



<http://www.diva-portal.org>

Postprint

This is the accepted version of a paper published in *Corporate Communications. An International Journal*. This paper has been peer-reviewed but does not include the final publisher proof-corrections or journal pagination.

Citation for the original published paper (version of record):

Blombäck, A., Brunninge, O. (2009)

Corporate identity manifested through historical references.

Corporate Communications. An International Journal, 14(1): 404-419

<http://dx.doi.org/10.1108/13563280910998754>

Access to the published version may require subscription.

N.B. When citing this work, cite the original published paper.

Permanent link to this version:

<http://urn.kb.se/resolve?urn=urn:nbn:se:hj:diva-9815>

Blombäck, A. and Brunninge, O. (2009). Corporate identity manifested through historical references. *Corporate Communications: An International Journal*, 14(4), 404-419.

Corporate identity manifested through historical references

Anna Blombäck
Jönköping International Business School
P.O Box 1026
SE- 551 11 Jönköping
Sweden
Phone +46 36 101824
Anna.Blomback@ju.se

Olof Brunninge
Jönköping International Business School
P.O Box 1026
SE- 551 11 Jönköping
Sweden
Phone +46 733 826107
Olof.Brunninge@ju.se

Corporate Identity Manifested Through Historical References

by Anna Blombäck and Olof Brunninge

Abstract

Purpose – The purpose of this paper is to focus on how firms draw on historical references in corporate marketing. The paper seeks to analyze the logic behind such efforts from a corporate identity perspective and to propose potential risks and/or benefits of doing so. The paper aims to inspire the understanding of how references to history are used in marketing and the outcome of such use.

Design/methodology/approach – The paper mainly draws on literature relating to corporate marketing and the use of history in organizations. Combining these theories, and pointing at empirical examples, the paper clarifies why references to history can be important manifestations of corporate identity. The paper comes up with propositions concerning what consequences the reference to history in corporate marketing can have for firms' marketing strategies and business development.

Findings – The paper outlines a connection among corporate identity, organizational identity, and image through corporate communications. It suggests that among the range of corporate characteristics, historical references can be particularly valuable for corporate communications thanks to the reliability age can provide (as opposed to liabilities of newness). Still, elaborations suggest that the planned use of historical references has both pros and cons in terms of business development.

Originality/value – Despite the notion that history, as an inevitable and distinctive firm feature, can play an important role in corporate marketing, research on the topic is quite scarce. This paper offers some remedy to this gap by elaborating on the internal and external rationales for applying historical references and how these can be explained in connections between corporate identity and history.

Keywords: Corporate identity, Corporate branding, Corporate communications, History

Paper type: Research paper

Introduction

Alluding to distinct or particular corporate characteristics is a way to distinguish a firm and its offer. Inherent business features are therefore important. From a marketing perspective, they are interesting related to the planning or comprehension of internal and external communications, and questions concerning corporate identity or branding (Balmer and Gray, 2003; Melewar and Karaosmanoglu, 2006). History is one intrinsic characteristic and, as such, the focus of this paper. Some previous research has underlined the important role of history in constructing identities. For instance, historians (Hobsbawm and Ranger, 1992; Schulze, 1987) stress how groups of people refer to the past in order to define who they are. Researchers in branding (Aaker, 2004; Ballantyne et al., 2006) have started focusing on heritage as a potentially valuable feature of brands. This paper considers how corporate identity is manifested through historical

references in organizations. The paper makes a contribution to our understanding of how corporate identity is continuously (re)formulated, in processes that simultaneously influence internal and external audiences. The following vignettes provide two introductory examples of how current organizations refer to history for marketing purposes:

Melitta, the world-leading German producer of coffee filters, starts its official company presentation film with a flashback to corporate history. Owner-manager Dr Thomas Bentz walks through the streets of Dresden, where the company was founded in 1908 and grew until it was relocated to Minden in Western Germany after WW II. The viewers are told that Melitta's distinctive character lies in the company's competences, traditions, experiences and visions that cannot be found in financial statements. Dr Bentz then tells the story how his grandmother Melitta Bentz invented a filter that kept the grounds out of the coffee cup. The invention was the basis for founding the Melitta company. The film continues presenting the development of Melitta and its products to today's diversified firm making a wide range of consumer products (Melitta.info, 2008).

The German football club "Turn- und Sportgemeinschaft 1899 Hoffenheim" (literally Gymnastics and Sports Association 1899 Hoffenheim) was known as "TSG Hoffenheim" by its supporters until the Summer 2007. Then the management decided to skip "TSG" and instead call the club "1899 Hoffenheim" in all official communication. The club had just recently played in low divisions and was a newcomer to professional football in Germany. By changing the corporate brand name to include the year of foundation, the club conjured up a picture of an old established association with a long and glorious tradition[1] (Ntv.de, 2008).

In one sense or another all firms have a history. This history may be long or short, but even in a newly established company there is usually a history before the formal incorporation. This may include the formation of the business idea, the background of the founder, or businesses that preceded the firm. Since all companies have it, history can be interpreted as an omnipresent firm feature, which generally is also an important means for constructing the identity of an organization (Brunninge, 2005; Lundström, 2006). Depending on the age and other characteristics of the firm, the historical material for identity construction differs. Still, even young firms may identify a rich variety of reference points in their history when presenting the character, the strategy, or the products of their company.

