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SUCCESS IN FAMILY-OWNED BUSINESS WITH BUILDING STRONG- BRANDING IDENTITY IN SAUDI ARABIA FOR CONSUMER PERSPECTIVE

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ABSTRACT

The study purpose was to clarify customer's perception importance toward family branding identity. The questionnaire had been distributed among 85 consumers in Jeddah, Saudi Arabia. The quantitative data to collect the information that needed for this study. An online questionnaire was conducted and submit to random locals from 75 people and 100 people in Jeddah, Saudi Arabia who were aware of business family band identity. The questionnaire used was quantitative data which distributed questions to the mass and collected back and calculated in statistics. The population was targeted was customers that were Saudi nationality, female and males, all age ranges and shoppers. The result proved that most consumers believed family business identity brand was not a factor for successful business. the result was helped many family businesses to adapt consumer's perception whether to continue with their branding strategy or find need to alter business name. The brand name made huge effect to the consumers with new generations coming, people are shifting their communism behavior to more individualistic.

INTRODUCTION

In modern era, Saudi Arabia is becoming one of the dynamic markets around the world. The country along with its people are becoming more open along with modern. This openness has changed many consumers of how the way the thinking in new interest adaption. family businesses is a thriving business and a trend which plays important role in terms of affecting the economy together with good relationship with government. Saudi use as way to differentiate from no family businesses which helps in strengthen overall brand amount employees, consumers, suppliers and other relationship.

The common that Saudis to start the business with branding family names. Many large family industries in Saudi have great connections with governments and support of family for investments. Entrepreneurial brand building is an area of study in its infancy as entrepreneurship has limitations on the resources availability that supports self-business persona to take an unconventional approach to brand building. Dyson Appliances' approach was simple, as one of richest sources of society's value is mythology and adopted this technique and became a leading national brand [1]. The family firms with medium sized family owner groups and high levels of business family identity reach higher firm growth. Each family owners with no doubt have different strategic preferences, goals and identifies, thus potentially as subject to the conflict that could arise among different family owners in relation to growth expectations. This conflict could help family owners find potential solutions to their business [2].

Family-owned business plays an vital role in world economies which contributes to job creation and wealth that ranges from small enterprises to large conglomerates that operate in multiple industries and countries [3,4]. The family business is business which control or managed with target to shape and pursue the business vision held by a dominant coalition lead by same family members or small number of families and potentially sustainable across generations of the family or families [5]. In Europe, family businesses are estimated to make up over 60% of companies and contributes for 40-50% of employment based on European Commission [6].

The stakeholders prefer family firms as more trustworthy, responsible along with customer-oriented than public companies. The families owned business can use source about their family nature in their organizational branding and marketing efforts. The promoting family relations in branding efforts is driven by both identity-related which brings out their identification and pride. The value of family relation that indicated the decision making of family willing to share and communicate family business brand [7].

The identification of early brand building activities rooted in brand values which grounded the core for brand heritage and importance of brand orientation and brand strategy application in the professional era [8]. The user and usage imagery congruity are stronger predictors for brand attitude and brand loyalty than brand personality congruity (BPC) under the luxury fashion brands title tested. The user and usage imagery congruity have significant effects in brand attitude and brand loyalty in most studies. Symbolic benefits are key motivations behind luxury or family brand purchases. These benefits come from non-products related attributes like imagery. Most luxury brand market in multiple product categories, attention need to pay to the core perceptions of user and usage imagery for the brand when designing communication strategies for different categories [9].

The family businesses have huge effect in economics across the world. These types of businesses are consistently associated with specific attributes and expectation which targets toward notion that family businesses can be regarded as a "brand" on their own [10]. The pattern or normative factor

maybe both of positive and negative related to the growth of family social capital due to their potentially restrictive nature [11]. Different factors for family members that are not involved in the family business to endorse its status. The strong focus on norms and values that gradually developed may have harmful effects on the identification with the business [12].

Nowadays, family businesses are strengthening their brand by adding more of their identity to the business. The study aimed to determine consumers of Saudi market give recognition to family brand.

METHODOLOGY

This study aimed to understand support of local consumers whether aware of family business owners. If the mass were aware of business family owners in Saudi Arabia which branding of family business owners was stronger.

