



# Exploring logics in corporate brand identity formation – the case of family business

ANNA BLOMBÄCK AND MARCELA RAMÍREZ-PASILLAS



JÖNKÖPING INTERNATIONAL  
BUSINESS SCHOOL  
JÖNKÖPING UNIVERSITY



Jönköping International Business School  
Jönköping University  
JIBS Working Papers No. 2010-12

# Exploring logics in corporate brand identity formation – the case of family business

**Anna Blombäck**

Jönköping International Business School,  
Center of Family Enterprise and Ownership (CeFEO)  
Box 1026, SE-551 11 Jönköping, Sweden  
Tel: +46 36 101824; +46 36 101858  
E-mails: [anna.blomback@ihh.hj.se](mailto:anna.blomback@ihh.hj.se)

**Marcela Ramírez-Pasillas**

+ Escuela de Graduados en Administración at Tecnológico de Monterrey México,  
Carr. Lago de Guadalupe km 3.5, Col. Margarita Maza de Juárez, Atizapán de Zaragoza, CP.  
52926, Estado de México, México  
Tel: +52 55 5864 5664.  
E-mail: [mrpasillas@itesm.mx](mailto:mrpasillas@itesm.mx)

## Abstract

**Purpose:** The aim of this paper is to understand the logics at work when companies establish their corporate brand identities. Essential to this quest is to understand the reasoning of which corporate traits to communicate. As a case in point we target firms that make reference to being a “family business” on their websites and investigate their decision to include this feature in corporate brand identity.

**Design/methodology/approach:** Interviews are made with 14 CEOs in 12 companies. Through discourse analysis, we identify three logics for the selection of corporate brand identity features; the habit, organic and intended logics. On account of these findings, we develop a three logics model of corporate brand identity formation; proposing differences between arbitrary, emergent and strategic processes.

**Findings:** Our results highlight how decisions that define corporate brand identity are not necessarily a consequence of rigorous marketing planning, but are sometimes made without concern for marketing matters.

**Research limitations/implications:** The current research is limited in terms of the sample size and geographic origin. The sample was chosen to vary in size and industry but primarily reflects small and medium-sized enterprises, all in a Swedish context. The focus on family business as facet of corporate brand identity is another limitation. Given the inescapable connection of the feature family business to individuals in the firm, it could imply a somewhat special case.

**Originality/value:** Research on corporate brand identity is still largely conceptual. Based on empirical exploration, our paper reveals that varying logics lead to corporate brand identity formation. We introduce a theoretical model to guide further research.

**Key words:** Corporate brand identity, marketing communications, corporate branding, family business.

## **Introduction**

The concept of corporate identity is by now well established in management literature and research. Although originally based in the marketing area, relating to discussions on graphic design and profile (Olins, 1978; 1995), corporate identity has come to associate with a wider range of management perspectives – including marketing, organization and leadership – and reflect aspects like culture, employees, resources, strategy and objectives (Cornelissen, Haslam, and Balmer, 2007; Schultz, 2005; Kapferer, 2004; Urde, 2003). Still, the concept connects strongly to communication as it implies how organizations reveal their identity by means of planned communication, behavior, and symbols (van Riel and Balmer, 1997, p. 341). In line with this development, researchers regard corporate identity as a strategic resource that can strengthen internal motivation and firm reputation (Melewar & Jenkins, 2002).

From a marketing point of view, corporate identity plays a key role; representing the basis for corporate brand management. From this perspective, rather than a pure focus on corporate identity, references to the notion of brand identity (or corporate brand identity) are common (Harris and de Chernatony, 2001). In this paper, we find this concept useful to clarify that we are particularly interested in the pragmatic choices made by firms relating to corporate communications; reputation and brand management.

Corporate brand identity can be shaped continuously as audiences learn to connect and interpret the spectrum of business traits that a company reveals. Several conceptual models are available to propose how companies might transform corporate identity into corporate brand image (de Chernatony, 1999; Ugglä, 2006). Our insights, however, are very limited in regards to how companies determine corporate brand identity and what drivers explain the choice of what features to bring forward in corporate communications, like websites.

The aim of this paper is to understand the drivers that influence companies when they establish their corporate brand identities. Essential to this quest is to understand the underlying reasoning of which corporate traits to communicate. As a case in point we target firms that make reference to “family business” in corporate websites and investigate their decision to include “family business” in the corporate brand identity.

As a starting point we clarify further the concept of corporate brand identity, identifying a gap in the current research. Following this, our empirical study (method and results) is presented. Based on the empirical findings, we outline a theoretical model for corporate brand identity formation and conclude by proposing further research.

## **A gap in corporate brand identity research**

Brand management refers to the transformation of brand identity to brand image (Aaker and Joachimsthaler, 2000; Louro & Cunha, 2001), or the attempts to decrease gaps between brand identity and reputation (de Chernatony, 1999). Accordingly, brands might be evaluated according to their ability to communicate, differentiate and enhance a brand image (Balmer 2001b; 2005). In this process, brand identity is essential. It represents a compound of brand vision and culture, personality, relationships, positioning and presentation, and hence sets the foundation for brand management (de Chernatony, 1999).