Correspondingly, corporate history can be an important issue for internal as well as external marketing. Firms regularly make references to history in various forms of corporate communications. Rowlinson and Hassard (1993) for instance report how Cadbury constructed its corporate identity and brand by telling stories relating to the history of the Cadbury family. Lundström (2006) claims that there is a commercial use of history when companies purposefully refer to their past in communication with internal and external stakeholders. In terms of corporate marketing, historical references range from referrals to tradition in the company name, statements of age, or tradition on product packages and in commercials, to the sections of history on corporate web sites, and verbal presentations of the firm to new employees, customers, and visitors. In their simplest form, references to history do not require a lot of efforts or resources. Nevertheless, depending on the resources available for sophisticated communication strategies, the way in which companies can make references to history will vary. Not all firms are able to set up a company museum or hire distinguished journalists to write the company's biography. Given that firm size is often tied to available resources, we might foresee that a certain type of historical references are more likely among large firms. Similarly, the age of a company will affect the possibility to directly draw on the founder in communications.

From a corporate marketing perspective, companies select what and how to communicate based on the corporate identity. Under the assumption that firms usually plan their corporate and marketing communications rationally, those that include historical references should think of these as somehow important and valuable to the firm. Despite the notion that history can play an important role in corporate marketing, there has so far been little research on the topic. We posit that there are internal as well as external rationales for applying historical references and that these can be explained by exploring the connections between corporate identity and history. Accordingly, the current paper focuses on how firms draw on historical references in corporate

marketing. The paper analyzes the logic behind such efforts from a corporate identity perspective and identifies potential risks and/or benefits of doing so.

This paper aims to improve our understanding of how and why references to history are used in marketing and the outcome for firms of such use. Theoretically, it mainly draws on literature relating to corporate-level marketing and the use of history in organizations. By combining these theories, the paper clarifies why references to history can be seen as a manifestation of corporate identity. Furthermore, the paper comes up with propositions concerning what consequences the reference to history in corporate marketing can have for firms' marketing strategies and business development.

The paper is basically conceptual, but we have chosen to add a number of empirical case vignettes that illustrate the theoretical discussion and support our development of propositions. Some of the empirical examples have been studied by the authors through interviews, participant observation, archival studies or media observations, while others are mentioned in business literature.

Corporate identity and corporate branding

Since the mid-1980s, an increasing body of literature on identity in and of organizations has been produced. Organizational literature has put the emphasis on how members conceive the identity of their organization while marketing scholars have focused on how identity is communicated to external stakeholders. While organization theorists usually use the concept of organizational identity (Albert and Whetten, 1985), marketing literature is dominated by the concept of corporate identity (Balmer, 1995; Olins, 1989). The corporate-level marketing discourse holds corporate identity as a focal point (Balmer and Greyser, 2003). Albert and Whetten (1985) defined organizational identity as the aspects that members perceive to be central, distinctive, and enduring about an organization. In consequence of conceptual development reflected in corporate marketing theory, their definition is very similar to contemporary descriptions of corporate identity. By answering to the questions "what and who are we?" Corporate identity is portrayed as a holistic concept; comprising organizational features that make a company unique (Balmer and Gray, 2003, p. 979). In recent years, the organization theory and marketing perspectives on identity have increasingly cross-fertilized each other, leading to a convergence of the two streams of thought (Hatch and Schultz, 1997; He and Balmer, 2007; Schultz et al., 2000; Soenen and Moingeon, 2002). Disentangling the organization's internal conditions and external context becomes tricky as there is no clear dividing line between the two and external and internal conceptions of identity affect each other (Dutton and Dukerich, 1991; Hatch and Schultz, 1997). As this paper has a marketing focus we primarily use the concept of corporate identity, knowing that it is closely intertwined with what commonly is referred to as organizational identity.

According to Balmer and Greyser (2002), organizations do not simply have one identity but need to consider the actual, communicated, conceived, ideal, and desired identities. Hence, organizations might ask additional questions when dealing with corporate-level marketing, including, what are we, what do we say we are, what do we promise, what are we seen to be, what could we at best be, and what do we want to be (Balmer and Greyser, 2006)? Generally speaking, though, corporate identity represents something that is inherently based in the internal; distinguishing one firm from another (Balmer, 2009). In some contrast, corporate branding signifies how firms attempt to translate corporate identity through market offers, employees, behavior, symbols, and various forms of planned communications. Corporate identity, hence, is not a purely internal or external matter, but something that is simultaneously present within and beyond the company. Moreover, the notion of branding as a marketing management practice includes a focus on outcome, namely corporate image or reputation. Pickton and Broderick (2001, p. 23) define branding as being "[. . .] about the values generated

in the minds of people as a consequence of the sum total of marketing communications effort.” Consequently, brand management includes the choice of what elements of a corporate identity to expose as well as where and how to expose them.

The notion of brand identity varies depending on what entity the brand represents (Balmer and Gray, 2003; Knox and Bickerton, 2003). For brands that signify a single offer, a line or range of products, the brand’s identity can practically be constructed and managed by the organization through its decisions on, e.g. product design, product development, price, promotional strategies, color, advertising messages, reference groups, distribution system, and outlet. When we focus on companies as brands, though, identity is harder to grasp and manage. A corporate brand, very simply, can be seen as having its base in the company’s name, implying that corporate branding concerns the management of all associations related to that name. Thus, corporate brand identity in essence will be equal to discussing the corporate identity. This means that the company as such must be regarded. Its tangible and intangible assets, history, ownership, overall strategy, behavior, graphic symbols and, not least, the people involved are all part of continuously constructing and manifesting a firm’s distinctiveness and identity (Balmer and Greyser, 2006). Likewise, when discussing corporate brand image, the width of aspects and audiences to consider are often greater than when referring to a single product’s brand image (Knox and Bickerton, 2003). Kärreman and Rylander (2008), for example refer to branding as the management of meaning, suggesting that one important value of brand management is how it affects internal actors’ thoughts about the organization and their work. Corporate identity becomes a set of beliefs that supports shared meaning of the business and its operations.

