Ceasing to communicate public family firm identity: the decoupling of internally experienced and externally communicated identities

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Abstract

Purpose – The purpose of this study is to explore how the family firm identity is affected when it is no longer publicly communicated.

Design/methodology/approach – A case study approach was used to follow a third-generation family business, a large Swedish home electronics firm that acquired a competitor and, initially, continued using its family firm identity after the acquisition. This study longitudinally tracks the company and its owning family using archival data combined with interviews.

Findings – The case company decided to stop communicating their identity as a family business. Such a move initially appears counterintuitive, since it potentially threatens the family firm identity and leads the firm to forgo other advantages, e.g. in branding. However, the decision was based on arguments that were rational from a business perspective, leading to a decoupling of family and firm identity.

Originality/value – This study contributes to the literature by showing a decoupling of internally experienced and externally communicated identities. It further contributes to the understanding of the family firm identity concept.

Keywords Family business, Family firm identity, Decoupling, Case study, Rebranding, Sweden

Paper type Research paper

Introduction

Being a family firm [1] can be an asset. In recent years, it has become popular among companies to use their family firm status in their branding (Astrachan and Botero, 2018; Blombäck and Brunninge, 2013; Botero et al., 2013). Hence, it is not surprising that the question of openly communicating family firm identity receives increasing attention among family business scholars (e.g. Astrachan et al., 2018; Beck, 2016; Beck et al., 2020; Brunninge, 2017; Micelotta and Raynard, 2011). An emphasis has so far been on identifying the motives, antecedents and outcomes of communicating family firm identity (Beck et al., 2020; Botero et al., 2018; Schellong et al., 2019) or on distinguishing strategies for different degrees of communicating family firm identity (Micelotta and Raynard, 2011). Some authors also touch upon reasons why family firms might refrain from such communication (Astrachan and Botero, 2018; Brunninge, 2017). However, while we have a fairly good picture of what happens...
when a company communicates its family firm identity, we know very little of the reverse situation, i.e. what happens when the communication of family firm identity is dropped. This is where this article makes its contribution. We argue that comprehending the dropping of such communication is essential for the understanding of family businesses’ stance toward revealing or concealing their family firm identity.

Much research suggests that a firm benefits from openly communicating its identity as a family business (Astrachan and Botero, 2018; Carrigan and Buckley, 2008; Ibáñez et al., 2022), as the family identity has positive connotations (Blombäck and Brunninge, 2016; Micelotta and Raynard, 2011). Some argue that family firms are perceived as more trustworthy, customer oriented, and responsible than nonfamily firms (Astrachan and Botero, 2018; Carrigan and Buckley, 2008). Indeed, not only does communicating family firm identity have positive outcome-related effects in terms of reputational advantages but it is also known to play an important role in providing family members with a sense of pride and achievement (Astrachan and Botero, 2018). In addition, changing a company name is expensive and entails risks with regard to communicating with stakeholders who may not value the name change (Kalaignanam and Bahadir, 2013; Kashmri and Mahajan, 2010, 2015). Corporate name changes entail risks and confusion among internal and external stakeholders as they directly question the identity of the organization (Brown et al., 2006). Moreover, organizational members can disidentify with the organization (Bhattacharya and Elsbach, 2002; Elsbach and Bhattacharya, 2001).

Therefore, it is counterintuitive, when a successful family firm that has previously communicated its identity as a family firm, stops doing so. In the present article, we explore how the family firm identity is affected when a company nevertheless chooses to take such a step.

In family firms, the owning family is often very visibly connected to the firm. The identity of the organization is often closely entwined with that of the firm and family members are supposed to embody values, traditions and competencies that characterize the firm and its offerings (Blombäck and Brunninge, 2013, 2016; Dyer and Whetten, 2006). The visibility of family members may be reflected in their functions serving as managers or board members and representing the family and the business on different occasions. Through this active role, the owning family can focus attention on itself as a carrier of value (Astrachan and Botero, 2018; Craig et al., 2008; Ljungkvist and Boers, 2020). Stakeholders have certain positive expectations when a company brands itself as a family business (Beck, 2016; Blombäck and Ramírez-Pasillas, 2012; Carrigan and Buckley, 2008). Consequently, an owning family is identified with the business (Beck, 2016), which can have both positive and negative consequences for the family, depending on the firm’s behavior. For instance, owning families can feel pride based on the firm’s performance or socially responsible behavior (Dyer and Whetten, 2006). On the other hand, misconduct by family members can negatively affect the firm’s reputation, which could follow the company for decades (Brunninge, 2017). Conversely, there is a risk that negative news about the firm will spill over onto family members (Astrachan and Botero, 2018); this risk is even more serious when the firm actually uses the family name (Boers et al., 2017; Brunninge, 2017). Recent research argues that there is a need to explore how communicated family firm identity relates to strategic decisions (Botero et al., 2013; Prügl and Spitzley, 2021; Zellweger et al., 2010). Micelotta and Raynard (2011) have argued that the owning families strategically choose whether to reveal or conceal their family identity (Micelotta and Raynard, 2011). While we know that family firms differ as to whether they communicate their family firm identity or not, we have little knowledge about why and how shifts in such communication occur, not least when such shifts occur in a radical manner, e.g. moving from openly emphasized family firm identity to concealment. This article explores how the family firm identity is affected by such a decision, which is in line with a
recent call for research on the interconnectedness of individual identity and corporate identity, particularly in family firms (Blombäck and Ramírez-Pasillas, 2012).

The purpose of this study is, therefore, to explore how the family firm identity is affected when it is no longer publicly communicated.

Specifically, we will study this phenomenon through the lens of a Swedish family business that stopped communicating its family firm identity.

The study contributes to the literature on family firm identity by conceptualizing the decoupling of internally experienced and externally communicated identities, as a consequence of ceasing to communicate a family firm identity. Four propositions related to the decoupling of internally experienced and externally communicated identities are developed. The study contributes with practical implications on how owning families can facilitate strategic change by decoupling company and family identity, when it becomes necessary for commercial reasons.

The remainder of this article continues by establishing a frame of reference. Then, the methodological choices are revealed before presenting the empirical material. Lastly, we discuss the findings and draw conclusions for theory as well as for practitioners.