In corporate branding, corporate identity provides a basis in regards to on what grounds the company should differentiate itself and what should be communicated. Balmer (2008) suggests that companies associate their corporate identity with up to ten different perspectives, including national identity, industry identity, and alliance identity. This conceptualization signals the diversity in corporate identities. At its core, corporate identity answers questions like “what are we?” and “what do we do?“, which explains its importance to facilitate brand management that cultivates an image, which is both distinctive and corresponds to existing corporate traits (Balmer, 2001a; 2005; Balmer and Gray, 2003). Significant traits include the company’s vision, founders, history, product offers, strategy, structure, graphic symbols, and people (Balmer & Gray 2003, Melewar and Karaosmanoglu, 2006; Urde, 2003).

To foster an aspired corporate brand image, companies can either emphasize or moderate different features. To facilitate this process, though, the corporate brand identity must be determined. Aaker (2004, p. 15) reports that:

*The corporate brand will start with an image but will want to move that image toward a brand identity, a set of aspirational associations for the corporate brand to perform its assigned roles. For this to happen, the brand identity needs to be developed. The process for doing this involves setting priorities. Which of the aspirational associations are the most important in the short term and should be the basis of a positioning strategy, and which will be the most important in the long term and should guide strategic initiatives?*

This quote clarifies that there are two parallel functions of the corporate brand identity. One that can be thought of as the short term orientation and one that relates to a long-term orientation. In this paper we are primarily concerned with the short-term function. This pertains to decisions on aspirational associations and positioning, implying a strong connection to planned communications and a need to translate corporate identity into a collection of specific elements, which distinguish the company - like artifacts, slogans, espoused values, graphic design, color, and symbols.

Clearly, the identification of corporate identity lies at the outset of corporate brand management. Still, corporate identity is a field with scarce empirical research (Knox and Bickerton, 2003; Balmer 2008). Various frameworks and models exist to conceptualize corporate identity (e.g. Balmer, 2008; Balmer and Greyser, 2002; Cornelissen, Haslam and Balmer, 2007; Melewar and Jenkins, 2002; Melewar and Wooldridge, 2001) but scholars, to a large extent, have neglected the empirical investigation of the actual corporate brand identity formation. Further research in that direction is prompted (van Riel and Balmer, 1997).

There are also numerous frameworks for how to deal with corporate brand management (e.g. Hatch and Schultz, 2003; Schultz, 2005). Researchers continuously emphasize the necessity of maintaining a consistent stream of communications in line with the brand identity so as to achieve a strong corporate brand (Harris and de Chernatony, 2001; Vallaster and de Chernatony, 2006). In corporate branding, excellence in internal communication is especially pointed out (Burmann and Zeplin, 2005; Harris and de Chernatony, 2001) as internal brand building can align employees' behavior with aspired brand identity (Punjaisri and Wilson, 2007). This discourse on congruent communication further points at the importance of defining corporate features and communication patterns. Still, apart from some exceptions (e.g. Schultz and Hatch, 2003; Urde, 2003), few researchers have plunged into the question of how companies in actuality relate to this process.

In summary, there is limited empirical research on how companies establish corporate brand identities related to short term and communication purposes. Bearing in mind the salient description of corporate identity as an important asset for organizations, this line of research is of interest both from a management and theoretical viewpoint. Companies have a wide variety of traits to choose from in defining what to associate their corporate brand identity with. Understanding more about the logics driving choices of associations can advance our knowledge on how companies manage their corporate brands and what factors, internal and/or external are salient in this process. This implies a shift in emphasis from the questions "what are we" and "what do we do", to a focus on "how did we come to say what we are and do". This line of research also adds to our knowledge on how companies in practice link tactical marketing measures to long-term orientation and the essence of the organization (cf. organizational and corporate identity). One way to consider this gap in research is to explore the underlying reasoning in companies as they determine whether a given corporate trait should be prioritized in communication, that is, part of their selected corporate brand identity.

## **Research method**

Provided that there is currently limited empirical research on the topic that this paper seeks to expand, our study is exploratory in nature. To understand the drivers influencing companies as they establish corporate brand identity, we seek to learn more about the underlying reasoning when companies select which features to communicate as part of their corporate brand identity. We employ an interpretative approach (REFs) and use qualitative interviews as a basis for our analysis. Below we introduce our sample, describe data collection and our data analysis.

### **“Family business” as a case in point**

From a theoretical point of view, short- as well as long-term oriented corporate brand identity originates from a planning process that associates company traits with an overarching brand. Such traits encompass the company ethos, activities, market position, location, organizational type, structure, procedures, history and culture (Balmer, 2008). To facilitate a confined research focus, in the current study we concentrate on “family business” (cf. organizational type) as a trait for corporate brand identity.

Family business researchers commonly refer to familiness, which signifies an overlap and integration of family, ownership, and management (Tagiuri and Davis, 1992; Tagiuri and Davis, 1996; Habbershon and Williams, 1999). Scholars agree that this is a distinguishing feature of family businesses, which affects their opportunities and behavior. In view of this, being a “family business” might be perceived as a critical corporate feature and, thus, a possible component of corporate brand identity. However, the fact that a firm is owned and managed by a family does not mean that this feature should automatically be flaunted as part of the corporate brand identity. Still, many companies also refer to the expression “family business” in various forms of corporate communication like websites, company reports, or advertising campaigns. The intersection between family business and corporate brand identity is an emerging research area (e.g. Craig, Dibrell and Davis, 2008; Carrigan and Buckley, 2008). Craig et al. (2008) show, for instance, that 218 family business leaders recognize the importance of connecting their being a family business to their brand. The study, though, did not further explore the reasons behind such connections.