Business is executed based on the customer need while still critical but many underestimates of power of branding. Saudi family owners of business created their brand based on their family traditions which local consumer purchasing decision was affected. The quantitative data to collect the information that needed for this study. An online questionnaire was conducted and submit to random locals from 75 people and 100 people in Jeddah, Saudi Arabia who were aware of business family band identity.

Quantitative data was method used to measure the study by collected numerical information. The questionnaire used was quantitative data which distributed questions to the mass and collected back and calculated in statistics. The population was targeted was customers that were Saudi nationality, female and males, all age ranges and shoppers.

RESULT AND DISCUSSION

Result

Figure 1 shows that two companies included Unilever and Binzagr that customer recognized. There were 80.46% respondents recognized Unilever more than Binzagr which reached up to 19.54% respondents.

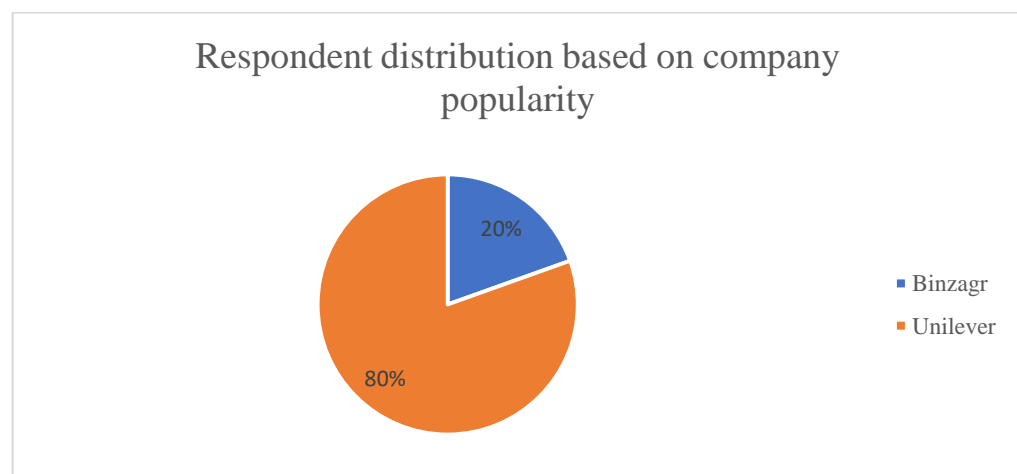


Figure 1: Respondent Distribution Based on Company Popularity

Figure 2 showed the result in which the customer engaged in the companies. The result showed 66.28% respondents judged a company by actual name. Meanwhile, 13.95% respondents agreed on judged the company based on the family name.

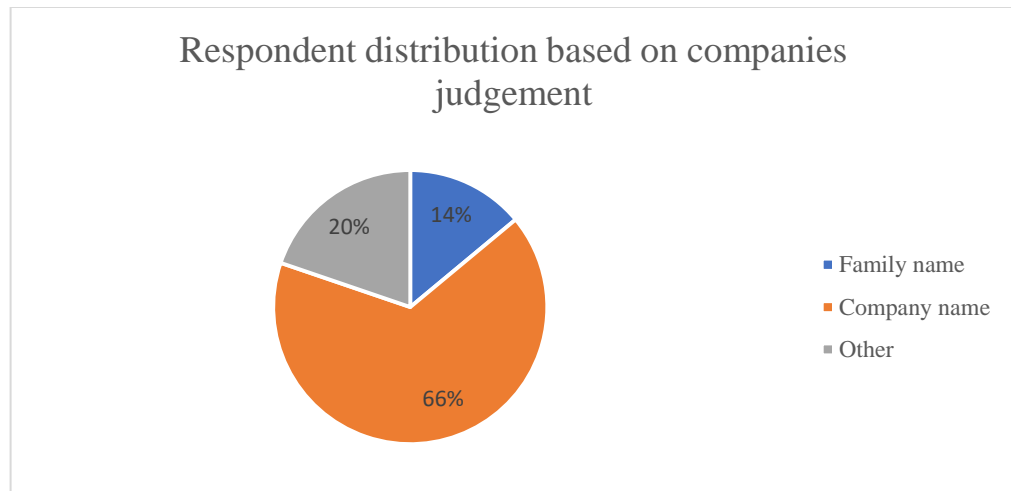


Figure 2: Respondent Distribution Based on Companies' Judgement

Figure 3 show that 73.26% respondents did not search for family business owners and 26.74% respondents did searched for family-owned business.