Frame of reference

Openly communicating the connection between family and firm has consequences for the family and its members as well as for the firm. In a family business, family and business identity are inherently entwined, having a mutual effect on each other (Blombäck and Brunninge, 2013; Wielsma and Brunninge, 2019). In this frame of reference section, we will start by discussing the concept of family firm identity. Thereafter, we elaborate on why family firms may choose to communicate such an identity to external stakeholders or refrain from doing so. This discussion also addresses the implications the external communication of family firm identity can have on the family.

Family firm identity

The identity of organizations, has been extensively discussed in management literature since the seminal work by Albert and Whetten from 1985, defining organizational identity as what members see as central, distinctive and continuous over time (often paraphrased as enduring) about their organization (p. 265). Organizational identity gives meaning and direction to an organization and its members, revealing what is important to them as well as who they are (Albert and Whetten, 1985; Brickson, 2007). Therefore, internal and external identities are usually aligned (Brickson, 2007). Family firm identity as a concept was introduced by Zellweger et al. in 2010. Departing from the concept of familiness (Habbershon and Williams, 1999), their focus is on the question whether or not, the company sees itself as a family firm. They posit that a family’s identity is unique, which provides potential competitive advantages (Eddleston, 2011; Knapp et al., 2013; Sundaramurthy and Kreiner, 2008; Zellweger et al., 2010). More recent research has moved beyond looking at family firm identity as the answer to a yes/no question towards examining the identities of specific family firms, including the idiosyncratic characteristics of a family, such as values and achievements of previous generations (Brunninge and Melander, 2013). The uniqueness of each family firm’s identity does therefore not only differentiate it from non-family firms, but also from other family businesses (Botero et al., 2019; Eddleston, 2011; Wielsma and Brunninge, 2019). This differentiation can be used as a source of competitive advantage, by communicating it internally and externally (Astrachan et al., 2018; Micelotta and Raynard, 2011). Eventually, not only family firm identities are heterogeneous, but also the ways in which these are strategically communicated (Botero et al., 2019).
As we know from the literature on organizational identity, the identity of an organization is typically the source of relative stability (Albert and Whetten, 1985). While the stability of identity has been a source of debate (Gioia et al., 2013), there is consensus that identities do change, be it due to their social character implying continuous reconstruction (Ravasi and Schultz, 2006) or as a consequence of major events, including collective status such as merges and acquisitions (Albert and Whetten, 1985). In the context of family firms, for instance succession processes have an impact on family firm identity. As a new generation of family members takes over control of the firm, new actors with their own personal identities make their own imprints on the firm and its identity (Wielsma and Brunninge, 2019). This interplay of identities on the levels of the individual, the family and the firm gives rise to dynamics. Different types of identities are usually aligned as misalignment can lead to conflicts inside and misinterpretations outside the organization (Balmer, 2012). Wielsma and Brunninge (2019) claim that members of an owning family strive for establishing and maintaining congruence between different identities. This may lead to pressure on the family firm identity to change and also influences the decision how and to what extent family firm identity is communicated.

External communication of family firm identity
The literature on branding in family firms has for quite some time been discussing why companies consciously communicate their identity as family firms to external audiences (Beck, 2016; Sageder et al., 2015). A key argument draws on the resource-based view of the firm, claiming that family firm identity is a unique asset helping the company to differentiate itself from its competitors (Astrachan et al., 2018; Blombäck and Botero, 2013; Botero et al., 2019; Carrigan and Buckley, 2008; Eddleston, 2011; Ibáñez et al., 2022; Sundaramurthy and Kreiner, 2008; Zellweger et al., 2010). Often, stakeholders have positive connotations with family firms in general (Beck et al., 2020; Sageder et al., 2015) or identity features of a specific family firm, such as its track record, which convey a positive reputation to external audiences (Blombäck and Brunninge, 2016). Micelotta and Raynard (2011) made a key contribution to research on the external communication of family firm identity by discussing the question of “concealing or revealing the family”. They identified three approaches by which family firms can address the role of the owning family in their branding strategies: (1) the family preservation strategy, (2) the family enrichment strategy and (3) the family subordination strategy. While the first two emphasize the family’s significance within the business, the family subordination strategy keeps the family and business identities separate, more or less concealing the owning family in corporate communications.

From a commercial perspective, a family firm might benefit from communicating its family identity for various reasons. Astrachan and Botero (2018) emphasized the positive expectations many stakeholders have of family businesses. Different family firms also share characteristics that predispose them to cooperate with each other easily (Hadjielias and Poutziouris, 2015). Beyond the perception that a family-controlled firm is more sympathetic than an anonymously owned, widely held firm, communicating family ownership is a means of differentiation (Zellweger et al., 2010). Blombäck and Brunninge (2016) stated that, in particular, multigenerational family ownership suggests accountability, the existence of values that have passed the test of time and an implicit promise of future reliability. This is especially emphasized in cases where the family is included in the corporate brand. Conversely, as all branding constitutes a long-term investment (Aaker, 2004), dissolving such a visible connection also implies that the value in the investment is lost.

Deephouse and Jaskiewicz (2013) emphasized that explicitly communicated family ownership, particularly in eponymous firms, spurs owner-managers to perform better. Firm success and failure become visibly linked to the family members; thus, the reputations of the
family and the firm become mutually reinforcing. This is also a reason why branding the firm as a family business is mutually risky to firm and family. A family member’s misconduct could damage the firm’s reputation, potentially for a long time (Brunninge, 2017). Similarly, negative news about the firm could spill over and taint the family members (Astrachan and Botero, 2018), an even higher risk for eponymous firms (Brunninge, 2017). The public exposure associated with eponymy can in itself be an emotional cost (Boers et al., 2017). It is also worth noting that connecting the firm and family could become problematic if the owners want to sell the firm (Zellweger and Astrachan, 2008). If family ownership has contributed to the company’s value, it may be impossible to transfer this value to the new owner, who in turn may be unwilling to pay a high price for the business (Brunninge, 2017).

The interplay of family firm identity with the identity of the family and that of individual family members, implies that changes in the communication of family firm identity has an impact on the family as well as on individuals (Wielams and Brunninge, 2019). Identities develop in interaction with the environment (Gioia et al., 2000; Schultz and Hernes, 2013). Therefore, decisions about concealing or revealing the family should not simply be seen as instrumental business decisions without considering their impact on the family. Wielams and Brunninge (2019) found that the communication of family firm identity affects family members’ identification with the firm and that strategic decision on the firm level may be triggered by family members’ desire to signal their identification with the business.