### **Sample**

The basic criterion for firm selection was whether they used “family business” as a main descriptor on their websites. To be selected, a firm should either have this description on the opening page of their webpage or use “family business” as a prime descriptor under the heading “about us”. Principal searches were made in Swedish on Google for: *we are/is a*

*family business*. The searches resulted in approximately 150,000 hits. Prior to selecting firms for the study a few criteria were determined. As the research question is not limited to a specific type of company or business, it was determined that the firms included should vary in size, geographical location, and industry. This decision was made to avoid possible contextual trends. Thus, once the primary Google search was conducted, additional searches were made to guide selection further (e.g. we are/is a family firm + the North of Sweden). Among the results of these structured searches, firms were contacted on an arbitrary basis. Ultimately, 12 firms were included in the current study (see Table 1 for an outline).

### **Data collection**

Interviews were chosen as the empirical approach in order to carry out a discourse analysis (Alvesson and Kärreman, 2000). The study was conducted using telephone as well as personal interviews. In total, 14 interviews were carried out. CEOs, and on two occasions also vice CEOs, were chosen as respondents based on their understanding, responsibility, and influence on most matters in the firm. Each CEO was contacted twice. The first contact consisted of briefly presenting the research project and asking for permission to include the CEO in the current study. After a positive response a time was scheduled for an interview. The interviews lasted between 20 and 45 minutes. All interviews were recorded. Due to the exploratory nature of our purpose, the interviews were semi-structured and non-standardized to encourage respondent elaboration. The interviews were focused on two things. First, we sought to capture the rationale behind firms' use of the corporate trait "family business" in their websites and, second, we aimed to grasp the respondents' ideas about family business. In consequence, the following questions were important guides for all interviews:

- 1) Why do you choose to use the expression "family business" in your website?
- 2) What does the expression "family business" mean to you?
- 3) Do you believe that family businesses have special characteristics?

The first question specifically relates to the purpose of exploring why firms use the expression "family business". The second and third questions aim to reveal connections between this use and corporate brand identity.

**Table 1: Outline of firms in the study**

<i>Firm</i>	Industry	Location	Size - n.o. employees	Size - turnover 2007 (1000 €)	Active since	Respondents
A	Bus transport	North of Sweden	6 + part-time drivers	800	1953	CEO 1 CEO 2
B	Flight services	North of Sweden	5-9 several are family	1420	1942	CEO

C	Foundry	South of Sweden	22	4 000	1947	<b>CEO</b>
D	Metal finishing	South of Sweden	12	828	1968	<b>CEO</b>
E	Beverages	South of Sweden	150	66 322	1906	<b>CEO</b>
F	Pools	Central Sweden	28	11 408	1968	<b>CEO</b>
G	Wood and flat timber	South of Sweden	24	5 983	1912	<b>CEO</b>
H	Ground preparation, machine contracting	Central Sweden	6-10 5 are family	1 000	1969	<b>CEO</b>
I	Real-estate	North of Sweden	3 2 are family	15 592	1950	<b>CEO</b>
J	Fast-food restaurants	All of Sweden	2500 (approx. 650 full time)	75 000	1968	<b>CEO Associate CEO</b>
K	Food manufacturing	North of Sweden	400	68 000	1972	<b>CEO</b>
L	Foundry	South of Sweden	29	3610	1988	<b>CEO</b>

### **Data analysis**

To arrive at conclusions, a qualitative discourse analysis was used. Our focus was on the representations, ideas and beliefs obtained via interviews to understand local discourses that are “*analytically distinct from other levels of society*” (Alvesson and Kärreman, 2000, p. 1126). We looked for expressions and patterns in text that explain company behavior.

Based on verbatim transcripts, all interviews were carefully read and scanned on computer to identify passages comprising discussions related to our three previously mentioned key questions. Once located, these passages (quotes) were cut and pasted into a new, common document where further grouping was made based on the perception of underlying discourses. For example, the expressions “I don’t know” and “I believe” were marked as important for quotes related to the first question. Re-reading the quotes, we identified three discourses that distinguished differences among the respondents. The discourses are:

- 1) *Identification*: This discourse indicates the degree of identification of the interviewed CEO with the concept of family business.
- 2) *Conviction*: This discourse associates the respondents’ degree of conviction as regards the particularities and strengths of a family business (i.e. whether they are convinced that family firms are different from other firms).
- 3) *Strategic outlook*: This discourse reflects the degree in which the CEO associates the use of family business in their communication with marketing success.

In light of these discourses, three groups of businesses were acknowledged in our analysis. The first group scores low to medium in our three discourses and the second group scores medium to high. The third group scores high in strategy, but low in identification and conviction. Below we further analyze these groups to arrive at three logics and a model of corporate brand identity formation.