Corporate communications as a means to integrate internal and external perceptions

Corporate communications refers to all communications that a company undertakes in the name of the company, through various media, aimed at relevant audiences (Ihator, 2004; van Riel, 1995; Varey, 1998). The concept embraces communication to groups inside as well as outside the organization (e.g. employees, owners, financial community, customers, suppliers, and distributors); providing a bridge between corporate identity and other corporate-level marketing concepts; such as corporate branding and image. While companies by tradition place much focus on marketing communications, corporate communications is more comprehensive and complicated (Balmer and Greyser, 2003, p. 145).

Van Riel (1995) divides corporate communications into three parts, namely: management, marketing, and organization communication. Management communication represents communications within the firm, aimed at gaining trust for the management team, empowering employees, starting internal change processes and creating a shared vision of the company. This relates to the notion of internal marketing (Hooley et al., 2004), including aspects like boosting employee morale, enthusiasm and loyalty, improving work climate, and attempting to establish a certain culture. It reveals two important and interrelated views on the employee; that of a customer (originally, Berry, 1981) and a relevant part of the corporate identity (Balmer, 2001b; Kitchen and Schultz, 2001). Marketing communication represents external communications primarily focused on obtaining end-users’ attention and acquiring sales. It includes advertising, sponsorship, packaging, homepages, personal sales, and sales promotion. Organization communication represents a firm’s communications with focus on obtaining or maintaining beneficial corporate images and relationships with stakeholders. It is managed through such functions as public relations and recruitment communication.

Some authors treat public relations and corporate communications as synonyms (Hutton et al., 2001). Referring to public relations as “[. . .] the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its publics” (Jefkins, 1994, p. 7), however, implies that it does not fully cover the current meaning of corporate communications. A comprehensive approach to corporate communications (van Riel, 1995) also comprises communication that is one-directional and focused on generating awareness and sales. Hence, while public relations is utterly integrated in corporate communications the two

are not here treated as equivalent. In light of this, van Riel's (1995) distinction of three types of corporate communication is important as it displays the width of communication objectives and practices. Yet, there are no absolute boundaries between the types. Efforts aimed at one public, with a certain intention, can also reach other publics, affecting several outcomes.

History in corporate identity

The literature on personal identity as well as research on organizational identity offer important contributions for understanding why history matters in a corporate identity context. It has been widely acknowledged that time and history play important roles in identity construction, be it on the level of individuals or of organizations. In his seminal work on individual identity, Erikson (1979, p. 22) notes that:

[. . .] the conscious feeling of having a personal identity is based on two simultaneous observations: the immediate perception of one's selfsameness and continuity in time; and the simultaneous perception of the fact that others recognize one's sameness and continuity.

This is similar to Albert and Whetten's (1985) definition of organizational identity, which addresses temporal continuity as one of three key criteria a claim must fulfill to answer the identity question "Who are we?"

In order to ascribe a distinct identity to an organization, both internal and external stakeholders need to recognize a certain degree of stability, at least in some of its key attributes. Otherwise it would not be possible to tell whether Company A in 1980 and Company A in 2008 are the same firm. It is thus important how external and internal stakeholders conceive the organization's history. A number of questions are interesting in this context. For example, what aspects that characterize the organization today can be traced back to the firm's early history? Which ideas of the founder can still be identified in today's business? Would a person who knew the firm in its beginning still recognize it today?

The importance of the past and the role of continuity in identity construction have recently become challenged by identity scholars. While the early work on identity (Albert and Whetten, 1985) was characterized by an emphasis on identity's stability over time, more recent contributions have questioned how enduring the identity of an organization actually is (Gioia et al., 1998, 2000). This issue becomes particularly relevant as various types of identity interact. Hatch and Schultz (1997) observe how organizational identity as experienced by organizational members and corporate identity as communicated to various stakeholders mutually affect each other; resulting in a more fluid view of identity. Alvesson (1990) even claims that in a world where the communication of a corporate identity becomes increasingly important, a constantly reconstructed image rather than any substantial identity prevails. At the same time, various empirical investigations show that identities in fact do change, but that such changes often meet resistance, require major management efforts or serious external pressures (Bartunek, 1984; Dutton and Dukerich, 1991; Gioia and Thomas, 1996).

The question of stability in organizational identity thus remains unresolved. In this context, it may be helpful to ask whether identity is stable in an "objective" sense or whether stability rather occurs in the eye of the beholder. Gioia et al. (2000) make an important distinction between an identity that is enduring and an identity that evokes a sense of continuity. While the former assumption sees identity as relatively stable, the latter is open for shifts in interpretation. As organizational members often resist changes in identity, change efforts are most likely to succeed if they are not perceived as major shifts in identity (Brunninge, 2005). From these findings, we can conclude that corporate identity should be treated as a matter of continuous, but gradual (re)formulation rather than something static, which is changed in total or not at all. Despite strategic changes, there should still be an impression of continuity. According to Gioia et al. (2000), such a sense of continuity is maintained by using labels that remain constant over

time, while the meanings of these labels are re-interpreted and adapted to changing circumstances.

They exemplify this with Hewlett-Packard's Way that has meant different things during the history of the company. Similarly, Chreim (2005) reports how change agents fill historical labels with new meanings and gain legitimacy for their change efforts. Where changes require a new view of the organization's identity, a revision of the firm's history may be a solution that makes the new identity appear as a continuous follower of the historical (Gioia et al., 2000; Brunninge, 2009).