Hence, family members’ identification with the firm is both an internal matter for the family and a commercial question for the firm. A corporate brand proposition is typically derived from identity, and acquiring a favorable brand is a key objective of identity management in firms (Balmer, 2011). Consequently, if a family firm’s brand is connected to its identity, it is also linked to the family’s identity (Berrone et al., 2012) and therefore mirrors the family’s identification with the firm. This is particularly obvious in eponymous firms (Wielams and Brunninge, 2019). As one’s reputation may spill over between the family and the firm in both directions (Brunninge, 2017), concerns arise regarding how the firm is perceived by external stakeholders (Deephouse and Jaskiewicz, 2013).

In the following method section, data collection and the analytical use of the study’s key concept, family firm identity, is described. However, as this concept is clearly linked to the concepts of family firm brand and family identity (Wielams and Brunninge, 2019), the following section relates in a supplementary way to these concepts as well.

Method
This study applies a case study approach (Eisenhardt, 1989) to understand how the family firm identity is affected when it is no longer publicly communicated. The case study method uses many contextual variables and multiple data sources, allowing for different perspectives and triangulation (Yin, 2011), which makes the intersection of family and business comprehensible (De Massis and Kotlar, 2014; Payne, 2018). This methodology is especially appropriate for making complex gradual developments understandable (Pettigrew, 1987). The story and the empirical richness that can be conveyed by a single case study allows for deeper exploration and revelations, in line with an inductive approach (Eisenhardt and Graebner, 2007). However, since there is a need to explore the connection between communicated family firm identity and strategic decisions (Botero et al., 2013; Prügl and Spitzley, 2021; Zellweger et al., 2010), a single case approach was chosen (Fletcher et al., 2016). Furthermore, the case is quite unusual (Flyvbjerg, 2006), as the sudden disconnection of family and firm in corporate communications appears counterintuitive, considering the advantages of marketing a company as a family business. Because the authors are investigating the unexpected, the study contributes to the understanding of communicated
family identity, which also justifies the choice of a single case study approach (Eisenhardt and Graebner, 2007).

Our case study longitudinally tracks a company and its owning family using archival data combined with interviews, which helps to highlight and clarify the contextual development (Pettigrew, 1987). The focal firm acquired another company in 2011, which eventually resulted in a change of business concept and rebranding of the original family business. Studying this shift allows us to interpret the mentioned rebranding. However, since family firm identity is a consequence of family history, roles, behavior, core activities and strategic decisions, among other factors (Zellweger et al., 2010), the change from a communicated family identity needs to be understood in its context—it is normally a consequence of internal or external organizational contingencies (Botero et al., 2013; Prigl and Spitzley, 2021). The case also describes the emergence of market rational arguments that finally led to a change of business concept, which in turn, motivated the company to stop communicating as a family business. For case studies, it is critical that the selected case represent the phenomenon under study (Seawright and Gerring, 2008). Since the case chosen concerns a company that used to market itself as a family business but stopped doing so, it clearly represents the aim of this study.

TJAB is a third-generation business-to-consumer home electronics family firm founded in 1951, while Online Electronics (OnEl) was founded in 1999. After TJAB acquired OnEl, both companies were initially operated as two separate units with different business concepts and brands. However, in 2015, the owning family decided to remove the traditional family brand, and in 2017, they changed it to OnEl. Accordingly, the family firm identity of TJAB is the primary focus of this study.

Data collection
To capture relevant data and from different stakeholders, empirical material was collected from different sources classified at the field and company levels, a distinction that supports the contextual understanding of the studied phenomenon (Pettigrew, 1987). All companies, brands and individuals were anonymized using pseudonyms.

The field-level data are mainly secondary data collected from several Swedish family firms that have changed their company name. These data offer a contextual understanding of how the family firm identity is affected when changing their company name in the trading sector. To reach sufficient breadth of the contextual understanding (Reay, 2014), the field-level data comprise 14 reports containing secondary interviews collected from the business press, each more than 1,000 words long, and 11 interviews conducted by the authors with family owners and key persons from four Swedish family firms that have undergone a name change. Furthermore, the field-level data contain CEO statements from 24 annual reports and 171 press clippings. These data concern identity aspects occurring when changing the family firm’s brand and are thus directly or indirectly related to the externally communicated family firm identity.

The bulk of the company-level data is archival. Since this study aims to explore how the family firm identity is affected when it is no longer publicly communicated identity, the analysis is basically based on the externally communicated family firm identity, as conveyed through business magazines, daily press, business podcast interviews and commercials. The following archival data were used: (1) 44 multipage business magazine reports and interviews with the family business owners, chief executive officers (CEOs) and communication managers (each over 1,000 words long), covering central family firm identity aspects, e.g. company and family history, relationships, beliefs and business strategy; (2) nine recorded interviews with third-generation family owners collected from established business podcasts, each 40–90 min, covering family history, the change of the family firm brand and business strategy; (3) 23 TV commercials collected from YouTube, highlighting the company as a family firm; (4) 29 annual reports; and (5) 496 press clippings. For the company and field
levels, all business magazine reports, interviews and press clippings were collected from the leading outlets of the Swedish business press, mainly from *Dagens industri, Affärsvärlden* and *Veckans Affärer*, as well as the business sections in the two largest Swedish newspapers, *Dagens Nyheter* and *Svenska Dagbladet*. Furthermore, in order to deepen the understanding of how the family firm identity is affected of the changed identity communication, an additional case study of the acquired company OnE1 was used, i.e. the brand for which TJAB was exchanged. In this way, the business concept and business logic that the family owners chose to communicate, instead of the family firm identity, was understood. In line with Leonard-Barton’s (1990) research practice for presenting longitudinal case studies, Table 1 presents the sources of the collected data and the periods they cover.