## Empirical findings

### Group 1 - Low planned users

The first group represents firms where there has been no real planning behind the use of family business on the company's web pages. The respondents reveal some conviction that family firms are special and that they consider themselves to be "family business men". Thus, the group is defined by a low *strategic outlook*. Asked specifically why they use the phrase family business as a descriptor they answer:

CEO D: "No, [it's not something we have discussed]. I guess it's just turned out that way."

CEO G: "I have actually never thought about that. But to me it sounds more, well, I guess I'm traditional, I like traditions and I think it has a positive effect that you refer to yourself like that. I believe you get more sympathy, among both suppliers and customers. [...] Everyone I talk to or ask, they think it's nice that the company continues on so on. You know it's been managed for 90 years, soon a 100."

CEO I: "I guess that's right [that we use 'family firm' on our homepage]. But I have never thought about that [laughter]... I believe that's part of the concept family business too, that it is not just one generation. Instead you think about it as being several [generations]. And then, I guess I see it as a more solid company."

Respondents also express positive associations to the tradition and longevity of family firms.

### Group 2 - Medium planned users

This group is characterized by respondents' relation to the *conviction* and *identification discourses*. The respondents view family businesses as unlike other firms and are convinced that "family business" signals something special. While they have not planned the use of family business extensively, they indicate strong identification with being a family business. Answering a direct question about why family business is used on the company's website, CEOs answer:

CEO A: [laughter] "Well what should I answer to that? No, that is, of course it's conscious if you have it in your slogan, but I don't think I have reflected on that further, why it says so. It's just something that I believe is positive, that you have a family business. [...] I like to hire other family firms if I need something."

CEO B: “[...] With that you say that there is continuity in the firm. That it isn’t all new and, some firms appear and then they disappear. By saying that you are a family business and that you have been around since 1942 you at least tell them that we’ve been around for quite some time. They can trust that we’ll probably be here for another couple of years.”

CEO K: “...You can have a business or a family business, be an entrepreneur and be a family business person, and so on. But you know, I recognize myself in that description because what it describes, that is really what we are. I mean, we are a family business. I don’t know how they reason that do not use it...”

CEO H: “Well, it feels like we belong to them. And, well, sure it might have a value too. That is possible, towards customers. But, primarily it feels like we are [a family firm], as we own it together and work together. I have three sons and then also my spouse, so there is actually five of us who are closely related you know...well, since all of us are in the firm I guess we thought it might be something to emphasize.”

### **Group 3 – High planned users**

The firms located in this group distinguish themselves as they use family business in communications based on quite extensive planning, which signals a strong *strategic outlook*. In terms of the identification discourse, though, they do not necessarily identify with being a family business. The CEOs respond:

CEO L: “...I’m sure [that the description] will not remain in five years. Not because we have lost our ownership, but because we look upon our firm differently then. We sort of want to profile ourselves in another way. [...] Should we succeed with what we are doing now, I cannot imagine that it [the homepage] will still say that [family business].”

Apparently, his thoughts on what “family business” signals to audiences do not fit the vision he has for the company. He clearly exemplifies that companies can make a conscious choice to include or exclude the phrase family business as part of their corporate brand identity. He explains that it is not always positive to use “family business”:

“[...] If I’m employing new people, however, then I feel the other way around! Because you know that there is always a core group that you as an employee [...]. To come in as a salaried employee in a small family business, I would have been really damn careful not to do that.”

CEO F elaborates on how retailers that refer to being a family business can have leverage since all stores offer the same goods. “What do the others have to show then?” he asks. He clarifies that the inclusion of family business in communications is rather elaborate:

CEO F: “[...] the most important is perhaps that everyone wants to create security for the customer. But how you create that, it’s really an adaptation towards who you are. We are a family firm, we are a small firm, and yes, we exploit that. A large company exploits other factors [...].”

CEO C: “[...] I believe it [family business] is a mark of quality. To me it’s something very positive and I suppose that’s why we use it. It says a lot about us as a company. I believe that when I say that we are a family business [...], many people understand what type of

company we are. I believe there is common knowledge about what it means.”

CEO E: “[...] I don’t believe you consider whether it is a family business. You think more about whether you have confidence in the company. And then, the fact that it is a family firm can be something that creates trust. But that in itself is not what’s decisive. But it can be part of the whole, part of the impression...”

He goes on to explain that:

“[...] it [being a family business] is one of our core values. We have identified a number of core values that are important to us. Family ownership, that we are a Swedish family-owned business, is one of those concepts. With that comes also that we should be simple and fast to do business with – aspects that we ourselves connect to the family firm concept you know.”

Overall, this group shows that the choice to include family as an element in corporate communications can be quite planned. The respondents also indicate that the family firm concept carries valuable associations. These associations are based on their own ideas about the family firm. When asked what corporate associations they hope to gain by using “family business” in communications CEO E says:

“What’s behind it is the knowledge. The knowledge about [the product], that we have dealt with it in 100 years and that it is the same family that has owned it and there is a continuity in the learning. [...] Then it’s the management and tradition, the accumulated knowledge which, which we don’t just want to communicate but which is actually in the company.”

### **Analysis of logic**

Most of our respondents believe that using the expression “family business” in their websites can have an impact on people. Several respondents argue that the reason for using “family firm” as a main descriptor is that it communicates certain features of their offer/company to external parties. Hence, the descriptor “family business” can be seen as an element of corporate brand identity because the firms believe it represents what they stand for; thus they want to transmit it to their customers and partners. We maintain, therefore, that the current study supports the idea that “family business” is recurrently chosen as an element of corporate brand identity.

