



## Wise Family Business: Family Identity Steering Brand Success

By Joachim Schwass and Anne-Catrin Glemser  
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The purpose of this book is to help families in business identify better ways of assuring longevity, sustainability and lasting performance by linking the owning family's identity to the business brand. Family businesses have a unique opportunity to position themselves as a family business brand by building on their family history, identity, values and long-term vision. But to what extent should they be visible? Are they better off staying beneath the radar or should they promote their heritage and position themselves as family businesses?

The starting point is that family firms face predictable and highly impacting challenges – potentially endangering their survival – as they transition through the generational changes from the founder or controlling owner stage to the siblings and then to the cousin generation. The typical configuration shows that the identity link between family and business is strongest during the early stages when the family is still small. As the family continues to grow, the risk of an identity loss clearly increases. This is caused by the centrifugal forces arising from the increasingly diverse interests of a growing family, a larger number of owners and a growing business. While this is a predictable evolution, the vast majority of family businesses fail to appropriately understand and address this challenge.

The authors have studied and worked with family-owned and family-controlled businesses from all over the world for more than 25 years and witnessed them navigate through both difficult and happy times. In this book they share a wealth of knowledge about the inside perspectives and dynamics that families in business are exposed to. They take a look at the external forces and analyze how these put pressure on family systems and their next generations. The book includes a truly global set of company cases from Ayala Corporation of the Philippines to Zegna from Italy and pres-

ents a varied portrait of leading branded family businesses such as Henkel, Patek Philippe and Bata Group. It demonstrates concrete examples of how family businesses can undertake the often difficult path of leveraging the family's identity, their values and vision for the benefit of their business and the solutions these industrial families have found.

The book reveals how successful, multi-generational family businesses have in fact identified and applied a centripetal strategy – countering the negative centrifugal evolution – by leveraging the family identity for the benefit of a family business brand. A structured process and a practical toolbox highlight how to start by analyzing the family identity and expressing it in meaningful, value-added ways for the business.

A special chapter provided by the Brunswick Group is dedicated to the relevance and impact of strategic reputation management for families of wealth, family businesses and at the intersection of family, ownership and business. As Warren Buffet pointed out, *"It takes 20 years to build a reputation and five minutes to ruin it."*

A values-based vision can be extremely beneficial for a family business in a rapidly changing competitive environment. An important insight gained from this study is the additional strong benefit for the family itself when confronted with the task of crafting a family business vision based on the family identity.

The key conclusion is that family identity matters in multiple ways and for a large number of stakeholders, potentially over generations. This book helps owning families to gain a better understanding of their current and future long-term family business challenges and how to wisely address them in a carefully planned and comprehensive strategic process.