The rich archival data were complemented by semi-structured interviews, which mainly served to validate their results. Ten interviews (seven with people from TJAB [renamed OnE1 2017] and three with people connected to OnE1 before the acquisition) were undertaken. To obtain relevant information from different angles, the following actors were interviewed: information and communication managers at TJAB, store managers at TJAB, operative staff at TJAB, founders of OnE1 and a minority owner of OnE1. The interview questions with the information and communication managers, store managers and operative staff at TJAB concerned how the roles of the owner family had changed, the importance of family ownership, the continuation of both companies as separate entities, the decision to dissolve TJAB’s corporate brand and how the family firm identity and how internal and external communication changed in connection with the change of family firm brand. The interviews with the founders and minority owner of OnE1 pertain to OnE1’s business concept, the company’s acquisition process and the reasons why the new owners stopped communicating the family firm brand and how it affected the family firm identity. All of the interviews support the longitudinal understanding of the owning family’s relationship with TJAB and how the family firm identity was affected when ceasing to externally communicate the family firm identity. Table 2 presents further information about the interviews.

Furthermore, by triangulating the archival data against the authors’ complementary interviews from 2017 to 2021, biases through retrospective sense-making or skewed information (Golden, 1992) were minimized. For example, information about the family owners’ visibility in daily operations in business magazine interviews was triangulated against the authors’ interviews with the operational staff, or the family owners’ statements about the company’s low-price strategy in business magazine interviews were triangulated against statements in the company’s annual reports.

**Data analysis**

A case study analysis follows specified steps that are not always mutually exclusive (Eisenhardt, 1989). The present study applies five analytical steps. First, to explore how the family firm identity is affected when it is no longer externally communicated, the TJAB case was selected (Eisenhardt and Graebner, 2007). Second, to understand how the family firm identity changed, the case is divided into two chronological phases: before and after the change of the family brand. Third, inspired by Clark et al.’s (2010) and Short et al.’s (2010) acknowledged methodology, a substantial number of quotations related to family firm identity were identified; these were aggregated into categories embodying distinctive characteristics and constituted an essential part of the accumulated data. All three authors were involved in the entire process of coding the collected data. The main construct expressed in the research purpose (“family firm identity”) were used to identify the relevant material (Parmentier, 2011). However, family firm identity and family identity can be regarded as two subsystems to the family business system (Pieper and Klein, 2007), i.e. that they are inherently entwined and have a mutual relationship with each other (Wielsma and Brunninge, 2019).
### Data sources

#### Archival data
- Multipage business magazine interviews, of over 1,000 words, of key persons in family firms, covering name change and business development (secondary data), and a case study of OnEl (secondary data)
- Interviews collected from established business podcasts (secondary data)
- TV commercials (secondary data)
- Annual reports (secondary data)
- Press clippings covering name change and business development (secondary data)
- Complementary interviews conducted by the authors, covering name change, identity, and business development (primary data)

#### Field-level data
- Key persons from 12 Swedish family firms (2006–2020)  
  \( n = 14 \)
- CEO statements from four Swedish family trading firms (2006–2018)  
  \( n = 24 \)
- 18 medium-sized and large Swedish and Western companies (2006–2020)  
  \( n = 171 \)
- Key persons from four family firms (2010–2018)  
  \( n = 11 \)

#### Company-level data
- Key persons, TJAB, renamed OnEl in 2017 (2006–2021)  
  \( n = 36 \)
- Podcast interviews with third-generation family owner  
  \( n = 9 \)
- TV commercial highlighting the company as a family firm (2011–2014)  
  \( n = 23 \)
  \( n = 15 \)
  \( n = 314 \)
- TJAB, renamed to OnEl in 2017 (2017–2021)  
  \( n = 7 \)
  \( n = 8 \)
- Case study, OnEl (2001)  
  \( n = 1 \)

Source(s): Authors own creation
Therefore, we have also used the concept of family identity as a complementary tool to analyze and understand the family firm identity. As a family firm identity emerged from the experiences of central roles, events, activities and internal and external interaction patterns relating to the communication of family firm identity (Wielms and Brunninge, 2019), the keywords derived from the family firm identity, i.e. the attitudes, roles, behaviors, family relationship and beliefs, were used to identify the relevant quotations (Short et al., 2010). In this way, quotations with common characteristics were grouped as first-order data (Van Maanen, 1979). For example, quotations that show family members’ and employees’ attitudes about the company’s pricing and costs were grouped together. Fourth, to comprehend the characteristics of family firm identity, the grouped quotations were categorized into aggregated second-order themes (Tables 3 and 4) (Clark et al., 2010; Corley and Gioia, 2004; Van Maanen, 1979). Based on the common meaning of the grouped citations, aggregated themes that highlight the family firm identity were interpreted. Fifth, by comparing the themes before and after the firm stopped communicating the family brand, it could be analyzed how the family firm identity was affected (cf. Cleary et al., 2019).

### Background of the selected case, TJAB

In 1951, Thomas Johansson founded the Swedish company TJAB, which became well known and closely connected to the owning family, i.e. it could be labeled as an eponymous firm. The company initially consisted of one store that sold home electronics goods. The founder’s son, George Johansson, took over the firm in 1961 and rapidly developed it into a home electronics retail chain. In 1997, the company launched the new concept of extra-large consumer electronics stores. In the same year, TJAB entered the Danish market by acquiring another home electronics chain. Starting at the turn of the millennium, TJAB opened a number of consumer electronics warehouse outlets in Norway.

Holding X, the holding company through which the Johansson family controls all business activities, had been a minority shareholder of the publicly listed OnEl since 2006, and it acquired the remaining shares through a public offering in 2011. In the same year, TJAB launched a series of TV commercials highlighting the company as a family firm, emphasizing the family firm identity. From this time until late 2015, the owning family appeared to manage both brands as separate entities. Figure 1 shows the milestones of family company TJAB, renamed OnEl in 2017, and Figures 2 and 3 display the company’s sales growth and staff growth, respectively. For both measures, an increase is shown in 2012, which is a consequence of the acquisition.