As presented above, we differentiate three groups in terms of how family business has become part of the corporate brand identity. Table 2 summarizes our results, identifying three logics for corporate brand identity feature selection. The first logic, “habit” logic, corresponds to group 1 above. The second logic, “organic” logic, corresponds to group 2 above, and the third logic, “intended” logic, corresponds to group 3. The logics are not exclusive, but overlap in terms of how they relate to the three discourses identified in the analysis (i.e. *identification*, *conviction* and *strategic outlook*).

The habit logic represents firms that use “family firm” in a less calculated manner. This logic is created ambiguously as the inclusion of family business in marketing communications is not preceded by apparent discussions. Rather, it is something that the CEO/owner-manager decides haphazardly. The CEOs have a hard time explaining why they decided to use the family business concept and whether it has any value to constituent parties. Referring to tradition and generations, their accounts still imply an impact of family culture and family ownership over time. In all, the habit logic represents firms where the decision to include “family business” in marketing communications does not reflect intentionality. Consequently, corporate brand management does not provide a good means for explaining their use of “family firm” as a main descriptor.

Second, the organic logic represents companies that label their company family business because *it is natural, and it is just something that they are*. The companies choose the description for marketing communications intentionally or unintentionally, either for reasons associated to the firms or their environment. These firms perceive that they belong to the description family firm. These descriptions have to do with the familiness. That is, the combined ownership, management and culture account for their use of family business. Thus, being a family firm is treated as a key element in the firm’s identity, as one of the business’ inherent features, something that it is. In exchange for corporate brand management, a suitable perspective to explain why these companies’ use “family firm” as a main descriptor in communications relates to corporate identity.

In this second group, some CEOs also relate to their personal feeling of being a family business manager in explaining the choice to use “family business” in communications. For someone who strongly feels like a “family business manager” there is no need to question why their firm is denoted a “family business”. This is particularly noticeable among the CEOs whose explanation for using “family firm” is less well-defined and less focused on external audiences but in which it emerged naturally. For these firms the main explanation for using the word family firm has to do with the respondents’ personal identity and perceptions of being a family business. It is not primarily a means for communication.

Balmer (2008) mentions that individual identity is a fundamental identity type, which is important for a comprehensive understanding of corporate identity. That is, the corporate identity becomes a means to enforce the individual’s identity. For some individuals, being a family business member is such a major facet of the self that they use the corporate brand identity as one way of manifesting their own identity.

Thirdly, the intended logic represents a diversified set of respondents; all with clear

intentions of why to use or not use family business as an element of their corporate brand identity. What distinguishes this group from the previous two, are the respondents' descriptions of reasons behind and values of using "family business" in communications. They account for a deliberate decision-making related to the inclusion of "family business" in marketing communications; the aim being to define the corporate brand image internally and externally. A company that in a deliberate way uses family business references as a means to influence corporate brand identity among internal and external stakeholders, might also use it on account of the family members' strong feelings of being a family business (cf. organizational or corporate identity). Thus, the third group suits well a corporate brand management perspective. The representatives of the intended logic believe that "family business" generates associations among audiences, which makes it valuable to portray this feature as part of corporate brand identity.

**Table 2: Summary of feature selection logic**

Firm	Planned external use	Why use "family firm" on webpage	Family firm characteristics	Feels like a "family businessman"	Relation to discourses: Identification; Conviction; Strategic outlook
<b>Group 1: Habit logic</b>					
D	Low	Don't know. Just turned out that way.	Difficult to specify! + Owners feel more responsibility, work more.	Yes, you could say that	<b>Identification: medium Conviction: low/medium Strategic outlook: low</b>
G	Low	Don't know, but believe it has positive effect.	Difficult to specify! + Committed managers.	Yes	
I	Low	Don't know, have never thought about it.	Difficult to specify! + Active dedicated owners, possibly more long-term focus in decisions	Yes	
<b>Group 2: Organic logic</b>					
A	Low	Says it is conscious and positive, but have not thought extensively about it.	+ Strong commitment, strong will to succeed	Has not been anything else. It's only natural.	<b>Identification : high Conviction: medium Strategic outlook: medium</b>
B	Medium	It reveals continuity in the business.	Can't say if it's different! (+) Possibly more long-term focus, security for customers	Yes! Even though non-family.	
H	Medium	It feels like we belong to the description. Perceive it is right.	Difficult to specify! + The family strives in the same direction.	Yes, since his sons have been involved!	
K	Medium	Recognizes herself in the description. It is what "we are".	Being a family business is obvious. Recognized his firm as a family business	Yes! It is obvious.	
<b>Group 3: Intended logic</b>					
C	High	Believes it is a mark of quality and explains a lot about the firm to audiences.	+ Special, continuity, solidity, strongly involved owner, long-term focus, stability, mark of quality	Yes!	<b>Identification: low Conviction: high Strategic outlook: high</b>
E	High	Family business can be part of creating trust. Signal tradition and	+ Fast and smooth decision processes. - Hesitant to generalize.	-	

		knowledge.			
<b>F</b>	<b>High</b>	Want to project that the firm is small and close to customers.	+ Small, cozy, more safe to customer, unity, low personnel turnover, closeness, strong feeling for the offer, - Protectionist, low education level	No, like a business man	
<b>J</b>	<b>High</b>	It is one of many possible signals. Internally, to maintain corporate culture.	+ Owner-managed firms, drive, commitment, economical, profitable, entrepreneurial	Yes	
<b>L</b>	<b>High</b>	Conscious choice. It is part of profiling the firm.	+ Smooth decision process, understand each other - Risks of emotional/relational quarrels,	No, that feels a bit nerdy	

