

## *The Mas De Torrent Group: A Case Study of "Family Branding" in Tourism Firms*

*Pilar Presas, Dolors Muñoz and Jaume Gula*

### **Abstract**

Very little research has been done on the creation, development and effects of a family corporate brand in tourism family firms. In this case study, we aim at first developing a conceptual model of the creation of a family corporate brand in tourism firms, then later describe and analyze the case study to explore to what extent the tenets of the model are observed in the case. The conceptual model is developed taking as a reference some of the general literature on branding, and adapting it to the case of family firms in the tourism sector. Three elements are essential in the model: strategic vision, organizational culture and corporate image. After proposing the model, we analyze the case of a family hotel business in the Costa Brava, in Catalonia (Spain). On one hand the case illustrates and shows evidence of the presence and relevance of the family values in the corporate brand. On the other hand, the case shows how the particular family values or "familiness" on which the brand is built supports sustainable practices of tourism development, a particular pattern of business growth and development, and proves how the fact of being a family business becomes an essential part of the tourist experience for the guest. Therefore, the values of a tourist family firm strongly affect both the experience and satisfaction of guests and the path and type of development of the business over the years.

**Keywords:** Familiness, corporate branding, family values, business growth, sustainable practices.

**Key audience:** Family business owners, non-family managers, family business advisors, students.

**Workshop style:** Discussions on the interpretations of the case from the perspective of theoretical model.

## Introduction

Traditionally, most questions regarding family businesses in general have been included in literature on SMEs or on entrepreneurship. From the '90s a growth of the interest in research into family businesses as an independent phenomenon has occurred (Sharma, Chrisman & Chua, 1996; Smyrniotis, Romano, & Tanewski, 1997).

Family businesses and especially tourist-based family businesses should not just be analyzed as individual, independent categories, as in rural and peripheral areas they contribute to the development and maintenance of the community, the culture and the economy, in addition to a conservation of their environment and traditions, which are the resources mainly responsible for attracting tourists (Getz, Carlsen & Morrison, 2004).

Although there are many investigations which study family businesses from different perspectives at a disciplinary and conceptual level, none have yet studied the influence which family values exercise on corporate branding, and their consequences. The relevance of this investigation therefore centers on the development and exploratory analysis of a conceptual model of corporate branding applied to a family business. Fundamentally, it considers that a family business will develop its corporate brand and product in keeping with its own ideals.

At this stage, and in particular in what refers to the consequences of family branding for the strategic decisions that family business make, we restrict our analysis to the case of tourism-based family businesses. In further research this analysis can be expanded to other types of family firms and other sectors.

Many tourists are attracted to and enjoy a type of authentic cultural experience, especially as it provides opportunities for learning about everyday life in communities and families (Notzke, 1999). Wanhill (1997) observed that those families that own tourism businesses may themselves become part of the tourist experience of a visitor, in addition to increasing visitor satisfaction. This fact constitutes the basis of what we term family branding in tourism, the creation of a family brand, which could become a powerful element to get a competitive advantage in the family business. Additionally, the values of such a family-owned tourism firm will have specific consequences on the sustainability of the business itself and on its growth strategy, as well as on the destination in which they are embedded. Some of these consequences are much more marked in the tourism business, which justifies the restricted analysis of the model for tourism firms at this exploratory stage.

This case first introduces the literature on family businesses in the tourism sector and the brand construction of these companies. Then, an exploratory conceptual model is proposed and some propositions derived. Finally, the case of a tourism-based family firm is analyzed making use of interviews and qualitative methods. The results are then presented in the form of an interpretation and a discussion on the influence of the family values on the corporate branding of a family business and its effects, together with the recommendation that tourism-based family businesses make use of their familiness when creating a corporate brand to help them become and remain competitive. And finally, a teaching note for that particular case study and the conclusion are presented.

## Theoretical background

### The tourism-based family company

The motives, the objectives and the behavior of the owners of tourism-based family businesses differ from those of other types of companies, as tourism attracts many investors motivated by lifestyle and independence. The main objective of these motivations is the desire to work for oneself in more attractive surroundings such as rural areas and the peripheries, instead of having the main objective of growth and the attainment of quick, short-term profits, which is what companies in other sectors usually seek (Singer & Donahy, 1992; Sharma *et al.* 1996; Getz & Carlsen, 2000). The aspect of not necessarily desiring company growth means that comparatively few new jobs are created, and the fewer employees contracted are usually members of the same family (Westhead, 1997; Nickerson, Black & McCool, 2001).

The types of tourism-based family companies may be classified in terms of their objectives and their motivations for starting a new business (Getz, Carlsen and Morrison, 2004). There are part-time family businesses, for example, which focus on the organization of trips and/or guided tours during the weekends, the activity of which is totally independent from the main occupation of the owners. There are also "full-time" companies, which in many cases are localized in the family home itself, and these are related to the hobbies of the founders, such as the creation of a riding school for horse riding trips; and those activities difficult to separate from family life, such as bed and breakfast lodgings. Other "full-time" companies are those which are dedicated to economic activities which provide a source of income secondary to the main family

activity, such as agro-tourism establishments. The origin of this final category of family companies can be found in the desire or need to diversify the family source of income and/or obtain extra income.

