

## **“Made in Italy” Firms Competitiveness: A Multilevel Longitudinal Model on Export Performance**

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The competitiveness of the Italian industrial system during the last decade has shown a strong slowdown. To compete in international markets, Italian firms reduced their costs instead of fostering on innovation and investments, being largely influenced by small size. Only the so-called “Made in Italy” sectors succeeded in international markets. To analyze this phenomenon, we investigate, at firm and sector level, factors affecting export competitiveness in “Made in Italy” sectors using a multilevel longitudinal model in the period 1999-2010. We find that “Made in Italy” role in international markets strongly depends on firms' geographical location and sector of activity and on their innovative capacity and productivity.

Key Words: Multilevel models