### **A three-logics model of corporate brand identity formation**

The three logics identified above reflect the drivers accompanying the processes by which the studied businesses choose to use the family business descriptor in their communications. In the light of this, we propose an extended discussion of how these logics might affect corporate brand identity creation on a general and aggregated level. To foster such a discussion, below we relate each of the three logics to a specific process of brand identity formation (see Figure 1).

#### *Arbitrary process*

On an aggregate level, when firms select corporate brand features based on the habit logic, we suggest that they follow an *arbitrary formation process* of their corporate brand identity. This means that the firms use various attributes without any or a very limited consideration to corporate brand management. Rather it is mainly a one-time event; the founders/owner managers take the decision of using the descriptor in communications based on tradition, arbitrary advise or firms aspects . Given that this arbitrary process does not infer comprehensive corporate brand management, the corporate brand identity and process for dealing with corporate branding might also change rather effortlessly. This could, for example, be the result of new managers entering the company, individual management team members acquiring competence in marketing/brand management, or the employment of consultancy services.

#### *Emergent process*

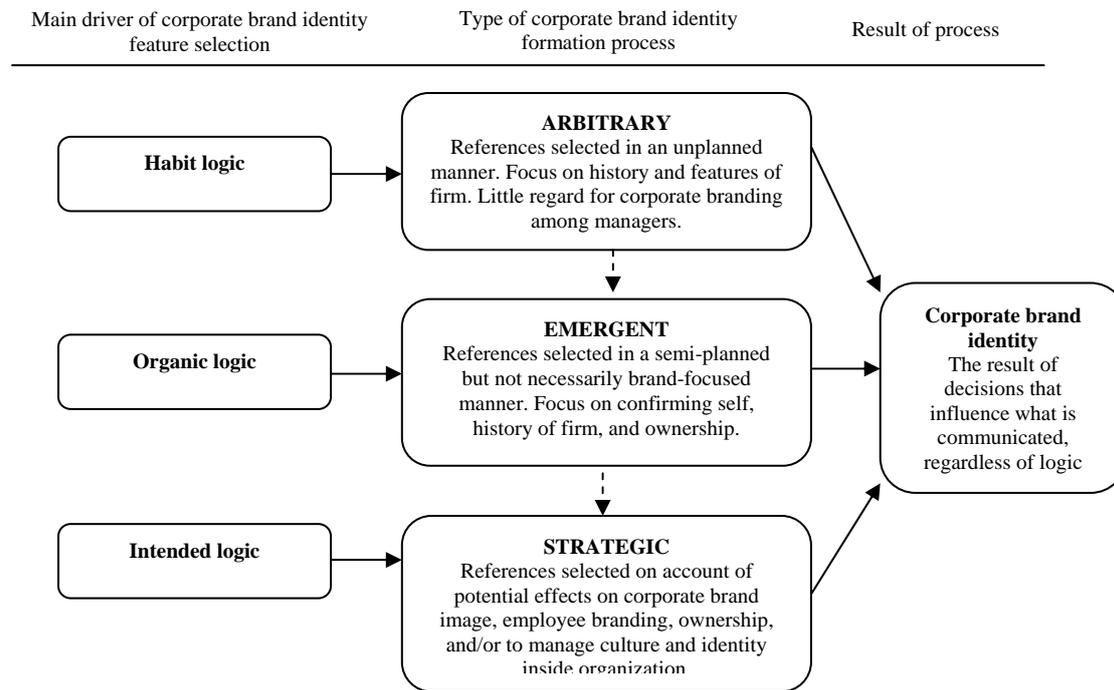
On an aggregate level, when firms select corporate brand features based on the organic logic, we suggest that they follow an *emergent process* of brand identity formation. This process implies a combined function of the firm and the environment. Internal forces and/or external forces influence the use of particular corporate descriptors and, thus, the formation of corporate brand identity and its associated outcomes. The emergent process implies that there is indeed elaboration behind the selection of corporate features to communicate. The selection emerges, though, not only from a focus on corporate brand image among external parties, but

also from self-perception among owners or managers, and the company's organizational identity (cf. Albert and Whetten, 1985; Whetten, 2006). The emergent process of corporate brand identity formation therefore has much to do with aligning corporate communications with ideas of "who we are as an organization" and the notion of organizational identity. That is, "the central and enduring attributes of an organization that distinguish it from other organizations" (Whetten, 2006, p. 220). The current study exemplifies how organizational type, for example, can be a rich source for such significant features and shared perceptions. In the current example of "family business", the emergent formation process appears in firms where owners depend on individual perceptions of family values to determine corporate brand identity.

