

Concealing or Revealing the Family?: Corporate Brand Identity Strategies in Family Firms

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Family Business research literature proposes that firms can purposefully deploy their family identity to achieve a competitive edge over nonfamily firms. This advantage to family businesses comes from the positive traits like commitment, trust and customer focus – often integral to family firms.

Regardless of this consensus on the strength that family identity brings to the business, there is a dearth of inquiry probing how family firms combine family and business identities and communicate their identities as “family businesses” in their marketing efforts.

Evelyn Micelotta and Mia Raynard (*University of Alberta School of Business*) recently conducted a research study to explore how family firms strategically leverage their family identities in their online branding strategies. They studied the specific elements that family firms chose to be exposed and how those elements were combined to create the corporate identity.

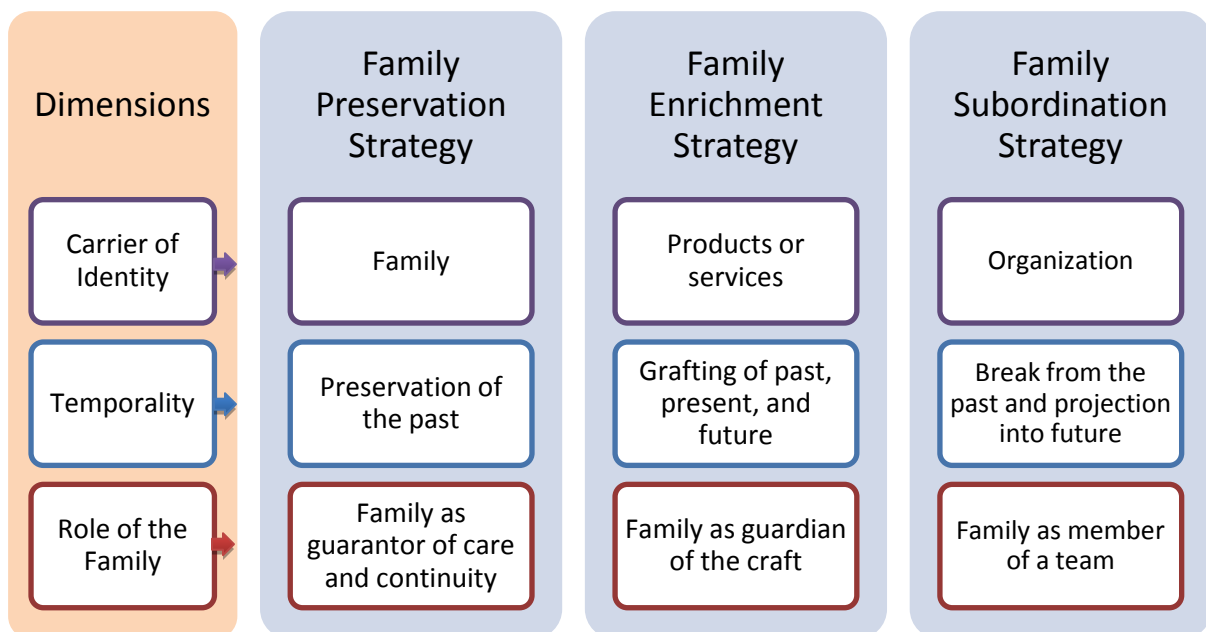
The authors examined the visual contents (i.e. images/logos/colours) and textual contents (i.e. content categories/choice of words/length of text) from official corporate websites of 92 of the world’s oldest family firms. After a comprehensive, three stage content analysis the researchers found that the visual and textual contents of these websites differed along three key issues:

- Who promoted the corporate identity (it was either family or product or the company)
- How the concept of ‘time’ was depicted (emphasis on heritage to be preserved versus vision of the future) *and*
- How family related to the company (family as - guarantor of continuity or guardian of a craft or member of the work team).

Based on the differences that family firms had on the above dimensions, the authors concluded that family business firms adopt three distinct corporate brand identity strategies. These are –

1. **Family Preservation Strategy** – In this strategy there is an intimate connection between the family and the company identity. Their stress is on need to preserve the past and build strong, lasting relationships with customers. The family is the guarantor of continuity. Deep roots in tradition, heritage etc. are the key ideas promoted in this strategy.

2. **Family Enrichment Strategy** – This strategy also retains family’s emphasis in the promotion of the companies’ products or services, but these are depicted as enriched over time as new features are added and old ones are modified. The family is projected as the guardian of the craft. The company/products/services are projected in the future but rooted in the past. In this strategy, co-existence of tradition and modernity is promoted.
3. **Family Subordination Strategy** – This strategy downplays the family identity in promoting the business – organisation is promoted as distinct from the family. The emphasis is on the company, its history, achievements and vision for the future. The role of family members is projected more as executives of the company or part of the work team rather than the members of the owners’ family.



Branding Strategies in Family Business

In their analysis, the authors found that 37 family firms (i.e. 40% of their sample) adopted family preservation based brand identity strategy on their corporate websites. These were small, locally operated companies with 6 to 40 employees, largely operating in sectors with low technological intensity.

Family enrichment strategy was followed by 34 firms (i.e. 37% of the sample). This strategy was adopted by companies who sought to differentiate their products by emphasizing

craftsmanship and innovation, for example, firms in luxury goods markets, such as jewelry, glassware, and fashion. Firms of varied sizes (from 150 to 7000 employees) adopted this strategy.

Family subordination strategy was followed by 21 firms (i.e. 23% of the sample). These were large companies, many of them were multinationals. They wanted to project their businesses as professionally managed and seek to distance it from family identity.

In summary, a family business firm must evaluate each of these options and then adopt a branding strategy that is most suitable in its context and best aligned with its business objectives.

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