

The Hidden Branding Risk for Family Businesses: The Family Becomes the Brand

Philipp Jaufenthaler (WU Vienna & University of Innsbruck)
Justin Scott (University of North Alabama)

Research shows that when families promote their role in a business, stakeholders judge not only the company but also the family itself.

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For years, the advice to family businesses has been simple: highlight your family identity. Tell your story, put a face to the name, and your brand will benefit. Extensive research supports this and stakeholders often prefer products and services from family-owned firms because they perceive them positively—as more trustworthy, socially responsible, and rooted in the community.

But there is a blind spot in this strategy. For the last decade, academic branding conversations have focused on how the family can strengthen the corporate brand while overlooking the opposite question: What does the business do to the family's brand?

Introducing the Business Family Brand

Our research suggests that when families step into the spotlight, they are no longer just people behind the scenes. As public attention increases, the family members themselves become part of what stakeholders evaluate. As such, promoting the family doesn't just build the company's brand (i.e., the Family Business Brand)—it also creates a second brand: the Business Family Brand. We define the Business Family Brand as:

“An interconnected yet distinct human brand through which the family reveals its business-related identity and

draws stakeholder attention, thereby informing the family's image and ultimately shaping its reputation by influencing stakeholders' expectations and associations toward the family.” (Jaufenthaler & Scott, 2026; p. 4)

This isn't just for global dynasties like the Beckhams or the Trumps. In smaller regions, business families are highly visible to communities, customers, and neighbors. Once a family and its members are associated with a business, they become a subject of public observation, discussion, and judgment. Even when a product or service is well-regarded, customers' perceptions of the family can influence their choices. For example, some customers boycotted Chick-fil-A after owner Dan Cathy became associated with controversial positions, explicitly linking their decision to him as a person rather than to the food itself.

In our recent study, we provide a roadmap for managing the three central pillars of a business family brand: identity, image, and reputation. Our study is also supported by insights from 500 German respondents regarding their general views on business families. The results clearly underscore that a family can become a brand in its own right. Unlike a corporate brand, this one is deeply human and therefore perceived and judged by a different set of rules, which we explain next.

The Two Lenses: Corporate vs. Human

The moment a family becomes public, people start forming impressions that go beyond professional roles. They begin judging character, values, and even personal lifestyles. Interestingly, stakeholders view the company and the family through two different lenses:

- **The Corporate Brand Lens:** When looking at the family business, people often focus on products, quality, service, size, and industry standing. To form their perceptions, they compare the firm to other corporations.

- **The Human Brand Lens:** When looking at the family, the reference points change. People compare the business family to other families, or even their own. They may look for cohesion, how wealth is handled, and whether success feels justified.

This shift is subtle but powerful. Imagine this example: A headline about "record profits" might signal competence for the company, but it could evoke envy toward the family. As a result, the company's reputation may improve, while the family's reputation suffers. In other contexts, effects can also spill over: When scandals or divisive positions damage the family's reputation, the business may face boycotts or legal challenges. This already highlights the need to consider both dimensions, as the same event can generate very different—and sometimes conflicting—perceptions depending on which lens is used.

What People Really Associate with Business Families

To better understand these perceptions, we asked 500 people from Germany to share the first words and ideas that came to mind when thinking about families who own or manage a business. Family businesses are a cornerstone of the German economy, ranging from numerous small and medium-sized enterprises, often referred to as the "Mittelstand," to large firms with a global presence (e.g., Bosch). Respondents were recruited via an online panel to reflect a broad cross-section of the population (aged 18–70), based on key demographic characteristics. The result was a rich set of more than 1,800 associations, capturing both positive and negative sentiments and revealing both overlaps with family business associations and significant contrasts.

On the one hand, business families are strongly linked to ideas such as tradition, responsibility, strong values, and hard work. These associations closely mirror the favorable reputation typically attributed to family businesses.

At the same time, however, a different set of perceptions emerges, one that is much more specific to families than to firms. Respondents frequently mentioned wealth, power, and, in some cases, arrogance, especially in combination with heirs. This is highly intriguing, given that family businesses are often

associated with small size, limited capital, and modest character. From a branding perspective, this suggests that while a family business brand fosters underdog perceptions with a down-to-earth personality, the business family brand, however, tends to trigger associations of a sophisticated and powerful elite. These differences indicate interesting branding implications—for example, highlighting the business family could reinforce desirable associations in premium or luxury contexts (e.g., exclusivity, heritage, status), while in other settings it may be advisable to place greater emphasis on the family business to foster perceptions of authenticity and modesty.