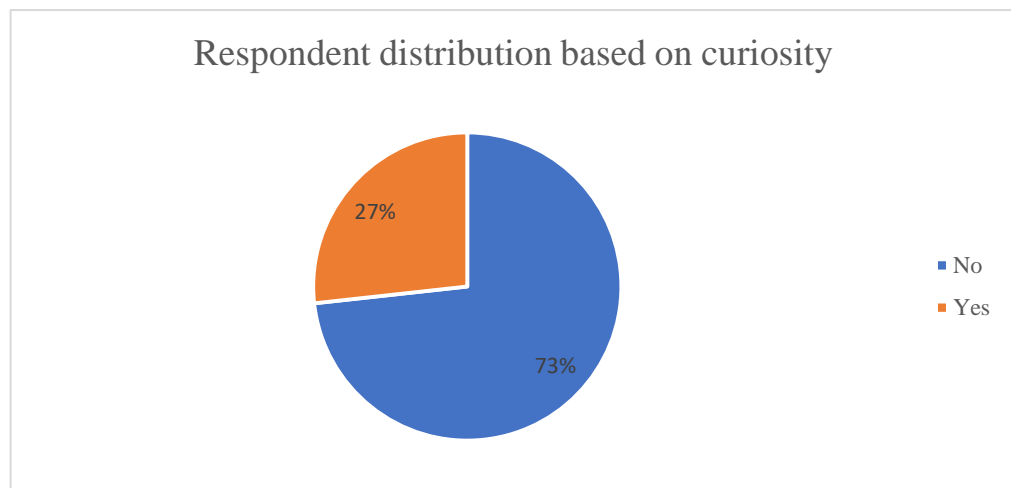


Figure 3: Respondent Distribution Based on Companies Judgement

Figure 4 shows 63.95% respondents are unwilling to buy the product or services from family-owned business. Meanwhile, 36.05% respondents are encouraged to buy from family-owned business.

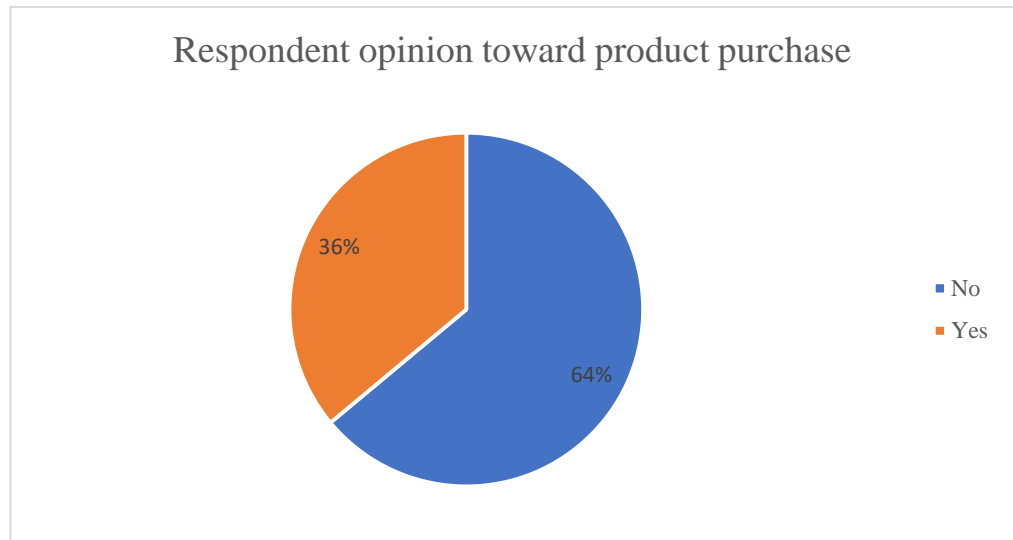


Figure 4: Respondent Distribution Based on Companies Judgement

Figure 5 showed 27.91% respondents would like to work in family-owned business and 72.09% respondents agreed on not working in this kind of business category.

