



**IFB** Research  
Foundation

FAMILY BUSINESS CHALLENGES

**No. 17**

# **BRANDING THE FAMILY BUSINESS**

Practical guidance for family business owners and managers

SECOND EDITION

## No.17 Branding the Family Business

### Section 1. INTRODUCTION

**Making the most of family business identity.** Research confirms that family firms are held in high regard, and this enables them to build stronger, more trusting relationships with their stakeholders. Continuity of family ownership is perceived to underpin reliable service, a stable working environment and long-term business relationships (Exhibit 1). Family companies that communicate and leverage their family business status can capitalise on this reputational advantage to secure competitive edge.

#### **Exhibit 1: The public perception of family business**

Family businesses are viewed as strong on...

- Customer orientation
- Corporate citizenship
- Corporate culture
- Trustworthiness
- Tradition and continuity
- Community involvement
- Employee engagement
- Sustainability
- Authenticity and credibility

**But putting the family at the centre of brand identity is not for everyone.** While branding the family firm may work for certain products (such as craft and luxury goods) or certain stakeholders (customers and employees) it may not add value in other contexts. Also, some stakeholders worry that it might signal a business that's tradition-bound and backward-looking.

**Family commitment must be strong.** A distinct family business brand can have negative outcomes associated with increased visibility and scrutiny of the of the owning family. Family members must be prepared to live up to the expectations created by referencing the family – a responsibility on which they must all agree.

**Building a branding strategy.** Successful family business branding strategies usually revolve around three types of underlying message (employed singly or, more often, in combination):

- **History and heritage.** For long-standing family companies, referencing the past (e.g. the founding year or the number of generations of family ownership) can contribute strongly to brand credibility and authenticity.

- **Tradition and innovation.** Many firms seek to balance a proud tradition with current achievements and innovation, demonstrating how the firm has adapted to a changing environment. Innovation may be in products and services, and/or in the firm's structure, processes and culture.

- **Responsibility and values.** Family members feel a strong identification with the business and this underpins notions of accountability, continuity and trustworthiness. Family visibility can facilitate an image of responsibility and bringing family values to life, and this tends to work particularly well with messages related to sustainability and social responsibility.

**Four keys to successful family business branding.** Families require a systematic approach when they choose to promote themselves as a family business (see Exhibit 2). This means:

1. **Preparing family and business.** There should be family unity concerning business and family aims and objectives, including clearly identified family values that are widely shared and embedded in the business.

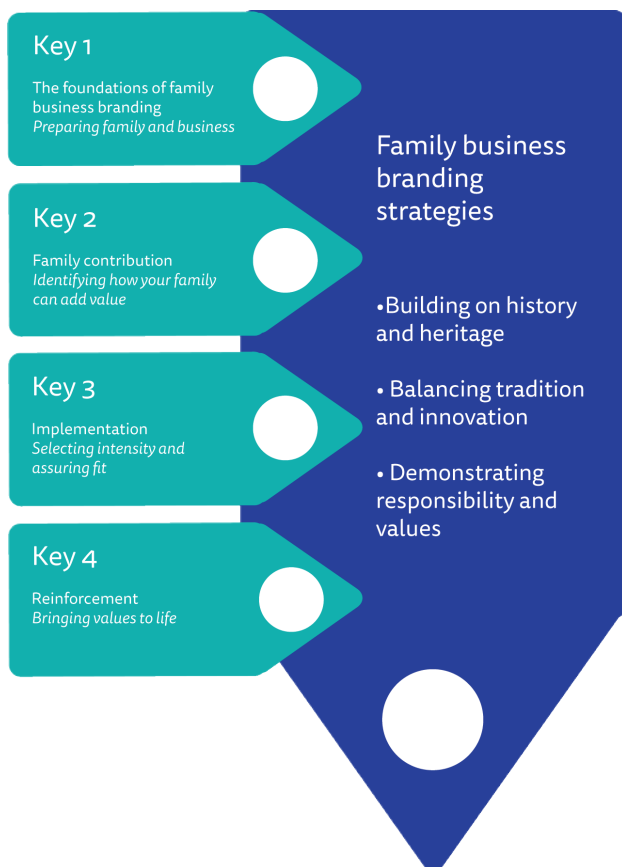
2. **Identifying how the family can add value.** Family members must agree about

about individuals' responsibilities in representing and communicating the brand, and about the direct and indirect ways in which the family can add value.