#### *Strategic process*

On an aggregate level, when firms select corporate brand features based on the intended logic, we suggest that they link to a *strategic process* of corporate brand identity formation. The selection of corporate brand identity features is facilitated by an explicit and integrated brand strategy with explicit focus on corporate communications. The strategic process implies a well-reflected and shared idea of the corporate brand identity (e.g. among owners, managers, and marketing employees). In the strategic process, the influence of the CEO/owner manager is strong but not totally autonomous; a strategic orientation makes this process linked to the structure of the company and the specific marketing knowledge available at the company. In the current example of "family business", this implies thorough consideration of how the family ownership, culture, management, and history of accumulated knowledge can influence the company's behavior and how it is perceived among beholders.

**Figure 1: Three forms of corporate brand identity creation**



### Conclusions and further research

Corporate brand identity research primarily takes a conceptual approach. Empirical insights regarding the process of selecting aspects to make up the corporate brand identity are scarce. The current study adds to our empirical understanding of the subject. It reveals that firms are not always guided by elaborated marketing schemes when making decisions about corporate brand identity variables. References to corporate identity can be meticulously or relatively planned, or even unplanned, in terms of their impact on external or internal audiences.

Theory suggests that firms intentionally determine which features are most beneficial to communicate as part of the corporate brand identity on account of their probable influence on corporate reputation, and performance. The importance of aligning corporate brand identity to represent corporate history, ownership, management, and culture are emphasized since this is considered essential for the successful communication of the corporate brand to outside parties. The focus is also on the alignment between internal and external corporate images (cf. Hatch and Schultz, 2008).

In essence, our research indicates that the corporate brand identity formation process is more complex, incorporating external as well as internal drivers for feature selection. Our findings suggest that decisions, which have an impact on corporate brand identity in terms of

how the family business is described in corporate communications, are sometimes made without any regard for internal or external corporate images. To clarify this incongruence with previous theory, we identify three decision logics for selecting corporate brand identity features and subsequently present a model for corporate brand identity formation (cf. see Balmer 2008 for other types/logics).

The first decision logic implies that decisions by the CEO/owner-manager are made due to tradition or almost haphazardly; in order to acknowledge the corporate feature. Previous communication patterns and unchallenged suggestions from external parties can play a role. We refer to this as the habit logic. The second logic implies that salient descriptions are included as a result of the owner's need to associate with and recognize the company and its reputation as the company evolves. We refer to this as the organic logic. The third logic implies that salient descriptions are included as a result of an intended strategy for the corporate brand. In summary, the logic behind decisions which ultimately lead to a certain corporate brand identity formation processes are not only influenced by a concern for marketing towards internal and external audiences, but also by history, habit, and the CEO/owner-manager's individual identity.

Based on these three logics for feature selection, we have proposed a model of corporate brand identity formation. Further research is needed to scrutinize, adjust, or verify the three logics of feature selection and their importance for processes of corporate brand identity formation. Moreover, we implore further research to investigate whether there is a relationship between business performance and the type of corporate brand identity formation process in use. In this respect, performance measures that go beyond financial returns should be of interest to assess. Are there, for example, implications for corporate brand image consistency and/or internal brand orientation?

The current study has several limitations. Primarily, the sample size is small and, even though variation was intentionally sought over industries, the firms are primarily small and medium-sized. Further research should therefore, ideally, include more firms and also large firms as it is not unforeseeable that the processes underlying corporate brand management, including the selection of key features and corporate brand identity will differ between small and large firms.

Another limitation of our study is the distinction of one corporate brand identity feature (i.e. family business). While this was a way to focus the study, it also implies that our findings could be specifically related to this feature. To develop the current findings, we hence call for further research that takes a wider or different set of corporate identity features

into account.

This paper exemplifies how the expression “family business” can be an element of corporate brand identity and how the path for its becoming that can vary. The findings imply that corporate brand identity evolves thanks to interplay between individual identity, habit, and marketing strategy. This interplay indicates that individual owner-managers and CEOs can view their business as an extension of their own persona. For example, the study shows how the decision to consider family business in corporate branding can relate to personal as well as corporate identity. Balmer (2008) already recognizes that the individual identity is the most fundamental of all identity types. This research creates an opening as it supports the ideas of the inclusion and influence of the personal identity in the formation process of the corporate brand. Further research should address this interplay and how it relates to corporate brand identity. One way of approaching this matter is to apply an organizational identity perspective; a perspective that merges the individuals’ perceptions with the company context.