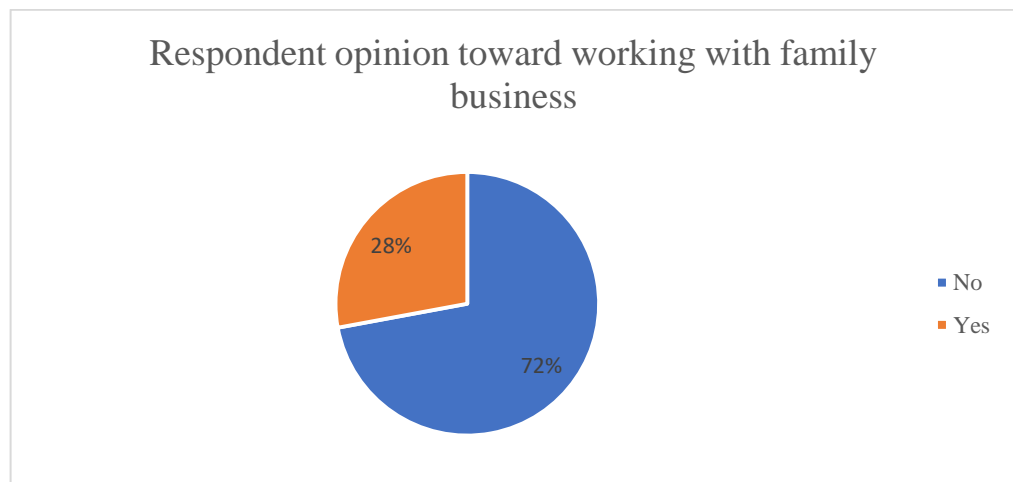


Figure 5: Respondent Opinion Toward Working with Family Business

Figure 6 has illustrated the pie chart result for respondent opinion toward family-owned business awareness. Based on Figure 6, results showed 75.58% respondents are aware on family-owned business and 21% respondents are unaware on family-owned business.

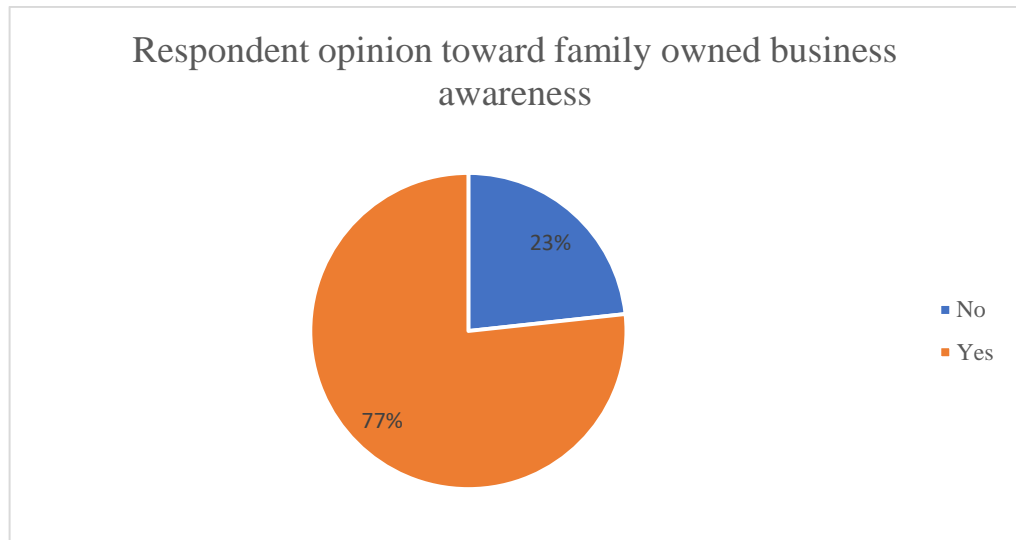


Figure 6: Respondent Opinion Toward Family-Owned Business Awareness

Figure 7 showed 65% respondents preferred created product brand. However, 20% respondents claimed that created a family brand name was more attracted for the business.