**3. Selecting intensity and assuring fit.** The family nature of the business can be promoted in various ways and to different degrees. Families must decide about their willingness to adopt a public profile, and whether family business brand promotion will work for their particular business (i.e. their products or services and country of operation).

**4. Bringing values to life.** Breathing life into the values that define the company and the family can be achieved by family members exemplifying these values through their own behaviour and by the examples that they set. Making values visible and tangible ensures that employees and other stakeholders are reminded regularly of what the company stands for.

**Exhibit 2: The four keys to successful family business branding**



Source: Claudia Binz Astrachan and Joseph H. Astrachan (2015) *Family Business Branding: Leveraging Stakeholder Trust*, IFB Research Foundation.

**The power of family business branding.** A distinct family business brand is not only of value for the company. It also provides a platform for rewarding discussions among the owners about family values, heritage and long-term objectives, and helps to bring family members closer together.

**Section 2. ACTIONS TO CONSIDER**

- Are we a unified family with clearly defined family values?
- Are our family and business values aligned and, if not, are there any values that are in conflict?
- How can we make our values visible and tangible within the family and the company?
- Do we agree on the parts of our family and business legacy that should be portrayed?
- What do we stand for as a family business and what historical reputation can we build on?
- What quality, or characteristic, do we want to be known for as a family and how can we turn these into a meaningful message?
- Which of the stakeholders (e.g. employees, customers, suppliers) will value the notion of family and which may not – and why?
- Which aspect of family ownership (e.g. longevity, quality orientation, financial independence) is likely to make a positive difference to our stakeholders?
- Is family business branding equally appropriate for all our products and services (or all subsidiaries associated with the holding company)?
- How can we improve the performance of family members acting as ambassadors for our values as a family and as a company?
- How can we encourage employees to promote our key values and our family business brand?

## CASE STUDY: Berry Bros. & Rudd



"The best brands appeal to people on a rational and an emotional level," explains Geordie Willis, Brand Director and eighth generation family member at Berry Bros. & Rudd, Britain's oldest wine and spirit merchant. "People want real and authentic brands, and that's what a long-standing family business can offer, and what they can do much better than a public firm."

Since the founding days more than 300 years ago, little has changed at Berry Bros. & Rudd's original shop, still located at 3 St James's Street. Yet despite the traditional character of its headquarters, including displays of heritage onsite, online and in the firm's marketing literature, the company makes sure to highlight its innovativeness. It was the first wine merchant to open an online wine shop in 1995, and more recently it launched BBX (Berrys' Broking Exchange), the first online fine wine trading platform.

Today, with offices in Japan, Singapore and Hong Kong, a Wine School and an exclusive fine wine and dining venue in London's St James's, the group's strategic plans are focused on building value and growing markets for wine in the UK and Asia, as well as increasing its distribution of premium spirits.

In 2012, Berry Bros. & Rudd began a comprehensive rebranding process, driven by the owning families. The catalyst was the relabeling of one of the firm's wines, which started some controversy - some family members felt the new label was too modern.

A systematic approach helped to resolve the issue: "We ran a series of workshops including re-confirming the family vision, purpose and values," says Geordie, "and this became a framework for defining a proposition and personality for the brand, reflecting tradition while not appearing outdated, and at the same time carrying the message that Berry Bros. & Rudd was a highly innovative and forward-looking family company."

An interesting feature of the process was employee focus. "It was important to get employees to understand the essence of the revitalised brand and that they were brand ambassadors," explains Geordie. "Human Resources got people on board by engaging them in articulating the values, and then integrating these values and behaviours in people's performance plans. It was a key part of the long-term plan to secure our values, our brand and our culture for the growing business."



*Brand Director, Geordie Willis*

## Section 3. RESOURCES

### Articles and reports

#### Family Business Branding: Leveraging Stakeholder Trust

Claudia Binz Astrachan and Joseph H. Astrachan (2015), published by the IFB Research Foundation (available at: [www.ifb.org.uk/share/publications/](http://www.ifb.org.uk/share/publications/))

An examination of UK family business branding practices, plus research findings on how firms can best promote their family business brand – whether for internal (employee brand) or external (product or service brand) reasons.

#### Leveraging Family-Based Brand Identity to Enhance Firm Competitiveness and Performance in Family Businesses

Justin B. Craig, Clay Dibrell and Peter S. Davis (2008), *Journal of Small Business Management*, 46(3), pp.351–371 (available at: [http://epublications.bond.edu.au/cgi/viewcontent.cgi?article=1041&context=business\\_pubs](http://epublications.bond.edu.au/cgi/viewcontent.cgi?article=1041&context=business_pubs)).