Comprehending corporate identity thus takes more than defining what is explicit in a company's current culture. Moingeon and Ramanantsoa (1997, p. 386) emphasize that behavior, symbols, myths, and routines need to be considered. To grasp and understand corporate identity, they propose to analyze why the culture is as it is. In doing so, they suggest that history is a key variable as "identity is the product of the history of the organization." Corporate identity, then, is the sum of explicit and current symbols, and the hidden parts of organizations. Similarly, van Riel and Balmer (1997) portray history as an important key to formulating corporate strategy, which in its turn promotes corporate identity through the organization's behavior, communication and symbolism. However, history is not only a given in any organization, it can also be revisited, reformulated or reinterpreted to suit the objectives presently at hand. This idea is highly present in the French school of thought (represented here by Moingeon and Ramanantsoa (1997)). The fundamental logic of this approach is that the shaping of corporate behavior, symbols, and communication is actually based on a common organizational imagery. From this perspective, corporate identity to large extents concerns the interpretation of history. With regards to the corporate identity questions "what could we be" and "what do we want to be," this is highly important. It suggests that top management might use various interpretations of history in order to communicate or change a certain corporate identity.

In recent years, a growing stream of research on heritage relating to corporate identity and brands has emerged in the marketing field. Partly, this research refers to reviving old brands and evoking feelings of nostalgia among customers (Brown et al., 2003; Ewing et al., 1995). Others talk about "corporate heritage brands" (Urde et al., 2007; Balmer, 2009b) referring to companies that fulfill five criteria; including a solid track record, longevity, articulated long-held core values and symbols, and where history is central to corporate identity. Firms can leverage on heritage in their communication to customers and various other stakeholders. Similarly, literature on storytelling emphasizes how the past is made relevant to contemporary organizational life. Stories convey what is to be perceived as good/bad, success, or failure (Rhodes and Brown, 2005). They also contribute to supporting organizational claims of uniqueness (Martin et al., 1983).

Historians have for a long time emphasized that conceptions of history can be socially constructed in order to fit political agendas for identity constructions (Hobsbawm and Ranger, 1992). Schulze (1987) metaphorically compares history to a quarry, where actors selectively pick those stones that best serve their plans of identity building. Similar phenomena can be observed in organizations, where strategists selectively emphasize aspects of corporate history in order to gain support for their strategic agendas and to create a favorable image of the firm (Bunninge, 2005). Specific historical events are either emphasized or forgotten in order to create a sense of continuity among past, present, and visions for the future (Bunninge, 2009). In a study of history and corporate identity in the Swedish telecommunications firm Ericsson, Lundström (2006) finds that history is purposefully used as a part of the company's corporate branding. She describes how Ericsson draws upon its history to achieve various different aims. In one case history is used as a contrast to the modern Ericsson, while in the case of re-entering the Russian market, an exhibition in the Kremlin is used to establish continuity with Ericsson's activities in pre-communist Russia.

The significance of founding stages for corporate identity

Business founders play an important role when companies refer to their history. Authors repeatedly mention them when discussing the definition and manifestation of corporate identity (Balmer, 2001a; Melewar and Karaosmanoglu, 2006; Olins, 1978). Balmer (2001a) distinguishes that founders are important for determining the organization's desired identity as they articulate the company vision. Olins (1978) argues that young organizations mirror the personality of their founders who thus lay the ground for the firm's distinctiveness. Similarly, Kimberly and Bouchikhi (1995) note that the founding stage is critical to identity formation, as founders transfer their personal values and ideas to the firm. Hall (2004) finds that the founders' personal values become constitutive of the firm's identity and may remain present a long time after their death. Thus, challenging a corporate identity might not only mean opposing the company's core attributes, but also questioning the founder's legacy. Gersick et al. (1997) observe a sentimental attachment to the founding business, which makes it difficult to divest when other businesses have become more lucrative for the company.

These references to and observations of connections between corporate identity and founders and the introductory stages of business, raise important questions regarding company history. If the characteristics of corporate identity are related to the formation of the organization (Albert and Whetten, 1985; Kimberly and Bouchikhi, 1995), companies run the risk of stagnation. That is, a continuous referral to what was or has always been, could mean that the firm locks in on an identity that may have become dysfunctional although it is strongly supported in the organization. This risk is particularly present in companies that actively address history and keep it alive through corporate communications.

The increasing focus on corporate re-branding is related to this anticipated hazard of inertia. Re-branding concerns the efforts companies undertake to make sure that the corporate brand is attuned to contemporary market situations. It ranges from the change of name or logotype to, in its most extensive form, involving a redefinition of the corporate brand identity (Gotsi and Andriopoulos, 2007; Stuart and Muzellec, 2004). Given that corporate brand value is only accomplished in interaction with different publics, successful re-branding relies on support and understanding among stakeholders, internally and externally (Gotsi and Andriopoulos, 2007). As re-branding by definition implies change, a strong identity and/or image anchored in company history and tradition could impede or at least complicate the desired change. Likewise, the potential clash between change and corporate identities significantly hinged on company history is relevant in cases of mergers and acquisitions. Corporate identity is generally recognized as an important variable in such processes (Bartels et al., 2006; Melewar and Harrold, 2000), though often neglected in practice (Balmer and Dinnie, 1999). A far-reaching merger implies that at least one company's identity will be partly abolished and that the firm actually ceases to exist. Stakeholders whose associations to the firm are strongly related to the history of the firm as such (as opposed to, for example, its core operations, people, competencies, competitive approach, or previous performance) could then experience difficulties in recognizing themselves in the new, merged organization.

Further historical references in practice

The following two anonymized case vignettes reveal how firms explicitly and purposely use references to history to different audiences, with varying intentions.