Many tourism-based family companies do not develop beyond the foundation stage of the model created by Gersick, Davis, Hampton & Lansberg (1997). The motives for this lack of progression (Getz et al. 2004) derive from different elements such as:

- (1) there is no desire to grow or to maximize profits and to avoid accruing the debt involved in requesting loans for expansion;
- (2) the lack of professionalism of the businessmen/women limits their growth, as the tourism sector does not impose any barriers for those investors with little or no experience in the sector; the solution to this problem is to employ professionals to manage the company. Many companies however, do not make sufficient profits or operate at a large enough scale to take on external staff, meaning that the majority of workers are family members who may not always earn a wage or salaries (Getz et al., 2004);
- (3) the marked seasonal nature of tourism during several specific months, long weekends and public holidays makes the employment of extra staff necessary; the main problem involved with this seasonal characteristic is related to the loss of profitability and the viability of the company (Baum, 1998), impeding any possible growth (Brown, 1987);
- (4) the sons/daughters, or those inheriting the business do not wish to continue with the family business as they have seen that it requires a large amount of dedication and long working days, and in exchange, little economic benefit is obtained; and
- (5) the lack of innovation in these tourism-based establishments means that they can be very easily substituted, as all of them usually have the same characteristics and services; this means therefore, that competition is usually highly intense, and not only among businesses, but also among tourist destinations. In order to avoid the negative consequences of this competition, these family businesses have to position themselves in a market niche, i.e., in a determined market, and attract a highly specialized public.

Despite the problems making their business work that tourism-based family companies face, they also benefit from a series of advantages (Getz et al., 2004) which are:

- (1) family businesses make significant contributions to the community and to culture, and are easily visible in rural areas and peripheral areas where they provide economic development

and the preservation of the area and its traditions; as tourists are usually attracted by these aspects, their loss would have consequences with respect to the quantity of clients visiting those areas.

- (2) In family businesses, the family may be a highly important part of the product or tourist service, especially when the company is located in the family home or on one of its properties. According to Wanhill (1997), families may be part of the experience of tourism and may increase client satisfaction, as they may provide better information and understanding of the area; and
- (3) tourism-based family companies are able to show the tourist the authenticity of the area, offering a personalized service to tourists, which means that tourists can feel they are part of the family and the community.

### The family branding in tourism-based family businesses

Authors such as Getz, Carlsen and Morrison, in a book entitled *The Family Business in Tourism and Hospitality* (2004) identify a series of gaps in the literature, among them, the following:

*"One of the topics with a particular and until now, unexplored interest, is that of family branding in tourism and hotel businesses. As such, the appropriate research questions are: (1) Are there determined aspects of tourism and the hotel business which influence the strengths or weaknesses of a tourism-based family company? (2) Are there opportunities and unique aspects of family branding in tourism and the hotel trade?"*

Corporate branding is the practice of using a company's name as a product brand name. It is an attempt to leverage corporate brand equity to create product brand recognition. It is a type of family branding or umbrella brand. The concept of family branding is a marketing strategy that involves the sale of various products and/or services from a company under one brand name. If the brand has value in terms of acceptance by customers, then all products and services using the same brand name should be welcomed.

There is, though, a second meaning of the term family branding. It is developed by Wanhill (1997) and occurs when the family of a family business, which becomes part of the tourist experience and the local community, is introduced in the corporate brand of the family firm.

To avoid confusion with these two meanings of the term family

branding, we use branding "familiness" to refer to Warhill's meaning and the term family branding to refer to branding by means of an umbrella brand.

Literature on branding informs us that branding is not only a differentiating aspect, it also acts as an instrument to create added value to the product. To put it another way, a brand is an entity, which offers clients an added value and that is based on factors which reach beyond their strictly functional tasks. These added values or brand values differentiate the offer and provide a base, so that clients feel a preference or have loyalty towards one company and not to another (Knox, 2004).

The brand consists in a name, a symbol or a design, or a combination of all three. It is used to identify the goods or services of a company and differentiate it from its competitors (O'Malley, 1991). Despite this, the only purpose of a brand is to construct an image of its product (Cleary, 1981). Companies develop brands in order to attract and maintain clients. As a value, an image, a certain prestige or a lifestyle is promoted with each brand. A good brand will provide a value for the client and confidence in those products under the same brand, in addition to an acceptance of its new products which enter the market.

In the case of family businesses, this brand name may be the surname of the company founder. When the customers view the company name as a person, it is a personification approach that is used to understand the corporate brand image of the business (Vinhas Da Silva & Faridah Syed Alwi, 2008). In all events, any failure within the company affects the image of the family (Gétz *et al.*, 2004). And the opposite, the success of the company, engenders prestige and recognition of the family, which owns the business.