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<tr>
<th>Role</th>
<th>Age and sex</th>
<th>Number of years in company</th>
<th>Length of interview</th>
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<tr>
<td>Communication manager 1</td>
<td>46, female</td>
<td>19, TJAB</td>
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<td>6, TJAB</td>
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<td>50, female</td>
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<td>Minority owner of OnEl</td>
<td>49, male</td>
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**Source(s):** Authors own creation

**Table 2.** Complementary interviews conducted by the authors, information aspects
<table>
<thead>
<tr>
<th>Identity dimension</th>
<th>First-order identification-related and representative quotations</th>
<th>Second-order aggregated themes</th>
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| Family firm identity | - I walk around the store every day, watching and listening. (CEO, third-generation of owning family TJAB)  
- The owning family governed quite strictly and had very strong norms for how to behave . . . they also visited the store. (employee)  
- The owners were visible and active in the company. (employee)  
- In the 1990s, I got an idea to include bikes in a marketing campaign with television sets. I talked to George and Robert [second- and third-generation family owners], and they thought it was a good idea. It became a success that was repeatedly used in campaigns. (manager, TJAB)  
- All [the employees] met the [owning] family, they were often in the store. (employee)  
- When Holding X came in as the owner, we further increased the focus on the cost side. (brother, third generation of owning family)  
- The small tetra packs of milk [for coffee] are gone since Theresa at the front desk figured out that the per-liter price was equivalent to an awful lot of money. The Johansson family seems to hammer cost awareness into the staff. (business journalist)  
- All businesses must be cost effective—it is essential to survive, no matter what industry you are in. (store manager, TJAB)  
- OnEl’s low-cost profile strongly recalls when Thomas Johansson started TJAB. (business journalist)  
- The owning family was skilled at signing agreements, creating margins, and keeping down costs. (employee TJAB)  
- It is important to nurture both OnEl and TJAB as low-price brands. (CEO, third generation of owning family TJAB) | Family owners’ close contact and high visibility in the daily operations  
Low-price profile combined with high cost awareness |

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<th>First-order identification-related and representative quotations</th>
<th>Second-order aggregated themes</th>
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| Family firm identity | - Since I was three or four years old, I have run around here [in the store] with my brother. When I was 13, I started to work part time in one of our shops. (CEO, third generation of owning family TJAB)  
- The company was founded by my grandfather, Thomas Johansson, [who was] then succeeded by my father, George Johansson. (brother, third generation of owning family TJAB)  
- My parents and my three siblings mean a lot, but also my own family. The family is the essence of existence, and the company unites us. (CEO, third generation of owning family TJAB)  
- They [the family of owners] pushed the family business thing hard, they had a reputation they were proud of that they had built up over generations. (employee)  
- It is the only home electronics chain in Scandinavia that can celebrate its 60th anniversary. It is a family company. I am the third generation. (brother, third generation of owning family TJAB) | The family business united the family members across generations |
| Family firm identity | - My father transformed a 20-square-meter store and built one of the largest electronics chains in the Nordic region. I have great confidence in him. (CEO, third generation of owning family TJAB)  
- My dad said he has the perfect job for me, as responsible for purchasing. He said, do whatever you want as long as you increase sales and profitability. That inspired me as a person. (CEO, third generation of owning family TJAB)  
- George Johansson [second-generation CEO TJAB] was a pioneer. He expanded the firm by thinking "outside of the box" before the expression even existed, which his son, Robert, often refers to. (communication manager TJAB) | The parents appeared as entrepreneurial role models |
| Family firm and family identity | - His grandfather founded the firm in 1951 and then his father, by bold moves, made it into one of the biggest home electronics retailers in Scandinavia. (business journalist)  
- George [second-generation CEO] is chasing Norwegian real estate for Scandinavian expansion. (business journalist)  
- We have survived because we are able to change. All the time, we have been able to change our product line, and we have never been afraid to try new things. (CEO, third generation of owning family TJAB) | Continuity of bold moves of the product line and strategy |

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| Family firm identity | - It [i.e. the change of company brand] was tough. My grandfather, father, and siblings have all worked at TJAB. It was, rationally speaking, the right decision. The combination of e-commerce and warehouse outlets is the future concept. (CEO Holding X, third generation of owning family)  
- We worked on a “reality check” in 2015, saw how the purchasing patterns changed, and realized that OnEl would be stronger. It was a necessary decision. (externally hired CEO OnEl)  
- TJAB was positioned as a retail chain. OnEl was better positioned for the future with its warehouse outlets and greater focus on online shopping. (communication manager OnEl)  
- We aggregated the resources and experience of TJAB. The focus is to develop and expand OnEl's successful brand and self-service concept. (externally hired CEO OnEl)  
- The company today has a strong concept and sets the agenda with online shopping. (employee) | The removal of the family firm brand and the business concept was motivated by business rationality |
| Family firm identity | - Over time, we have kept the same approach of having lower prices than our competitors. (externally hired CEO OnEl)  
- One of our main goals is to develop and improve the synergies that our business concept brings. This makes it possible to lower our prices. (communication manager OnEl)  
- With developed e-commerce and a significant increase in the number of warehouse outlets, it will be even easier for people to buy low-price home electronics. (externally hired CEO OnEl)  
- With our new concept we abandoned stores in the center of the cities, instead we now use warehouses with significantly lower rent, whereby we can maintain our low-price profile. (communication manager OnEl)  
- For three generations, our family has focused on the customers and their search for good products at good prices. (brother, third generation of owning family OnEl/TJAB) | Low-price identity remained |

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| **Family firm identity** | - In this space was the shop—see how small it was [showing part of the restaurant] and how dad lived on top of it. (CEO Holding X, third generation of owning family)  
- Nowadays, I work at a more strategic level. (brother, third generation of owning family TJAB)  
- The listing means that the family can go from an operating role in the company to taking a more strategic long-term ownership role. (business journalist)  
- When you call, he [i.e. a family owner] is never there, but you can send questions via email. That he, like others, would answer via mobile is not on the map. (business journalist)  
- It will also free up some time for myself [to work at a strategic level], and I hope to be able to realize some other ideas. (CEO Holding X, third generation of owning family) | From closeness to operations to a more distant and less visible strategic role |
| **Family firm and family identity** | - My dad told me once, “Robert, you get no new medals for old victories.” I took that with me when we made the biggest decision in our history [the removal of the family firm brand]. (CEO Holding X, third generation of owning family)  
- As my father said, “You get no success, you have to create success.” (CEO Holding X, third generation of owning family)  
- From George, I got my attitude to work [when working in the family firm]. It takes hard work to achieve success, and there are no shortcuts. (vice-CEO TJAB)  
- He took over a troubled TJAB from grandfather, then he changed the entire consumer electronics industry. (brother, third generation of owning family OnEl/TJAB) | Referring to the second owner-generation as role models for their decision making |
| **Family firm and family identity** | - The world’s best electronics come directly from the warehouse rack. (externally hired CEO TJAB)  
- We are proud of our knowledge and experience, which we have created in TJAB over 65 years. This will be developed by the company’s brands and by Agnes [new externally recruited CEO] and our coworkers. (CEO Holding X, third generation of owning family)  
- Our father’s lessons and unique ability to see opportunities and create success live on and permeate all companies that are part of Holding X. We are therefore very proud. (brother, third generation of owning family OnEl/TJAB) | The family firm as well as family identity of pride and determination could be retained despite the removal of the family brand |