First, Alpha is a medium-sized Finnish producer of working-clothes. The annual turnover is approximately e350 million, and the number of employees 2,200. The company was founded in the 1940s by Matti Lundberg, a tailor from the coastal city of Turku and his wife Kajsa. Having received some orders from medium-sized companies in the region, Matti successfully specialized in working clothes and was able to expand his business significantly. Kajsa was in charge of all administrative tasks while Matti concentrated on production and marketing. During

the 1960s, he started selling his products in various European countries through a network of distributors. A focus on product development and specialization on high-quality personal protection clothes, helped Alpha to survive competition from low-wage countries. Recently, the company has several hundred employees and has been run by Matti's son Kari since the 1970s. Kari's brothers and sisters have ownership stakes in the firm and several of them hold management positions. Kajsa died a few years ago. Although Matti no longer has any formal management tasks, he is highly visible in the company as he walks around in the factory and chats with employees.

Ten years ago, Kari decided to step down as chief executive officer (CEO) and an external CEO was recruited. The newcomer came from a listed company, spent much money on marketing campaigns and made expensive business trips. His management style was very different from the cost-conscious down to earth approach Matti and Kari had taken. As the financial results of Alpha deteriorated, the external CEO was fired and Kari came back as the CEO. Kari and his siblings decided that it was important to make an effort to restore the original Alpha culture and to preserve Matti's legacy in the firm. A corporate museum was inaugurated at the company site in Turku. There, visitors can look at Matti's first sewing machine, walk through Matti and Kajsa's first office and get an overview of all the different products Alpha has manufactured over the years. All new employees get a guided tour through the museum when they are introduced to the company. Then Matti is usually there and tells the story how he and his wife built the company. Also foreign distributors tied to Alpha are guided through the museum when coming to Turku. The same is true for customers who come to Finland. Meanwhile, many foreign distributors have displays in their showrooms where the history of Alpha is presented, including a model of Matti's first sewing machine. If customers are in a hurry, the distributor will start telling the story of Matti and Kajsa. Usually, this makes customers curious and they take more time looking at Alpha's products.

The story of Matti and Kajsa is also alive in management discussions at Alpha. Recently, Kari felt that Alpha, having its strengths in product development and production, needed to become more market oriented. The change was introduced as a return to the firm's historical heritage: "This is like Matti always used to work," Kari said at a management meeting. "He spent lots of time with the customers. We must become more similar to the old Alpha, like it was during Matti and Kajsa's days." Alpha clearly illustrates how references to history can be applied on several levels of corporate communications and how corporate identity can be modified depending on what parts of history are focused. The identity of Alpha as a business with solid heritage is emphasized towards both internal and external stakeholders with the intentions to affect sales as well as internal business behavior. Frequent references to the original founders underline continuity and create strong links between the contemporary firm and its historical origins. A corporate identity of being the thorough and reliable firm is constructed around references to the founder, the long-term development of Alpha, and the continuity of family ownership.

Second, Beta is a medium-sized producer of beer. The company is located in Sweden, has approximately 200 employees and a turnover of e100 million. In 2006 the company celebrated 100 years as a beer distributor. Beta frequently refers to its multi-generation family business characteristic and the one hundred years of operations in various communication channels, like employment ads, homepage and the products' packaging. The company presentation of Beta on the company's homepage, for example starts by specifying the firm's founders and its age. Similarly, the page presenting company history is filled with original, black and white pictures from the early days of business. Since the 100-year jubilee, all product packages are decorated with a special medallion referring to the company's age. The CEO explains the reason for continuously referring to the company's longevity in planned marketing communications; saying:

What lies behind that use is our knowledge. Our knowledge about beer, that we have dealt with it for one hundred years [. . .] and that there is a continuity in the learning.

She believes that this creates a sense of security, quality, knowledge, competence and tradition among different stakeholders.

By combining communications of the continuous family ownership and long survival of the operations, she believes that beholders will reflect upon the firm's accumulated knowledge, transferred over generations, which is necessary for purchasing and handling the delicate ingredients of and processes for making beer. The history of the company is also stressed internally. All new employees are given a presentation of the company background when they join the firm. This vignette illustrates how Beta consciously includes references to history in marketing and management communications, to external as well as internal audiences, in order to increase business value. The emphasis lies on constructing and maintaining a corporate identity which, founded on the company's long-term operations and accumulated competence, is perceived as a guarantee of good products and professional operations. To achieve this, history is deliberately used in corporate brand management, inside as well as outside the company, either by direct references to old pictures or persons, or by alluding to the long-term connection between one owner family and the business operations.

Conclusion

From the four empirical illustrations included in this paper and the conceptual discussions, we here derive a number of propositions regarding the role of references to company history in the construction of corporate identity. One can easily observe how many companies in marketing communications actively draw upon their identity as old or traditional. Links to the past are embodied in stories about historical persons or events, or allusions to company history in other ways (e.g. package design or slogans). For someone who is not a part of the company, distinctive corporate characteristic emphasized in communications either supports a feeling of assurance or uncertainty concerning the firm's trustworthiness. We therefore propose that:

P1. References to corporate history in marketing communications affect corporate brand image among external audiences.

An important topic in corporate identity and branding literature is the question how firms can be recognized in their uniqueness by external audiences. Since the history of firms is normally unique, it should contain features that allow distinction from competitors. Hence, we propose that:

P2. References to events and/or people in the corporation's past strengthen the recognition of a company's uniqueness.