As such, branding offers family companies the chance to commercialize its products using the vision and the culture of the company as unique elements of its products (Ackerman, 1998; Balmer, 1995, 2001; de Chernatony, 1999, 2001; Ind, 1997). Habbershon & Williams (1999) describe the family business as unusually complex, dynamic and rich in intangible resources. This set of intangible resources is what makes a family business become unique, and can be encapsulated in the term familiness.

The term has been used by Habbershon, Williams & MacMillan (2003) to refer to the result of the interactions between different members of the family, the business they own and the community, with the potential to create a competitive advantage or a disadvantage for the company, in a direct or indirect manner (Dyer & Singh, 1999; Sirmon & Hitt, 2001).

The family business brand therefore becomes a reflection of the

personal values of the company and the latter must be coherent with the values of its clients (O'Malley, 1991). As such, every family business must create a brand in accordance with its principal family and/or business values, with a specific product, which will attract a public with whom it shares similar values.

The brand contributes to not only creating images of the company for the clients, but to the creation of images of all the stakeholders in the business, such as employees, clients, investors, suppliers, partners, the local community, etc. (Hatch & Schultz, 2001).

### An exploratory model of corporate branding for tourism-based family firms

Our model of the formation of a brand in tourism family businesses and its main consequences takes as a basis the Hatch *et al.* (2001) model which depicts the factors that interact in the process of creation of a corporate brand.

In the model of Hatch *et al.* (2001), the corporate brand arises from the link of three main elements, which are (1) the strategic vision, (2) the organizational culture and (3) the corporate images. These three factors are defined in the following manner, according to Hatch *et al.* (2001): The *strategic vision* is the main idea which is behind the company, and which represents and expresses everything which the company seeks to achieve in the long-term. From this company vision the mission, the company philosophy and its own objectives, arise. The *organizational culture* is a collection of company values, beliefs and premises which must be communicated to all those who work in the company. And the *corporate image* comprises the different viewpoints of the organization held by the stakeholders, that is, the opinions and the impressions which different people in contact with the company have, such as clients, employees, the media, the public in general, among others. This perceived image will be translated into corporate reputation and will promote the fidelity of different stakeholders with respect to the company.

The business culture, which comprises the company values, plays a highly relevant role in the development of any company, given that it acts as a differentiating factor among companies. As such, the existence of centralized values, which are inculcated by the family, means that the development of the company is coherent with these values.

In family businesses, it has been observed that the role of the founder is fundamental, as the company develops in accordance with his/her values. These values have been transmitted to the rest

of the family and to the workers, and are usually maintained throughout the life of the company. As such, it may be said that family businesses usually have a pyramidal structure, as the founder is at all times the reference during business activity, even though he/she may not be active within the company.

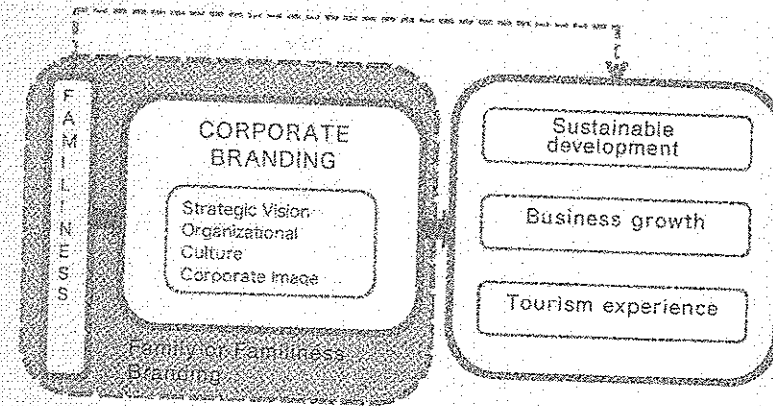
This entire collection of values contributes to the creation of a corporate brand, which relates constantly to the values of the family. These values also act as a differential factor with respect to competitors. All the stakeholders within the company must be aware of these values; this means that both the family and company employees are responsible for transmitting these values to the clients. As a consequence, all the actors in the company will have the same image of the company.

Furthermore, any lack of cohesive values and objectives among family members in the company and among other employees may be reflected in the products and the services offered. This may hinder the creation of a single image by all the stakeholders and that of a single brand for the entire company, in addition to reducing the quality of the products and services offered. If such internal problems in a family business are not solved, an internal crisis may arise, one which could cause the company to fail.

In this context, we tried to relate the concept of familiness with the process of corporate brand formation through the development of a conceptual model. With this background we propose a model depicting how family values and the other intangibles resources which we label with the term "familiness," are represented in the corporate brand of the family business by means of their presence in the strategic vision, organizational culture and corporate image of the family firm.

Also, the model suggests some important implications or consequences of these values for a tourism family firm in terms of their contribution to sustainable practices, the business growth path of the firm and the actual experience and satisfaction of the tourist or visitor.