**Note(s):** OnEl and TJAB have merged, and OnEl is used as the company name to clarify family membership with TJAB. We have used this acronym elsewhere, where relevant

**Source(s):** Authors own creation
Figure 1. Historical milestones of TJAB, renamed OnEl in 2017

- 1951: TJAB founded as a single store by Thomas Johansson
- 1961: Second-generation family owner, George Johansson, takes over as CEO and develops TJAB into a retail chain
- 1997: The concept of an extra-large consumer electronics store is launched and the retail chain is established in Denmark
- 2000: Third-generation family owner, Robert Johansson, takes over as CEO
- 2001: The retail chain is established in Norway
- 2011: A commercial film series is launched that markets TJAB as a family business; 23 different episodes are broadcast in 2011–2013.
- 2017: Holding X acquires the remaining shares of OnEl

The company ceases to be communicated as a family business; TJAB is replaced by OnEl as the company name.

Source(s): Authors own creation

Figure 2. TJAB’s (renamed OnEl in 2017) turnover growth 2010–2020

Source(s): Authors own creation

Figure 3. TJAB’s (renamed OnEl in 2017) staff growth 2010–2020

Source(s): Authors own creation
in 2011. The change of family firm brand in 2017 does not seem to have affected growth, as the growth trend continues. Based on the figures presented (Figures 2 and 3), the company is classified as a large company (Loecher, 2000). The quotes used in this section are collected from the business press, business podcasts and interviews.

Aggregation of empirical findings
By collecting and categorizing quotations illustrating how the family firm identity was manifested, an aggregated understanding of the family firm identity can be reached. The selection of family firm identity quotes was based on the identity implications that most frequently appeared in the collected empirical material. Table 3 presents the aggregated quotations illustrating the identity manifestations before publicly stopped communicating its family firm identity. Table 4 presents the aggregated quotations illustrating the family firm identity manifestations after publicly stopped communicating its family firm identity. By collecting family firm identity-related quotes from business magazine reports, business podcast interviews with owner family members, press clippings and from the authors’ interviews, and by categorizing these according to before and after the firm stopped communicating the family brand, significant characteristics were identified which enabled an understanding of how the family firm identity was affected. The data have been tabulated according to pattern of characteristics, which in turn, are abstracted into summative themes (Clark et al., 2010).

Thematic identity findings before the firm publicly stopped communicating its family firm identity
Before TJAB publicly stopped communicating its family firm identity, the company was characterized by the “family owners’ close contact and high visibility in its daily operations” (Table 3) and related to what can be seen as carriers of the firm’s values (Astrachan and Botero, 2018). Another distinguishing feature of TJAB was its “low-price profile combined with high cost awareness”, which can be regarded as a part of the family firm’s identity (Dyer and Whetten, 2006). This was constantly emphasized in the company’s marketing and by the family owners themselves. For example, between 2011 and 2014, TJAB launched a large number of commercials on one of the main and nationwide television channels which highlighted the family firm identity and its connection to low-price strategy. A recurring theme in these TV commercials was that third-generation owner and CEO, Robert Johansson, showed how TJAB was able to have such low prices. This was illustrated via comic scenes where sometimes other family members also participated. These TV commercials were a central part of the company’s marketing, as expressed by TJAB’s communications manager: “We also launched a new advertising concept that was a part of a long-term initiative to reinforce the TJAB brand and emphasize our motto: ‘Lower prices, better service’.”

Another identity marker that the empirical material showed was that TJAB had a unifying function for the owner family, that it “united the family members across generations” (Table 3). The family business created meaning for the family members which made the idea of succession clear. It was the father who offered his son, Robert, a position in the family business and instructed him to increase sales and profits by any means. This relationship, and the fact that the second-generation of family owners expanded TJAB extensively, made them “appear as entrepreneurial role models”, which also contributed to the company being publicly regarded as a fast-growing entrepreneurial home electronics retailer. George Johansson, the second-generation family owner, is described as follows in an article by a leading Swedish newspaper: “In his field, he clearly belongs to the group of Swedish entrepreneurs who changed and influenced business development. He and his company have long been strong in the field, simply an icon.”
JFBM

Another distinguishing feature of TJAB’s family firm identity, but also for the owner family identity, was the “continuity of bold moves of the product line and strategy” (Table 3). Through major structural changes such as introducing a new form of extra-large concept stores and expansion in Scandinavia, the company grew rapidly, illustrated in the following quote: “We were the first to offer free shipping [among the Scandinavian home electronics retailers]. We were the first to “slaughter that lamb”, which became a growth accelerator” (CEO, third generation of owning family TJAB). Therefore, this also became a part of the family firm identity.

Thematic identity finding after the firm publicly stopped communicating its family firm identity

After TJAB publicly stopped communicating its family firm identity, minor family firm identity features changed, however, most of them remained in their basic forms. The biggest change consisted in the removal of the family firm brand, which was abandoned in 2017, described in the Swedish business press as follows: “The well-known home electronics brand TJAB is buried after 65 years, when the company converts the TJAB stores into warehouse outlets” (business journalist). Thus, the history of the company as a family business completely disappeared this year from the company’s website; i.e. it appeared as a non-entwinement of the firm and the family (Blombäck and Brunninge, 2013).

“The removal of the family firm brand and the business concept was motivated by business rationality” (Table 4), which is illustrated in the following quote from a third-generation owner of TJAB: “It was a very emotional and difficult decision to make, but as my dad once said, ‘No trees grow into heaven.’ TJAB was successful for over 60 years . . . but OnEl is a digital concept that has its DNA in e-commerce and is better equipped to meet the future and global competition,” which is also highlighted by the company’s communication manager: “We made a clear departure with our positioning. Thanks to our warehouse outlets and our e-commerce, we are now meeting the market demands.” Since previous critical decisions also had been motivated by business rationality, i.e. the introduction of extra-large concept stores and the expansion in Scandinavia, this approach can be seen as part of the family business’s identity (Brunninge and Melander, 2013).