Overall, this reveals an important distinction: although family businesses and business families share a common foundation (family + business), stakeholder perceptions can diverge significantly, creating both advantages and disadvantages for branding. Figure 1 provides an overview with deeper insights based on our findings.


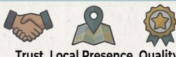




BRAND	BUSINESS FAMILY (HUMAN BRAND)	FAMILY BUSINESS (CORPORATE BRAND)
CORE ASSOCIATION	 Tradition, Wealth, Responsibility	 Trust, Local Presence, Quality
PERSONALITY	 Power, Heritage, Ambition	 Down-to-earth, Craftsmanship, Small
RISKS	 Arrogance, Internal Disputes, Patriarchy	 Innovation Gaps, Limited Capital

Figure 1: Perception of Business Family vs. Family Business (Created with Google Gemini based on our findings)

Managing Your Business Family Brand

For owners, it is no longer enough to manage the company's logo and messaging. The family should purposefully manage its own narrative across three dimensions:

- **Identity:** This is who you are as a (business) family. What are the family's collective values and principles that would exist even if the business disappeared tomorrow? Since multiple members are involved with their own personal identities, clarity at this level through targeted discussions about the family (not the business) is essential to establish a shared internal foundation.
- **Image:** This is how you want to be perceived as a (business) family. It involves deciding how

visible the family should be, which members can and want to represent it publicly, in what combinations, and what aspects of the family story are shared, including questions related to long-term image management during transitions (e.g., succession). Sustainable image strategies keep the gap between "who we are" and "how we want to be perceived" as narrow as possible to avoid role stress and maintain long-term authenticity.

- **Reputation:** This is how others actually see your (business) family. Business families should adopt an external stakeholder lens and reflect on how their family is perceived, how it differs from others, and who is publicly recognized as part of the family, noting that some members may play key roles in shaping the family's internal identity while remaining largely unseen in external perceptions. Importantly, families must recognize that outsiders often rely on previously revealed stereotypes (like the "arrogant heir") to fill in the missing insider information. Actively shaping reputation through targeted communication and actions can be essential to counteracting unwanted biases and fostering wanted perceptions. Storytelling—through selected family members and appropriate channels such as social media—can be particularly effective when applied deliberately and with clear intent.

Conclusion and Outlook

Stakeholders may interpret the same message very differently depending on whether they are evaluating the firm or the family. This raises a fundamental question of brand architecture: Who should be at the center of your branding—the business, the family, or both? In general, a positive reputation in one domain can reinforce credibility in the other, and vice versa. When the business is the focal brand, decision-makers often highlight the family to signal trustworthiness and authenticity. Yet when the family itself becomes more visible, some may hesitate, anticipating stereotypes such as arrogance or conservatism. Others, in contrast, may deliberately lean into perceptions of wealth, prestige, and influence to, for example, strengthen social or political positioning while downplaying associations with a "small" or "local" business identity.

Such tradeoffs are not new to family firms. However, the interplay between the business family brand and the

family business brand introduces a distinct and largely unexplored layer of complexity. Managing these parallel brands requires conscious choices about visibility, positioning, and long-term intent. As a first step, families should start recognizing the business family as a human brand in its own right, interconnected with but distinct from the corporate brand. Building on this, it becomes important to understand the different associations and brand personalities linked to each, including potential tensions between them. Finally, these insights can be translated into a more structured branding approach, involving deliberate and transparent communication among family members about how the family should be positioned publicly. In this process, external branding experts could complement internal perspectives and help align how the family and the business are perceived over time. Our full paper provides a structured set of concrete questions across brand identity, image, and reputation dimensions to support families in navigating these issues, starting with the most fundamental questions such as: What defines you as a (business) family? What is your family's general stance on branding the family?

Explore the Research

Jaufenthaler, P., & Scott, J. T. (2026). [Introducing the business family brand: Managing brand identity, image, and reputation. Journal of Family Business Strategy](https://doi.org/10.1016/j.jfbs.2026.100717) (https://doi.org/10.1016/j.jfbs.2026.100717) , 100717.