Figure 1: Familiness and corporate branding in tourism-based family firms



From the elements in the model and their links, depicted in Figure 1 above, we derive the following particular hypothesis or propositions, which we argue below.

### Propositions

1. *Family values associated with business activity are the basis for the creation of a corporate brand based on the concept of familiness.*

The intangible resources, which form the familiness of a company, are reflected in the model above, exactly, in the three elements that are part of the corporate brand: strategic vision, corporate culture and corporate image. As such, the brand of a tourism-based family company will be linked to values which are inculcated by the family, in comparison to other non-family based companies in which the values will be different.

The relationship is based on Habbershon & Williams (1999), which applies the RBV (Resource- Based View) to the resources of the family business to highlight its unique character, that is, its familiness. Thus, the author observes how the unique features of family businesses have the potential to generate a competitive advantage. These unique features are provided by some intangible resources such as routines, culture, learning, trust, beliefs, judgment, goals, socialization, process and experience, and are the elements that compose the familiness. At the same time, some of those resources that make familiness, such as beliefs, goals and



others, are part of the formation process of the corporate brand.

2. *A corporate family brand in the tourism business is favorable to the use of sustainable business practices, owing to the values inherent in the concept of familiness.*

The subject of sustainability in the tourism sector is a highly important factor, and this factor is associated within a company through the values, which are part of the organizational culture of a company.

The main reason for the creation of family businesses is the lifestyle (Getz *et al.*, 2004), but according to Carlsen & Liburd (2006) and Schaper & Carlsen (2004), also is motivated for conservation and, according to Bramwell & Alletorp (2001) and Getz *et al.*, (2004), for sustainability, particularly in ecologically, socially and economically rural areas.

Therefore, being a family-based business with values which contribute to sustainability would act as a guarantee when undertaking an activity or service and employing sustainable practices, i.e., those focused on its own values (or on its business culture) and not on the idea of doing business at any cost.

Carlsen *et al.* (2006) demonstrated that family businesses, not non-family corporations, are best placed to embrace the transformation towards sustainable tourism development because of their principles of equity and concern for matters beyond profitability, which are fundamental for this type of business.

3. *A corporate family brand in a tourism-based company determines a model of business growth, which is slow and limited.*

This proposal concerns a possible expansion of the family business at a territorial level or an expansion of products and/or services, as long as this expansion is in accordance with its values of familiness as a family business. This means that the growth of the business is undertaken as this is fulfilled and as it is able to ensure the preservation of the family values.

Tourist family businesses do not seek environmental, social and cultural sustainability nor growth of the business in response to pressures to increase profits, savings, and the reputation that these companies often seek from such sustainable practices. Instead, they are motivated by a personal desire to maintain family values, culture and traditions, which is their aim and the way they sell their own family business products or services (Carlsen *et al.*, 2006).

4. *A corporate family brand in a tourism-based company will be a guarantee that familiness becomes a key element in the experience of the visitors.*

The collection of intangible resources of a family business, that is, the familiness, means that every family business is unique. When these differentiating elements are applied to the corporate brand, competitive advantage can be attained with respect to other companies. Clients perceive this familiness from the family brand created by the company, ensuring that the family becomes part of the tourist product and experience and thus increase client satisfaction Wanhill (1997).

## Case study: the Grup Mas de Torrent

### History of the group

The Grup Mas de Torrent was created with the opening of the Hotel Mas de Torrent in a small village called Torrent in l'Empordà (Catalonia, Spain) in December 1988. However, the business activity of the family at that time was real estate, and the whole family business took the name of the Hotel with the entrance into the hospitality sector.

This entrance into the tourism sector was by chance. The family had bought a property in Torrent as a second residence, and after 15 years, they bought another farmhouse there where now the hotel is, together with all land surrounding their second residence. The first aim of this acquisition was to transform the new house into several apartments for their children and godchildren. But after a trip to Tuscany and Provence, the founder decided to create a hotel instead of the apartments, imitating the hotel style that he had seen during his trip.

Once the hotel was ready to open, the founder hired two families with experience in the hotel industry and catering, who would be responsible for managing the business. However, it did not work well at the beginning and for some time they had difficulty finding good managers. Eventually, the family found a good manager, became part of the chain Relais & Châteaux, turned into an icon within the Catalan tourism sector, and decided to constantly improve the hotel amenities by adding new services – organizing conferences, creating a spa, etc.

Ten years after the creation of the Hotel Mas de Torrent, the group acquired the lease of the Hotel el Far de Sant Sebastià, a historic building overlooking the sea from a cliff, which was opened in June 1999; in March 1999, they had acquired the Hotel Albons. Later, they bought a restaurant called Mirador in Palamós. The last incorporation of the group was a service company in neighboring

Palafrugell to satisfy the service needs of the apartments that the group has around the Hotel Mas de Torrent.