Regarding the company’s “low-price identity” (Table 4), it continued after the family firm identity had ceased to be communicated, as shown in the following press release: “In our ambition to have Sweden’s and Norway’s most satisfied customers, we implemented a comprehensive restructuring in 2017. . . . The goal is to satisfy customers even more, improve cost effectiveness, and thus lower prices for our customers.” Thus, the basic features regarding price and cost awareness were remained, but now marketed via an entirely different business concept. Cost advantages were achieved by converting TJAB’s former stores to the new concept at the same time as the number of warehouse stores grew. However, a difference from before was that the family owners ceased with their close and operational leadership and instead took “a more distant and less visible strategic role.” A greater focus was then placed on overall investments: “I have not been operationally active in recent years, instead I have spent more time on analysis and investment decisions” (third-generation owner of TJAB, 2018).

Furthermore, by “referring to the second-generation family owners as role models for their decision making” (Table 4), the bold decisions to change the family brand and business concept could be regarded as a natural part of the family identity, affecting the family firm identity as well. This was highlighted by a member of the owning family, who had been seen as an ambassador of firm identity in the past and who continued in this role with OnEl: “Big visions, a strong focus on customers and prices, and the courage to think and act differently have for decades characterized our way of doing business.” (third-generation owner of
TJAB, 2018). Hence, this characteristic of the family business identity was not affected when family firm brand ceased to be publicly communicated. Another distinguishing feature that neither was affected was “the family firm as well as family identity of pride and determination.” The family owners did not experience that the decision to stop communicating the family firm brand affected the identity of the family firm in this regard. Instead, they saw the company’s development as an uninterrupted sequence of events that they were proud to have achieved, expressed by a third-generation owner: “We were part of the change journey. Almost everyone [of the home electronics retail chains] who was involved since the 80s until the turn of the millennium, except us, went bankrupt. We changed the way of handling digitization and e-commerce like no one else. I am very proud of that.”

To sum up, except for the change of family firm brand and the ending of the operational presence of the family owners, the family firm identity characteristics were not affected when the company ceased to externally communicate its family firm brand.

Discussion
The findings suggest that the change of the family firm’s publicly communicated identity was closely related to and motivated by business rationality and a fundamental shift of the family firm’s business concept. Normally, one would expect the internally experienced identity to be aligned with the externally communicated identity (Dutton and Dukerich, 1991; Hatch and Schultz, 1997). In the present case, however, these identities started living separate lives.

Decoupling of internally experienced identity and externally communicated identity
With the rebranding from TJAB to OnEl, the established family firm brand was lost, as was the most obvious continuity with the family firm identity. Prior studies have emphasized the importance of a firm’s name for its identity (Kashmiri and Mahajan, 2010; Olivares-Delgado et al., 2016). The decision to forgo a brand can be even more challenging when the brand was built on the heritage and identity of the founding family (Blombäck and Brunninge, 2009). The literature advocates carefully balancing continuity and change efforts when firm identity is involved (e.g. Brunninge, 2009). How can individuals continue defining themselves based on an organization (i.e. identify with it) if the identity of that organization changes substantially, e.g. name change, change of owner visibility and owner family’s operational presence and thereby giving up the family firm brand?

The term decoupling has been used in institutional theory and refers to a form of resistance to change (e.g. Pitsakis et al., 2012). However, decoupling can also mean the coexistence of historical identity statements with contemporary ones (Sasaki et al., 2020). For the Johansson family, there were arguments both for and against maintaining the family’s explicit family firm identity. On the one hand, the family members continued feeling an emotional attachment to the firm. They wanted to keep it in the family and enable future dynastic succession. On the other hand, the commercial value of communicating the family firm identity had become questionable, and there was an emotional cost related to being openly associated with the firm (cf. Boers et al., 2017). In this situation, the owners referred to aspects of family identity that were speaking for the bold move the decoupling would represent. Based on references to “bold moves” undertaken by previous generations (Table 3), thereby laying the groundwork by bringing to mind TJAB’s original success and statements such as “you get no new medals for old victories” (Table 4), change and boldness were depicted as key identity features. The decision to decouple internally experienced and externally communicated identities could thus in itself be framed as an expression of firm and family identity, legitimizing the decision. Therefore, the authors propose the following:
Proposition 1. The decoupling of internally experienced and externally communicated identities is facilitated when such a move in itself can be framed as an expression of identity.

A shift in family firm identity

The concept of family firm logic is well established in family firm research (Berrone et al., 2012; Brundin et al., 2014), emphasizing the interconnection and mutuality of the family and business dimensions. Family interests regarding control, nonfinancial goals, family firm identity and dynastic succession affect business decisions while, simultaneously, the business affects the family. The interconnectedness of the family and business dimensions is taken for granted. However, the thematic findings in Tables 3 and 4 reveal an altered emphasis in family firm identity that occurs in connection with firm rebranding. At least to external audiences, the identity of the firm had changed fundamentally, with a new name, a different model of retailing and the removal of the visible connection to the family. However, upon closer examination, elements of TJAB’s former family firm identity remained in place. For several decades, the Johansson family was known as a low-price retailer and thus had developed a “low-price identity” (Table 3). Besides this low-price profile, in TV commercials, TJAB emphasized that it was a “family-owned business.” Another identity characteristic was that the CEO (third generation of owning family) repeatedly highlighted his parents as “role models” for his personal and operational leadership style (Tables 3 and 4). By applying the acquired firm’s business concept and name after the merger as well as the family firm’s low-price strategy (Table 4), the identity management concept is illustrated (Balmer, 2011). With respect to the family members, references to stable business values (Blombäck and Brunninge, 2016) are actually references to the family members who have shaped and embodied these values.

