American Marketing Association. Cavusgil edits the Elsevier book series, Advances in International Marketing.