As implied by the examples Alpha and Beta, references to company history can also be used in communications with managers and employees. As proposed above, history is an important key to formulating corporate strategy (van Riel and Balmer, 1997) and to the formation of a common organizational imagery, which will affect corporate behaviour (Moingeon and Ramanantsoa, 1997). We hence propose that:

P3. References to company history in corporate communications affect conceptions of the firm's identity held among internal audiences.

In light of the "liabilities of newness," referred to in entrepreneurship literature (Brüderl and Schüssler, 1990; Elfring and Hulsink, 2003), firms' drawing on history in corporate communications can be interpreted as a way to leverage on age. The liability of newness, originally coined by Stinchcombe (1965 cited in Baum et al., 2000), in essence suggests that

organizations are more likely to fail the younger they are, due to lack of established working roles, relationships, and legitimacy. Research suggests, though, that the liability of newness can be partly overcome by networks and alliances as these can provide a firm with strengths that commonly require some time to obtain (Baum et al., 2000, p. 270). Similarly, history by definition reflects continuity or endurance. In contrast to the liability of newness, thus, an advantage of historical references is that they can verify trustworthiness and abilities. This can relieve external as well as internal stakeholders in terms of perceived risk and security. Our P4 is therefore that:

P4. References to history are a means to leverage on age.

The foundation of a business is critical for the formation of its identity (Albert and Whetten, 1985; Kimberly and Bouchikhi, 1995), and is hard to change during later life cycle phases. Strong attachments to history, therefore, may lead to inertia that can be damaging when environmental changes make strategic reorientation necessary. This risk increases when corporate communications continuously refer to the historical heritage of the firm. We thus propose that:

P5. References to company history create stability along historical development lines that can turn into inertia when external changes create a need for change in the firm.

However, corporate communications can never refer to all attributes and all historical events in a firm. Selective reference to history (Schulze, 1987), allows managers to emphasize aspects of history that promote change, like the reference to Matti's market orientation in the Alpha case. Therefore:

P6. Change in firms becomes more likely when owners and managers selectively draw upon historical events that legitimize ideas for change.

Similarly, reference to history allows for reinterpretations of events as well as of concepts and labels (Chreim, 2005; Gioia et al., 2000). Even in companies that put much emphasis on its history the interpretations of history can be adjusted to suit contemporary agendas. We therefore propose that:

P7. Change is more likely in firms where owners and managers are able to infuse historical events and labels with new meanings.

Limitations, future research, and managerial implications

While the propositions are implied by our theoretical framework and case vignettes, further research is needed to support their validity. We suggest to make in-depth case studies in companies which make continuous references to company history in their internal and/or external corporate communications. Attending to a holistic notion of corporate identity, branding, and communications, such studies can serve to further develop several of the articulated propositions.

As indicated by organization and marketing theory, history either plays or has the potential to play important roles for most companies' corporate identity. While existing corporate identity literature has achieved a lot in understanding present and future identities (Balmer and Greyser, 2006), relatively little work has been done on historical identity. This paper contributes to our knowledge on corporate identity, by showing how past, present and future identities interrelate. In doing so, it shows that historical references can but not necessarily have to result in stabilizing corporate identity. The corporate communications notion draws attention to the fact that historical references in companies usually affect internal and external audiences

simultaneously. The internal consequences of historical references, relating to what is usually called organizational identity, and their external impact, through corporate identity, are closely intertwined. Neither in research nor in managerial practice it is possible to isolate either of the two. Historical reference directed to external audiences will automatically have an impact on internal processes and vice versa. With regards to the growth of corporate-level marketing, questions related to understanding this impact and the possibility of benefiting from references to history in various communications are generally interesting. Nevertheless, the salience of history and the effect of using historical references might be more or less noticeable depending on other firm characteristics. Future research should pay special attention to older-than-average firms and multi-generational family businesses as such companies are likely to have a rich corporate history.

Our research suggests that practitioners should take an active approach to handling their corporation's history. As a first step, managers should review how and why references to history are currently used in their organization. How do historical references affect corporate brand image among external audiences and what do they mean to conceptions of organizational identity held by employees? What do historical references mean to corporate strategy? Do they function as an inertial force or do they open up for change by legitimizing new strategic initiatives? Once managers have become aware of the role references to the past play in their organization they can proactively draw upon history in corporate communications. Conscious reference to history can thus become a powerful tool both in external marketing management and internal change management. As argued, an essential part of corporate identity and brand management is the correlation of what the company is, what it promises and what it does. Currently, companies run the risk of corporate dissonance (Bernstein, 2009). This dissonance refers to a gap between companies' ability to understand the language of corporate marketing and present nice rhetoric, and their aptitude to translate this into concurring performance. In regards to our suggestions to practitioners, the notion of corporate dissonance emphasizes that work with corporate communications and references to history cannot be short-sighted. One must go beyond the potential value of image effects, to assure that the promises made by references to history are also met by the current organizational identity, the company's operations, offers, and so forth.

Note

1. We thank Börje Boers for making us aware of the 1899 Hoffenheim case.

References

- Aaker, D.A. (2004), "Leveraging the corporate brand", *California Management Review*, Vol. 46 No. 3, pp. 6-18.
- Albert, S. and Whetten, D.A. (1985), "Organizational identity", *Research in Organizational Behavior*, Vol. 7, pp. 263-95.
- Alvesson, M. (1990), "Organization: from substance to image", *Organization Studies*, Vol. 11, pp. 373-94.
- Ballantyne, R., Warren, A. and Nobbs, K. (2006), "The evolution of brand choice", *Brand Management*, Vol. 13 Nos 4/5, pp. 339-52.
- Balmer, J.M.T. (1995), "Corporate branding and connoisseurship", *Journal of General Management*, Vol. 21 No. 1, pp. 24-46.
- Balmer, J.M.T. (2001a), "Corporate identity, corporate branding and corporate marketing. Seeing through the fog", *European Journal of Marketing*, Vol. 35 Nos 3/4, pp. 248-91.