### The tourism business activities

The philosophy of the Mas de Torrent Group is that of its founder, Joan Figueras and the Figueras family. It "has inspired our history in all these years: quality, tradition, the natural environment and above all customer attention, with the aim of making them happy during their stay in our house."

The first hotel of the group is the Mas de Torrent, which is an example of elegance, character and attentive service. Belonging to the prestigious Relais & Châteaux chain, this exclusive five-star hotel has 10 rooms located in the main building, an 18th century country house, 22 bungalows with their private gardens and seven suites with a private swimming pool for each of them. In addition, it offers a restaurant considered one of the best gastronomic establishments in the area, and another more informal restaurant located on the terrace beside the swimming pool.

The second, Hotel el Far de Sant Sebastià, is located on the outskirts of the village of Llafranc, in a privileged location thanks to its marvellous views of the best beaches in the area. The architectural collection of restored buildings that constitute the hotel include a 15th century shrine and offer the visitor nine exquisite rooms overlooking the sea and a large restaurant where guests can enjoy the typical gastronomy of the Empordà region.

The last hotel, with magnificent views reaching Cap de Creus, is proof of the excellent location of Hotel Albons, on a hill in the Baix Empordà. This modern hotel has 29 rooms, three suites, and large rooms for banquets and conventions, and in addition to its beautiful surroundings, it offers proximity to different golf courses, yachting ports and other cultural events.

El Mirador restaurant is in the bay of Palamós, offering excellent homemade cuisine, in an enchanting location with spectacular views from all the tables, ideal for enjoying the privileges of Mediterranean.

The Mas de Torrent Group has recently created a new project with the aim of offering customers five star service. They offer an exclusive service to satisfy all customers' needs and allow them to enjoy their free time to the utmost. The company offers a set of household services such as maintenance of gardens and swimming pools, cleaning, laundry and shopping; and personal services such as coaching, tutoring, workshops, home assistance, babysitting, massage and beauty services, and catering and breakfast at home of an in-home chef.

Through the experience of Mas de Torrent in service and care for details, they can offer customers detached houses for renting or sale in the Baix Empordà region. They have fully equipped houses for renting, some with private garden and swimming pool, for yearly, monthly and weekly periods and with all the services customers will need.

### Methodology

The case study has been conducted following a qualitative methodology, using in-depth interviews with a semi-structured script. A single-case study is used in our research. Yin proposes five rationales as major reasons for conducting a single-case study. In our case, the single study is used to help to refocus future investigations in the same field. Also, this single-case study will be used as a pilot case that is the first of a multiple-case study (Yin, 2003).

The control for the interviews was established with previous knowledge of what information was to be ascertained and to do this, the formulation of the questions were adjusted to evoke the kind of information being sought. During the interview, control was maintained by listening and guiding those interviewed so that they did not stray from the pre-established themes.

The interviewees in this research are: (a) three members of the family who actively participate in the company, one of them being the founder who is now retired, and the others being two of his sons who are active in the company; (b) another two people who are professionals who work in the company but have no family relationship. These interviews were recorded with the permission of the participants and were later transcribed, reflecting all the conceptual aspects and incidents such as interruptions and the overlapping of conversations. An analysis of the conversations has been made in accordance with the information provided.

When one reaches the moment at which carrying out more interviews only provides information already gathered, and which does not differ from the information already obtained, a so-called saturation of information has occurred. This is why five interviews were carried out. Despite this, a random exploration was also carried out informally with people from different occupational categories in the firm to confirm this saturation of information; the result was positive and no more interviews were conducted.

### Interpretation of case study

The collection of intangible resources of a family business, that is, the familiness, means that every family business is unique.

When these differentiating elements are applied to the corporate brand, competitive advantage can be attained with respect to other companies. Clients perceive this familiness from the family brand created by the company, ensuring that the family becomes part of the tourist product and experience and so increasing client satisfaction (Wanhill, 1997).

From the analysis of the case, we can give a description of the characteristics of the relevant factors in the corporate brand of the family company (Hatch et al., 2001) showing that the family values and familiness are present in the strategic vision, the organizational culture and the corporate image of the company. Therefore, the statement of the *first proposition* derived from the model is illustrated in this manner in the case analyzed.

More specifically, in the case of Mas de Torrent, family values are reflected in each of the three basic factors of corporate branding, as can be seen below:

### Strategic Vision

The philosophy of the Grup Mas de Torrent is that of enjoying one's work, as the different establishments run by the organization are treated with the same dedication and enthusiasm as one would give to a 'hobby' – the company activities coincide with a passion for business. The Grup Mas de Torrent, as a family business, does not seek to maximize its profits, it seeks to develop and maintain a determined lifestyle in a specific area (the Empordà). As such, the company seeks to maintain a certain look to its environment, without renouncing its business activities, and in order to achieve recognition and the prestige which came with having pioneered this type of accommodation in the area. This is reflected in the following extracts of the interviews:

*"Our basic philosophy (...) has a part of the profit which is emotional, to put it one way. That is to say, we in the Mas could earn more money, but perhaps we would enjoy ourselves less (...)."*

*"We do not live from the hotel, and this allows us to keep it as a 'hobby', like a private house. You do not look for profit, even though, the truth is that one does earn money. I have passed this philosophy on to my children; they do not save money when making modifications to the hotel and when incorporating new details (...)."*

*... "which has created a precedent. A few years ago everyone took it and said 'let's take our house and convert it into a hotel, and what's more it is so nice and so charming that it will earn*

*us money. This is not like that. You have to be prepared for 3 or 4 years with respect to how well things go and invert money into it so that things work. We have created a precedent, we have created the competition ourselves, we have become the competition. However we are very clear about this, we are the first, we have to do things well and we have to be the first in innovation and in doing new things (...)"*

The philosophy and the objectives of the Grup Mas de Torrent, mean that staff feels at home, like a big family. This is how the owners ensure staff loyalty. It is the employees who transmit to the clients their satisfaction within their workplace, meaning that the service which they offer clients is more family-oriented and of a higher quality.

*"(...) And within all of this enthusiasm and philosophy, we also try to have good relationships (...) and work beside those who work for us. One of the things which I believe that sets us apart from some companies, from large companies obviously, and from the average family business, I believe, is that in some ways we have people (...) who have worked with us for some 30 or 15 or 20 years, and at the end of the day there is a relationship... a bond with the people who work with us, as there are people in the hotel who have been working there since we opened, in a sector where there is a high level of rotation."*

*"(...) And for me the basis is service. (...) I believe that luxury today means service. If you have service and a space of your own (...) what you want is to be well attended, well served. This is why, during high season we have to take on a lot of extra staff in order to be able to offer an excellent service to our clients."*

Another characteristic of the strategic vision of the group is the growth which it has experienced over the years. Even though at first, the growth of the Grup Mas de Torrent was not established as an objective, there has been growth in terms of services and new establishments. This expansion is a reality; however it is one which they can always control themselves, and which involves a component of enthusiasm, or an emotional bond with a new purchase.

*"When we opened El Far (...) and we opened Albons (...) we always tried to follow the same philosophy, even though the level of hotel was different (...) My father always said that when he started the hotel, he wanted to make a large house for guests, more than a hotel, and this is more what we try to do."*



*"(...) at a certain point in time we felt very sure (...) that we did not want to grow. Although it is certain that we did not want to grow in terms of structure, we wanted to keep on with it a little, directly controlled, but (...) we keep looking for possibilities to do something like Mas de Torrent or El Far, small things which we will keep in control."*

### Organizational Culture

The father and founder of the Grup Mas de Torrent has passed on his values to his children and to his workers to attain hotels with intangible factors which characterize them, such as quality, exclusivity, prestige, etc. And which are the basis of the philosophy, the motivations and the objectives of the family and of the family firm, Grup Mas de Torrent.

*"A highly coherent business has been created, and this culture and way of understanding the business has been transmitted to the children."*

The values which the founder has passed on are diverse, due to their very nature. Among these values transmitted to the rest of the family are those which reflect that the family comes first, before the business, and there are also those of environmental sustainability. These final values reaffirm the fact that the business does not pursue the highest profit margins, but rather seeks to maintain a certain life style, which is another value which has been passed on from one generation to the next. This sustainability element is applied in the physical structure of the different establishments which the group owns, in addition to the conservation and protection of their environment.

*"This factor of enthusiasm, that perhaps we cannot be ambitious with money, to put it one way...this I believe, is what my father passed on to us. (...) in the long run it translates into money, but the idea of seeking profit in the short-term (...) means that the business is pressed to the limit and what happens is that you destroy it and (...) maybe today you will earn a euro, but you are losing five in three years' time. I don't know if it is true or not, but at least with this philosophy we are working and it works very well for us (...)"*

*"I want to take care of the environment a lot and with that as an objective, spending money to achieve it does not worry me (...)"*

*"It is a treasure, the family has always looked after it, any investment always takes its appearance into consideration and*

*the best materials are used (...). They invest with the best because they want to take care of the environment and above all they do not want any new construction to be out of keeping (...) so that it is harmonious with the surroundings. They take care of everything, above all the detail and above all in this hotel, more than anything else for the prestige which it has. Also because it is connected to the Figueras family, with a family which looks after the environment, which takes care of using the best and doing things well."*

In reference to the other values which have been passed on and are part of the organizational culture of the firm, there are all those emotional values which result in a determined behavior and manner of working by both the family and the staff, one which the clients notice. These values emphasize the enthusiasm for taking care of the business, and the idea of feeling at home, among other factors. Expansion is adjusted to the hopes of the family in order to initiate a new business and not as a new source of income. Thus, when a proposal for a new product does not fulfil the values and perspectives of the family, this new project is discontinued.