## References

- Aaker, D.A. & Joachimsthaler, E. (2000) *Brand leadership*. New York: The Free Press.
- Aaker, D.A. (2004) Leveraging the corporate brand. *California Management Review*, 46 (3), 6-18.
- Albert, S. & Whetten, D. (1985) Organizational identity. *Research in Organizational Behavior*, 7, 263-295.
- Alvesson, M. & Kärreman, D. (2000). Varieties of discourse: On the study of organizations through discourse analysis. *Human Relations*, 53 (9), 1125-1149.
- Balmer, J.M.T. (2001a) Corporate identity, corporate branding and corporate marketing. Seeing through the fog. *European Journal of Marketing*, 35 (3/4), 248-291.
- Balmer, J.M.T. (2001b). The three virtues and seven deadly sins of corporate brand management. *Journal of General Management*, 27 (1), pp. 1-17
- Balmer, J.M.T. (2005) Corporate brands: What's new? *Comunicacao e Sociedade*, 8, 163-178.
- Balmer, J.M.T. (2008) Identity based views of the corporation: Insights from corporate identity, organisational identity, social identity, visual identity, corporate brand identity and corporate image. *European Journal of Marketing*, 42 (9), 879-906.
- Balmer, J.M.T. & Gray. E.R. (2003) Commentary - Corporate brands: What are they? What of them? *European Journal of Marketing*, 37 (7/8), 972-997.
- Balmer, J.M.T. & Greyser, S. A. (2002). Managing the multiple identities of the corporation. *California Management Review*, 44 (3), p. 72-86. Chapter 1 in Balmer, M.T. & Greyser, S.A. (Eds). (2003). *Revealing the corporation: perspectives on identity, image, reputation, corporate branding, and corporate-level marketing*. London: Routledge.
- Burmann, C. & Zeplin, S. (2005) Building brand commitment: A behavioural approach to internal brand management. *Journal of Brand Management*, 12 (4), 279-300.
- Carrigan, M. & Buckley, J. (2008) What's so special about family business? An exploratory study of UK and Irish consumer experiences of family businesses. *International Journal of Consumer Studies*, 32 (6), 656-666.
- Cornelissen, J.P., Haslam, S.A. & Balmer J.M.T. (2007) Social identity, organizational identity and corporate identity: Towards an integrated understanding of processes, patternings and products. *British Journal of Management*, 18, S1-S16.
- Craig, J.B., Dibrell, C. & Davis, P.S. (2008) Leveraging family-based brand identity to enhance firm competitiveness and performance in family business. *Journal of Small Business Management*, 46 (3), 351-371.
- Habbershon, T.G. & Williams, M.L. (1999) A resource-based framework for assessing the strategic advantages of family firms. *Family Business Review*, 2 (1), 1-26.
- Harris, F. & de Chernatony, L. (2001) Corporate branding and corporate brand performance. *European Journal of Marketing*, 35 (3/4), 441-456.
- Hatch, M.J. & Schultz, M. (2003) Bringing the corporation into corporate branding. *European Journal of Marketing*, 37 (7/8), 1041-1064.
- Hatch, M-J. & Schultz, M. (2008) *Taking brand initiative – How companies can align strategy, culture, and identity through corporate branding*. San Francisco: Jossey-Bass.

- Kapferer, J.N. (2004) *The new strategic brand management*. London: Kogan Page.
- Knox, S. & Bickerton, D. (2003) The six conventions of corporate branding. *European Journal of Marketing*, 37 (7/8), 998-1016.
- Louro, M.J. & Cunha, V.P. (2001) Brand management paradigms. *Journal of Marketing Management*, 17, 849-75.
- Melewar, T.C. & Jenkins, E. (2002) Defining the corporate identity construct. *Corporate Reputation Review*, 5 (1), 76-90.
- Melewar, T.C. & Karaosmanoglu, E. (2006) Seven dimensions of corporate identity: A categorization from the practitioners' perspective. *European Journal of Marketing*, 40 (7/8), 846-869.
- Melewar, T.C. & Wooldridge, A.R. (2001) The dynamics of corporate identity: A review of a process model. *Journal of Communication Management*, 5 (4), 327-340.
- Olins, W. (1978) *The corporate personality: An inquiry into the nature of corporate identity*. London: Mayflower Books.
- Olins, W. (1995) *The new guide to identity: How to create and sustain change through managing identity*. London: Gower.
- Punjaisri, K. & Wilson, A. (2007) The role of internal branding in the delivery of employee brand promise. *Journal of Brand Management*, 15 (1), 57-71.
- Schultz, M. (2005) A cross-disciplinary perspective on corporate branding. In: Schultz, M., Antorini, Y.M. & Csaba, F.F. *Towards the second wave of corporate branding... Corporate branding – purpose, people, process*. Copenhagen: Copenhagen Business School Press.
- Schultz; M. & Hatch, M.J. (2003) The cycles of corporate branding: The case of the LEGO company. *California Management Review*, 46 (1), 6-26.
- Tagiuri, R., & Davis, J. A. 1992. On the Goals of Successful Family Companies. *Family Business Review*, 5:43-62.
- Tagiuri, R. & Davis, J. (1996) Bivalent attributes of the family firm. *Family Business Review*, 9 (2), 199-208.
- Ugla, H. (2006) The corporate brand association base. A conceptual model for the creation of inclusive brand architecture. *European Journal of Marketing*, 40 (7/8), 785-802.
- Urde, M. (2003). Core value-based corporate brand building. *European Journal of Marketing*, 37 (7/8), 1017-1040.
- Vallaster, C. & de Chernatony, L. (2006). Internal brand building and structuration: The role of leadership. *European Journal of Marketing*, 40(7/8), 761-784.
- Van Riel, C.B.M. & Balmer, J.T. (1997) Corporate identity: The concept, its measurement and management. *European Journal of Marketing*, 31 (5/6), 340-355.
- Whetten, D.A. (2006). Albert and Whetten revisited: Strengthening the concept of organizational identity. *Journal of Management Inquiry*, 15 (3), 219-234.