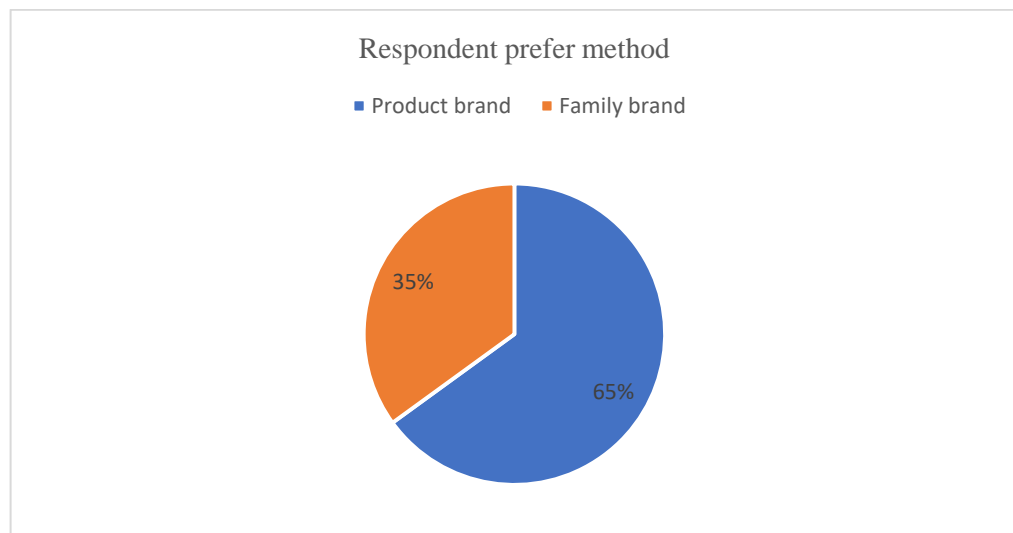


Figure 7: Respondent Opinion Preferred Method

Figure 8 showed 61% respondents claimed existing of family business name and 12% respondents did not knew on existing on family-owned business.

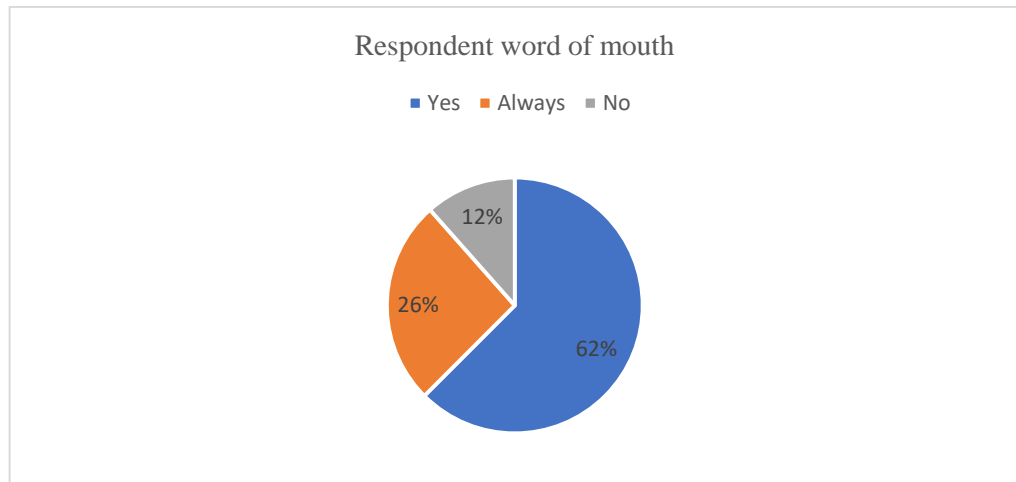


Figure 8: Respondent Word of Mouth

Meanwhile, Figure 9 showed 61% respondents are aware on family business successful and 31% respondents are unaware on family business successful.