In their seminal study, Craig et al found that “family-based brand identity is a contributing resource and capability that provides family businesses with a potential advantage by highlighting their distinctive familiness”.

#### The Critical Path to Family Firm Success Through Entrepreneurial Risk-Taking and Image

Esra Memili, Kimberley Eddleston, Franz Kellermanns, Thomas Zellweger and Tim Barnett (2010), *Journal of Family Business Strategy*, 1(4), pp.200–209 (available at: [www.sciencedirect.com/science/article/pii/S1877858510000823](http://www.sciencedirect.com/science/article/pii/S1877858510000823)).

This study investigates how family ownership and family expectations influence family firm image (achieved by branding and communication activities), entrepreneurial risk-taking and ultimately firm performance.

#### Corporate Brands with a Heritage

Mats Urde, Stephen A. Greyser and John M.T. Balmer (2007), *Brand Management*, 15(1), pp.4–19 (available at: [www.researchgate.net/publication/284442711\\_Urde\\_Greyser\\_Balmer\\_2007\\_Corporate\\_Brands\\_with\\_a\\_Heritage](http://www.researchgate.net/publication/284442711_Urde_Greyser_Balmer_2007_Corporate_Brands_with_a_Heritage)).

The authors explore the concept of “brand heritage”, defined as the dimension of a brand’s identity found in its track record, longevity, core values and use of symbols that evoke nostalgia – and particularly in an organisational belief that its history is important.

### Books

#### Designing Brand Identity: An Essential Guide for the Whole Branding Team

Alina Wheeler, published by John Wiley & Sons (2012; 4th edition).

The bestselling general introductory textbook on creating, building and maintaining a strong brand. The book offers a comprehensive resource of definitions, explanations and case studies on brand identity development.

#### Reputational Capital in Family Firms: Understanding Uniqueness from the Stakeholder Point of View

Anna Blombäck and Isabel C. Botero, Chapter 28 in *Handbook of Research on Family Business*, edited by Kosmas X. Smyrniotis, Panikkos Z. Poutziouris and Sanjay Goel, published by Edward Elgar Publishing (2014; 2nd edition).

Brand management is now an established research area in the marketing literature. The authors of this chapter discuss its recent extension to family business research, and examine the scope for further progress based around their concept of family business reputation capital.

### Developing Successors and Mentoring

Chapters 7 and 8 in *Succeeding Generations: Realizing the Dream of Families in Business*, by Ivan Lansberg, published by Harvard Business School Press (1999).

These chapters include perceptive sections on the role that can be played by non-family senior managers in coaching and mentoring the next generation and leadership candidates in family businesses.

### Working for a Family Business: A Non-Family Employee's Guide to Success

Christopher Eckrich and Stephen McClure, published by Palgrave Macmillan (2011).

A discussion of people capital issues written from a non-family employee's perspective. The book provides a framework for non-family members working in family enterprises, helping them to recognise, evaluate and react to situations that may cause tension and conflict, including tables entitled "Traps to Avoid". Non-family employees are encouraged to get to know the business-owning family, to understand their values and the family business dynamics, and practical advice is offered on how they can be empowered to be more effective for the family and for their own careers.

## Family Business Challenges

The Family Business Challenges second edition series includes 18 guides overing three areas:

### Family business dynamics

- No.1 Understanding Family Business
- No.2 Maintaining Family Values
- No.3 Developing Stewardship
- No.4 Engaging the Next Generation
- No.5 Planning Succession

### Family business governance

- No.6 Building Family Governance
- No.7 Managing Differences
- No.8 Fostering Responsible Ownership
- No.9 Strengthening Family Communication
- No.10 Professionalising the Board
- No.11 Enhancing Communication with the Board
- No.12 Employing Advisers

### Family business management

- No.13 Fostering Entrepreneurship
- No.14 Embedding Long-term Orientation
- No.15 Promoting Sustainability
- No.16 Maximising People Capital
- No.17 Branding the Family Business
- No.18 Selling the Family Business

## Acknowledgements

**Grant Gordon, Editor in Chief.** Grant is a trustee of the IFB Research Foundation and co-founder of the Institute for Family Business. He is co-author of *Family Wars* (Kogan Page, 2008), focusing on managing conflict in family firms.

**Simon Perry, Author.** Simon is a law graduate and trained as a barrister. He moved into publishing in the early 1990s. His work focuses on family businesses, writing academic and practitioner analyses and family enterprise histories.

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### **FAMILY BUSINESS CHALLENGES**

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