*"We don't go to look at the costs, we go to look at the real issues, we go to look at the durability of things, we go to look at the heart of the matter above all else. These are businesses which are motivated in a large part by enthusiasm, they are not speculative and if you do not agree or you don't have this enthusiasm, it is difficult to work with it."*

*"This hotel is the apple of his eye (...). This is like his own home. If this works we will all live well, if this doesn't work, we won't work well, and that is what it's like. In the end we all put as much enthusiasm as we can into it so that it works well and so that it's beautiful. If you walk around here it is a luxury, because you'll say to yourself, "Wow, everything is perfect."*

*"(...) we experience this very much as a personal thing, and sometimes too much, as...our hotel is a home...a little like our home."*

### Corporate Image

The image of the Grup Mas de Torrent is closely linked to the hotel which gives its name to the brand, and which is also the first tourism establishment of the group. This brand has promoted itself with its entry into the international chain Relais & Châteaux, which translates into a symbol of quality.

*"(...) It has a philosophy which has a defined graphic image, etc. And everything is commercialized as the Grup Mas de Torrent."*

*"Having a main center, at Torrent, the Torrent brand, and which does not incorporate many people from outside nor external partners (...) we rather have them among us. This is our philosophy."*

This image has been worked on in order to obtain a certain prestige, something which the organization has now acquired. In this case therefore, this prestige must be maintained and transmitted to the target public and all the stakeholders. The public, or rather the clients, are those who receive the products and the services which the hotel group offers, and they also receive the values, the images, etc, which are transmitted by the owners and the workers. Furthermore, one of the main objectives of the company is client loyalty.

*"(...) our strategy is to be a reference in the area. Trying to seek out the competition in France or in a hotel in Provence, but not hotels from around here. We understand that we will be more expensive, but in terms of value for money we have to be the cheapest. (...) People have to come here and say, they are expensive, but everything they provide is worth it."*

*"(...) For me, the greatest asset which we have, independently of the location of Mas de Torrent (...) the greatest reward we have is when a client leaves the hotel and normally the first thing he says is that it has been really nice and that the staff we have are really friendly, attentive and always happy, and that is the most important thing. (...) And this is a theme which (...) we are very much on top of and which we try to inculcate with our staff."*

*"Although the best advertising is word of mouth (...) it is trying to get the client to return as much as you can... (...) if you are happy and you want to return... you will come back. And that is our maximum priority that people come back."*

The staff, as has been said, are those who have the most contact with the clients, and it is they who transmit the values of the family, and who are responsible for offering a quality service which translates into a corporate image and consequently, with a determined brand. Therefore, the relationship between the owners and the employees is highly important, as if the relationship is positive and family-based; this is noticed by the clients. And it is thanks to this factor that staff loyalty is achieved in a sector where there is a

great deal of employee rotation. To achieve this loyalty, staff members are offered a series of advantages for the services which they provide within the establishment.

*"I would say that being a family business is favorable as you have a clearer reference, a proximity to a family. (...) They have a closer reference. I always tell them, I can solve money problems up to a certain level, everyone thinks that they have to earn more for what they do, I won't get involved in that. Here they have me on another level, if you have a family problem or a health problem, etc. I will try to make an effort. Within the limits of what we can do, my family and I will do it. This is another incentive. This explains our staff loyalty. I do this because I want to, not out of interests."*

As for the *second proposition* derived from the model, when family values contain ideas of sustainability and preservation, the family business will guarantee the development of a sustainable activity which is in accord with its own values.

Related to the lifestyle which is pursued by family businesses dedicated to tourism-based activities, this family business is associated with several sustainable values which are part of its own culture. These may be transmitted in the development of the products, in the establishments themselves and in their surroundings. However, at the same time, they contribute and benefit the local population at an environmental, cultural and economic level. As such, the existence of sustainable values within a tourism-based family company contributes to the image of the area and of the tourist destination itself. This is reflected in the following fragments of the interviews.

*"I want to take care of the environment and so spending money on it does not concern me (...)"*

*"(...) I believe that the main thing which has been created is the brand, which opens up a lot of doors when doing other things, that is to say, when you go to the council to negotiate a partial plan or to negotiate a housing estate and you tell them that you are from the Figueras family, and that we are the owners of Mas de Torrent. We do things the right way, don't we? We don't come here and make a mess of things, do we? (...) and that has a value which we have not quantified, but it has a value. And economically looking at the way that the building sector is going, as we have diversified at the right time, well, we have things in balance (...)"*

The *third proposition* derived from the model refers to the company expansion of a family business. This growth takes place in accordance with the family values of the company itself.

As has been noted, company development will follow in accordance with the values of the family company. Therefore, the moment may arrive when a family business decides to expand or develop new products or services. This business growth will be closely linked to family and business values so as not to lose the lifestyle values at any time. This means that the expansion will be the result of the enthusiasm for developing a new product or service, or creating a new establishment, while at the same time, this expansion will only be undertaken if the maintenance of these values and this corporate family brand can be maintained.