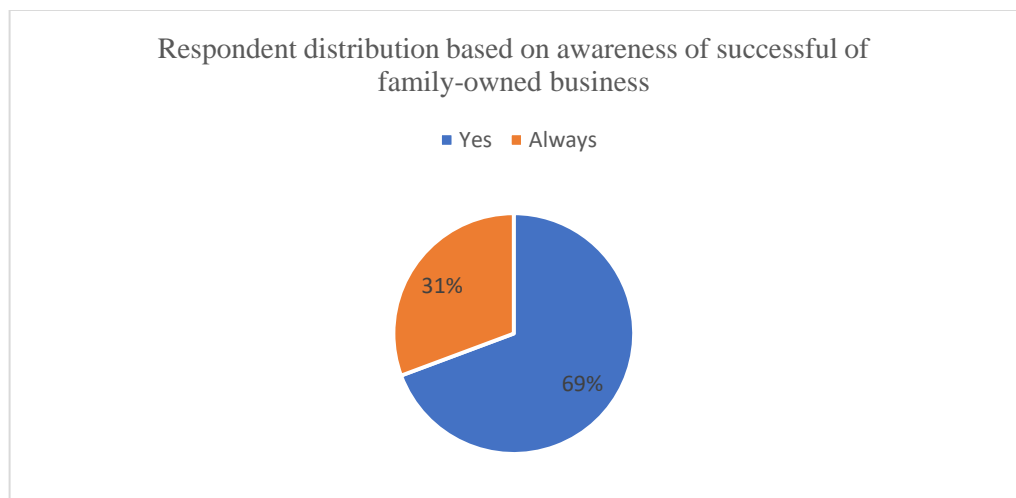


Figure 9: Respondent Distribution Based on Awareness of Successful of Family-Owned Business

DISCUSSION

The result shows most respondent recognized Unilever than Binzagr with 80.46%. Most respondents did not aware that Unilever was family collaboration business. Meanwhile, more than half of respondent recognized the company name than family name. This result stated the company had stronger brand identity judgement that family name since most respondents agreed on judging the company’s actual activities. Other respondent judged the company by reputation, service quality, product and market performance.

In additions, less respondent numbers that searched for family-owned business. Small statistics showed there were still people that curious to look more in the company service. Most respondents were answered people looked for reputation for decision making and people want to understand their background in terms of values and relations their story of success along with history of business and heritage. In additions, people want to understand the powerful and effect toward economy. Other answer was included credibility, stablish and validate relationship. For product purchase, only 36.05% respondents are willing to buy from family-owned business due to their trust that many families owned business has best qualification to serve quality products. Customer trust is important since customer trust has direct correlation with customer loyalty [13]. Besides, family business was known among locals especially in person which adds more value to trust. Another reason, people believed that family businesses were good to buy products on reputation which compelled to bring out best quality that reflected back to their name.

Most respondents are unwilling to work in the family-owned business with 72.09%. This result showed most respondents dissatisfied worked in family-owned business which affected product purchase with consumers. Besides, 75.85% of respondents are aware on family-owned business. This result showed that many large family industries were built in Saudi Arabia which many Saudis aware on the practices. Many businesses in Saudi Arabia were family-owned business that many people realized with awareness. Most respondents agreed on creating a product brand was easier with brand identity. This result also showed customer preferred product name rather than family's name. Hence, there is important for the degree of integration of family identity and business identity is use of family name as part of business name [14].

Furthermore, 90% of Saudi' economy was from family-owned business. Family brand identity in business was famous which showed many Saudi were aware on family business successful. There were many reasons for people took a step in opening a business family brand rather than the corporate. One respondent mentioned very crucial aspect that many locals culturally practice which people greet each other first frequent question was asked on family name. The people bonding with family values which added to the bond relationship between family. Another respondent agreed that products and services were given its credibility and recognition since family name and increased price in the family. Most family businesses had history along with story that passed out to their generation which gave strong reputation and a place in market share as well as trust and bond with its customer. Meanwhile, some respondents were disagreed on important of branding a family name for success in business. Furthermore, Craig et al. (2008) suggested family brand identity increased family business's ability to persuade the customer to make purchasing decisions based on perceived attributes of the seller [15].

CONCLUSION

In conclusions, family business was important which affected to economy and increased opportunities for local employees to find a secure job. Meanwhile, many people did not wish to work in family business which most employment

was recruited in a family-owned business. The investors had invested in a large family business corporation which not only to support the innovation but also the family. This result had contributed to strong brand name to the family.

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