Abstract

This study utilized Porter’s (1980) framework to empirically investigate the interactive effects between competitive strategy and industry maturity on firm performance. In particular, our study tests whether industry maturity exerts a negative influence on firm performance regardless of competitive strategy type (universalist hypothesis), or whether industry maturity exerts a different influence on firm performance according to the type of competitive strategy (contingent hypothesis). From a sample of 403 small and mediumsized enterprises, results of empirical examination show that industry maturity has a negative effect on economic performance for any type of competitive strategy. This result is consistent with the universalistic approach. At the same time, from a comparative point of view the intensity of this effect is different depending on the strategy, which supports the contingency approach. Both peculiarities present a miscellaneous scenario, which has been named «hybrid contingency».

Keywords

strategic fit, industry maturity, competitive strategy, firm performance