However, the previous attentive and personal leadership that characterized the owning family changed to “a more distant and less visible strategic role” (Table 4), which included distancing the family from public attention (Boers et al., 2017). Overall, sufficient aspects of organizational identity remained intact to serve as referents for the family firm identity. These were not communicated to outsiders, but they were obvious to the family members and were communicated internally. Therefore, the internal family firm identity remained intact, thanks to the decoupling of internal and external identity communication (Figure 4). Moreover, it should be emphasized that decoupling the owner family can also have some advantages. For the business, it can focus more on its operations and the low-cost identity. There are other non-family representatives of the business who are in charge of communicating and accounting for firm behavior than the owning family. For the family, stepping back can indeed mean opening up for new priorities in the owning family, e.g. raising up the next generation of family owners. There are several ways of preserving a family legacy (Manelli et al., 2023). It does not have to be in an operational position.

Hence, shifts from referring to externally visible, explicit referents such as a brand name, to implicit referents. In line with this understanding, the authors propose:

Proposition 2. Decoupling internally experienced and externally communicated identities is facilitated by shifting from explicit to implicit family-related identity referents.

Using family history in decoupling

Identity is typically entwined with the past, not least in family firms (Blombäck and Brunninge, 2013). In fact, actors involved in identity construction often evoke the past in order to make a present or future identity appear meaningful (Schultz and Hernes, 2013). When the owners of TJAB/OnEl decoupled the externally communicated identity from the internally experienced identity, their pasts were also decoupled from each other. The history of the family and the
former TJAB became invisible in OnEl’s external communications. Indeed, visitors to the corporate website receive the impression that there is no relevant history prior to 2017, when the firm rebranding took place. In contrast to this, the past, dating back to the origins of TJAB, still plays a major role in internal communications within the family. As a matter of fact, TJAB’s history is used to rationalize the strategic change that the rebranding represents and family members’ actions during those past TJAB years are used to characterize and reproduce the business values that are supposed to prevail in the family. The past, at least as it is used in firms, is malleable (Balmer, 2011): how it is communicated and remembered are open to choose. Thus, it can be adapted to present needs and ideas for the future (Brunninge, 2009). Hence, it is hardly surprising that stories from the past mirroring change and boldness were reused when the move to decouple the identities needed to be legitimized.

**Proposition 3.** Decoupling internally experienced and externally communicated identities requires a decoupling of the history that is communicated internally and externally.

**Proposition 4.** Decoupling internally experienced and externally communicated identities is facilitated by the inherent malleability of the past.

**Conclusions**
In this study, the authors explored how the family firm identity is affected when it is no longer publicly communicated. In the case studied, the replacement of the family firm brand was strongly related to and motivated by fundamental changes of the family firm’s business concept, i.e. commercial reasons created a sufficiently strong case to drop the family firm identity in external communications. Yet, while an externally communicated identity is relatively easy to change, the organizational identity as it is experienced by family members is not, as family members have partly derived the understanding of their own self from the identity of the firm (Pratt, 1998). Family firms can still undergo a major strategic change by decoupling the externally communicated identity from the internally experienced identity. This helps the family maintain their identification with the firm without the firm being tied up in their historical business. Such a decoupling is facilitated by (1) framing such a move as an expression...
of identity, (2) shifting from explicit to implicit identity referents and (3) decoupling internally communicated history from externally communicated history. In doing so, the firm makes use of the inherent malleability of the past. Even a changed business concept remains consistent with the owning family’s identity, i.e. the business logic shaped over generations, providing the family firm’s brand change with a market rationale. This means that, by decoupling a firm’s internally and externally communicated identities, family members can continue identifying with the firm while supporting the elimination of well-known family brands for commercial reasons. Of course, in the long run, the disidentification (Elsbach and Bhattacharya, 2001) that follows the elimination of the family brand might eventually lead to weaker social ties, less emotional attachment and unclear dynastic succession.

**Theoretical implications**

This article answers recent calls for a deeper and more nuanced understanding of family firm identity (Cruz and Arredondo, 2016). First, the study offers new insights into how the identity dimensions of “family” and “business” as well as internal and external (i.e. public) firm identities are affected when a firm ceases to communicate the family brand. Second, the study addresses the decoupling of externally communicated and internally experienced identity as a means of facilitating a major strategic change in a family firm. This highlights the relationship between identity adjustments and the change of the family firm brand and business concept. Business rationality appears to be fundamental to removing the family firm’s externally communicated identity. The motives for such a radical decision pose an apparent dilemma between identity considerations and future-oriented business rationales. This is resolved by the decoupling of identities, which goes as far as an eponymous firm dropping the family connection in its brand name.

**Practical implications**

From a practitioner’s perspective, this article offers new insights into what owning families need to consider when planning to change their involvement in family firms. Switching from an operational role to a more strategic role is relevant to any generational transition. This paper also shows that radical strategic change that, at least to external observers, goes hand in hand with a radical change in identity does not have to imply a loss of the family firm identity. The identity of the organization, as it is experienced and nurtured by family members, can differ significantly from the identity that is communicated externally. By decoupling these two identities, owning families can facilitate strategic change that becomes necessary for commercial reasons or as they experience drawbacks of being open with family firm identity (Astrachan and Botero, 2018; Boers et al., 2017; Brunninge, 2017). They should proactively look for historical, possibly implicit, identity referents that allow them to uphold their identification with the business despite the strategic change.

**Future research and limitations**

Future research should pay closer attention to strategic change in family firms related to family firm identity. Are there additional ways to facilitate the decoupling of externally communicated and internally experienced identities of the firm? How can family firm identity be maintained during strategic change? And should family firm identity be maintained in any situation even if there are emotional or other drawbacks (Astrachan and Botero, 2018; Boers et al., 2017; Brunninge, 2017)? As family and firm identity tend to interact (Wielsma and Brunninge, 2019), family members may feel the need to disidentify with their firm in order to increase their personal independence. This paper has only touched on disidentification; future research could study this topic in more detail, showing how and why it evolves over time.
As this study is limited to one example in the consumer home electronics industry in Sweden, future research should consider other industries in other contexts. This example is suitable, as it provides theoretical insights into the phenomenon of decoupling of firm and family identity when choosing a branding strategy. Finally, the communication strategy of family firm identity could be researched based on a sender’s and receiver’s approach (Botero et al., 2018) and how these are coupled and decoupled.

Note
1. There is no general agreement on how to define a family business (Hernández-Linares et al., 2018). Here, we define it as a business where a family is involved as controlling owner, in the management, or in the board of directors (e.g. Chua et al., 1999).

References


**Further reading**


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