Balmer, J.M.T. (2001b), "The three virtues and seven deadly sins of corporate brand management", *Journal of General Management*, Vol. 27 No. 1, pp. 1-17.

Balmer, J.M.T. (2009a), "Corporate marketing: apocalypse, advent and epiphany", *Management Decision*, Vol. 47 No. 4, pp. 544-72.

Balmer, J.M.T. (2009b), "Scrutinising the British monarchy: the corporate brand that was shaken, stirred and survived", *Management Decision*, Vol. 47 No. 4, pp. 639-75.

Balmer, J.M.T. and Dinnie, K. (1999), "Corporate identity and corporate communications: the antidote to merger madness", *Corporate Communications: An International Journal*, Vol. 4, No. 4, pp. 182-92.

Balmer, J.M.T. and Gray, E.R. (2003), "Corporate brands: what are they? What of them?", *European Journal of Marketing*, Vol. 37 Nos 7/8, pp. 972-97.

Balmer, J.M.T. and Greyser, S.A. (2002), "Managing the multiple identities of the corporation", *California Management Review*, Vol. 44 No. 3, pp. 72-86.

Balmer, J.M.T. and Greyser, S.A. (Eds) (2003), *Revealing the Corporation: Perspectives on Identity, Image, Reputation, Corporate Branding, and Corporate-level Marketing*, Routledge, London.

Balmer, J.M.T. and Greyser, S.A. (2006), "Corporate marketing. Integrating corporate identity, corporate branding, corporate communications, corporate image and corporate reputation", *European Journal of Marketing*, Vol. 4 Nos 7/8, pp. 730-41.

Bartels, J., Douwes, R., de Jong, M. and Pruyn, A. (2006), "Organizational identification during a merger: determinants of employees' expected identification with the new organization", *British Journal of Management*, Vol. 17, pp. S51-S69.

Bartunek, J.M. (1984), "Changing interpretive schemes and organizational restructuring: the example of a religious order", *Administrative Science Quarterly*, Vol. 29, pp. 355-72.

Baum, T., Calabrese, T. and Silverman, B.S. (2000), "Don't go it alone: alliance network composition and startups' performance in Canadian biotechnology", *Strategic Management Journal*, Vol. 21 No. 3, pp. 267-94.

Bernstein, D. (2009), "Rhetoric and reputation: some thoughts on corporate dissonance", *Management Decision*, Vol. 47 No. 4, pp. 603-15.

Berry, L.L. (1981), "The employee as a customer", *Journal of Retail Banking*, Vol. 3 No. 1, pp. 33-40.

Brown, S., Kozinets, R.V. and Sherry, J.F. (2003), "Teaching old brands new tricks: retro branding and the revival of brand meaning", *Journal of Marketing*, Vol. 67, pp. 19-33.

Brüderl, J. and Schüssler, R. (1990), "Organizational mortality: the liabilities of newness and adolescence", *Administrative Science Quarterly*, Vol. 35 No. 3, pp. 530-47.

Brunninge, O. (2005), "Organisational self-understanding and the strategy process: strategy dynamics in Scania and Handelsbanken", doctoral dissertation, Jönköping International Business School, Jönköping.

Brunninge, O. (2009), "Using history in organizations: how managers make purposeful reference to history in strategy processes", *Journal of Organizational Change Management*, Vol. 22, pp. 8-26.

Chreim, S. (2005), "The continuity-change duality in narrative texts of organizational identity", *Journal of Management Studies*, Vol. 42, pp. 567-93.

Dutton, J.E. and Dukerich, J.M. (1991), "Keeping an eye on the mirror: identity in organizational adaptation", *Academy of Management Journal*, Vol. 34, pp. 517-44.

Elfring, T. and Hulsink, W. (2003), "Networks in entrepreneurship: the case of high-technology firms", *Small Business Economics*, Vol. 21, pp. 409-22.

Erikson, E.H. (1979), *Identity and the Life Cycle*, Norton, New York, NY.

Ewing, M.T., Fowles, D.A. and Shepherd, R.B. (1995), "Renaissance: a case study in revitalization and strategic realignment", *Journal of Product & Brand Management*, Vol. 4 No. 3, pp. 19-26.

Gersick, K.E., Davis, J.A., McCollom, M. and Lansberg, I. (1997), *Generation to Generation. Life Cycles of the Family Business*, Harvard Business School Press, Boston, MA.

Gioia, D.A. and Thomas, J.B. (1996), "Identity, image and issue interpretation: sensemaking during strategic change in academia", *Administrative Science Quarterly*, Vol. 41, pp. 370-403.

Gioia, D.A., Schultz, M. and Corley, K.G. (2000), "Organizational identity, image and adaptive instability", *Academy of Management Review*, Vol. 25, pp. 63-81.

Gioia, D.A., Bouchikhi, H., Fiol, C.M., Golden-Biddle, K., Hatch, M.J., Rao, H., Rindova, V., Schultz, M., Fombrun, C.J., Kimberly, J.R. and Thomas, J.B. (1998), "The identity of organizations", in Whetten, D.A. and Godfrey, P. (Eds), *Identity in Organizations: Developing Theory through Conversations*, Sage, Thousand Oaks, CA.

Gotsi, M. and Andriopoulos, C. (2007), "Understanding the pitfalls in the corporate rebranding process", *Corporate Communications: An International Journal*, Vol. 12 No. 4, pp. 341-55.

Hall, A. (2004), "Strategy formation in the family business: in search of identity", paper presented at the 20th Egos Colloquium, Ljubljana.

Hatch, M.J. and Schultz, M. (1997), "Relations between organizational culture, identity and image", *European Journal of Marketing*, Vol. 31, pp. 356-65.

He, H.-W. and Balmer, J.M.T. (2007), "Identity studies: multiple perspectives and implications for corporate-level marketing", *European Journal of Marketing*, Vol. 41 Nos 7/8, pp. 765-85.

Hobsbawm, E. and Ranger, T.E. (1992), *The Invention of Tradition*, Cambridge University Press, Cambridge.

Hooley, G., Saunders, J. and Piercy, N. (2004), *Marketing Strategy and Competitive Positioning*, Pearson Education, Harlow.

Hutton, J.G., Goodman, M.B., Alexander, J.B. and Genest, C.M. (2001), "Reputation management: the new face of corporate public relations?", *Public Relations Review*, Vol. 27 No. 3, pp. 247-61.

- Ihator, A.S. (2004), "Corporate communication: reflections on twentieth century change", *Corporate Communications: An International Journal*, Vol. 9 No. 3, pp. 243-53.
- Jefkins, F. (1994), *Public Relations Techniques*, 2nd ed., Butterworth-Heinemann, Oxford.
- Kärreman, D. and Rylander, A. (2008), "Managing meaning through branding – the case of a consulting firm", *Organization Studies*, Vol. 29 No. 1, pp. 103-25.
- Kimberly, J.R. and Bouchikhi, H. (1995), "The dynamics of organizational development and change: how the past shapes the present and constrains the future", *Organization Science*, Vol. 6 No. 1, pp. 9-18.
- Kitchen, P.K. and Schultz, D.E. (2001), *Raising the Corporate Umbrella: Corporate Communications in the 21st Century*, Palgrave, New York, NY.
- Knox, S. and Bickerton, D. (2003), "The six conventions of corporate branding", *European Journal of Marketing*, Vol. 37 Nos 7/8, pp. 998-1016.
- Lundström, B. (2006), "Grundat 1876. Historia och företagsidentitet inom Ericsson", doctoral dissertation, Royal Institute of Technology, Stockholm.
- Martin, J., Feldman, M.S., Hatch, M.J. and Sitkin, S.B. (1983), "The uniqueness paradox in organizational stories", *Administrative Science Quarterly*, Vol. 28 No. 3, pp. 438-53.
- Melewar, T.C. and Harrold, J. (2000), "The role of corporate identity in merger and acquisition activity", *Journal of General Management*, Vol. 26 No. 2, pp. 17-31.
- Melewar, T.C. and Karaosmanoglu, E. (2006), "Seven dimensions of corporate identity: a categorization from the practitioners' perspective", *European Journal of Marketing*, Vol. 40 Nos 7/8, pp. 846-69.
- Melitta.info (2008), "Melitta. Ein Portrait jenseits der Zahlen" ("Melitta. A portrait beyond numbers"), Information retrieved from the film, available at: www.melitta.info/cms/unternehmendb/index.php?T_ID%41# (accessed August 20, 2008).
- Moingeon, B. and Ramanantsoa, N. (1997), "Understanding corporate identity: the French school of thought", *European Journal of Marketing*, Vol. 31 Nos 5/6, pp. 383-95.
- Ntv.de. (2008), "Hopp last Verein umbenennen" ("Hopp renames club"), information retrieved from the article, published on web site 070624, available at: www.ntv.de/818370.html (accessed August 20, 2008).
- Olins, W. (1978), *The Corporate Personality: An Inquiry into the Nature of Corporate Identity*, Mayflower Books, London.
- Olins, W. (1989), *Corporate Identity – Making Business Strategy Visible through Design*, Thames & Hudson, London.
- Pickton, D. and Broderick, A. (2001), *Integrated Marketing Communications*, Pearson Education, Harlow.
- Rhodes, C. and Brown, A.D. (2005), "Writing responsibly: narrative fiction and organization studies", *Organization*, Vol. 12 No. 4, pp. 467-91.

Rowlinson, M. and Hassard, J. (1993), "The invention of corporate culture: a history of the histories of Cadbury", *Human Relations*, Vol. 46 No. 3, pp. 299-326.

Schultz, M., Hatch, M.J. and Larsen, M.H. (Eds) (2000), *The Expressive Organization: Linking Identity, Reputation, and the Corporate Brand*, Oxford University Press, New York, NY.

Schulze, H. (1987), *Wir sind was wir geworden sind*, Piper, München.

Soenen, G. and Moingeon, B. (2002), "The five facets of collective identities; integrating corporate and organizational identities", in Moingeon, B. and Soenen, G. (Eds), *Corporate and Organizational Identities: Integrating Strategy, Marketing, Communication and Organizational Perspectives*, Routledge, London.

Stuart, H. and Muzellec, L. (2004), "Corporate makeovers: can a hyena be rebranded?", *Journal of Brand Management*, Vol. 11 No. 6, pp. 472-83.

Urde, M., Greyser, S.A. and Balmer, J.M.T. (2007), "Corporate brands with a heritage", *Brand Management*, Vol. 15 No. 1, pp. 4-19.

van Riel, C.B.M. (1995), *Principles of Corporate Communications*, Prentice-Hall, London.

van Riel, C.B.M. and Balmer, J.T. (1997), "Corporate identity: the concept, its measurement and management", *European Journal of Marketing*, Vol. 31 Nos 5/6, pp. 340-55.

Varey, R.J. (1998), "Locating marketing within the corporate communication managing system", *Journal of Marketing Communications*, Vol. 4 No. 3, pp. 177-90.