*"(...) we talk about doing something in Barcelona...but it would have to be something very special, we were once ready to do something...(...) We also looked at something in Platja d'Aro on the seafloor, which was very good, but in the end it didn't work out. I mean to say that at times, something specific and very special, we have had our doubts."*

*"Then in 1997 or 1998 I think it was, we saw the chance of taking on El Far as a new establishment (a heritage building belonging to the local community, on a cliff top beside a lighthouse overlooking the sea). There was also a little internal discussion here, to put to one way, but my father wanted to take it on as the same thing had happened to him before, he was very motivated by it, it couldn't be abandoned. I was more reluctant because it was a building which didn't belong to us, and there was a certain opinion within the town against privatizing El Far...However, as always, the enthusiasm of my father swept us all along and in 1997 we started El Far hotel. More or less with the same philosophy."*

*"(...) I'll give you an outlandish idea, I am studying the possibility of doing something on the border between Chile and Argentina. Why? Because (...) we really like the country and it's the same thing all over again, because we like the idea. I was also offered something in Santo Domingo to construct a hotel like Mas de Torrent, but for me I haven't lost anything in Santo Domingo. There I know that I won't go, I know that it won't be of interest to me, and perhaps it is more business and it could bring in more money, but I won't do anything there. And now, for example...(...) we are very interested in the horse world and I have been offered something of a high level, of quality and we are also looking at it, because I like the idea. We haven't made any*

*financial studies, on profitability. Perhaps I am doing it wrong; I won't say that I am not."*

Finally, the *fourth proposition* shows how a tourism-based family company can become a key factor in the touristic experience of a visitor.

The entire group of intangible resources which make a family-based business unique, that is its familiness, are transmitted to its clients through the corporate brand of a tourism-based family company. This unique aspect influences the competitive advantage which the company may hold, as it may become part of the tourist experience of its own clients.

*"(...) El Mas de Torrent now needs care and attention, and if you make a mistake you could lose people again. As the staff is part of the tourist experience of the product. (...) It is not easy to attain loyalty, but they have achieved that here."*

## Conclusions

An analysis of the literature has facilitated the identification of the key concepts in family businesses, at both a general and particular tourism sector level, in relation to the relevance of family business branding. Up until now, these two fields of research have showed very little intersection. The objective of this study is to link the two concepts of family business and branding, in the tourism sector, and their subsequent analysis.

As a starting point, we used the work of Wanhill (1997) in order to carry out our research. This author believes that families could work as part of the tourism experience and could increase the satisfaction of their clients, as they provide more authentic information and knowledge of the area. As such, when a family is part of the tourist attraction, this business develops the characteristic elements of family branding.

The conceptual model which has been taken as a basis in this case study was developed by Hatch *et al.* (2001), in which they observed the different factors involved in the creation of a corporate brand or the company brand: the strategic vision, the organizational culture and the corporate image. This initial model has been adapted to family businesses in the tourism sector and has been expanded to include the concept of familiness and its consequences for the family business.

The conceptual model proposed in this study is postulated as an exploratory theoretical basis for the creation of a corporate brand in a tourism-based family company. The model enhances the entire

collection of intangible factors which interact in order to create a corporate brand, and identifies the factors which act as differentiators from other companies offering the same type of product or service, and which attract stakeholders with whom to share the family values.

In order to explore the potential soundness of the proposed model, we conducted a case study of a tourism-based family company. Throughout the case study the key elements of the model have been sought, such as familiness, the components of corporate branding, sustainable development, company growth and the experience of tourism. As such it has been possible to observe how the different elements interact within a tourism-based family company and what the results are.

The tourism sector is characterized by an intense competition between companies and destinations, and as such, differentiation is a key element in attaining business success. In the case in hand, this differentiation arises from different family values, in addition to all those intangible resources which go to make up familiness. On applying this concept to the business model followed by a tourism-based family company, differentiation arises with respect to competitors. As such the development of the business is always related with family values and culture.

Sustainable development and possible company growth therefore will follow the lifestyle and familiness objectives of the family which own the business. This development and business growth will contribute to the economic, social and cultural development of the community where the company is located

As a consequence of the interaction of the different components of the model, the family and its familiness may become a key factor in the experience of visitors, in addition to increasing the satisfaction of the tourists, as they can provide information and better knowledge of the area, that is, the authenticity of the area.

As a consequence, the results of the research show how particular family values determine a family-based corporate brand, which has, as a consequence, in the case of tourism-based companies, an important differentiation of the product which is difficult to imitate, the adoption of sustainable business practices and a balanced company growth path, which is also sustainable in terms of preserving the values which maintain the brand. These are therefore important reasons for government bodies to promote tourism-based family businesses and to lend the necessary support for these to compete on equal terms, taking into consideration those factors which are favorable to their competitiveness and the positive external advantages which they create.

Despite these results, this research does not analyze the dynamics and micro-processes involved in the creation or development of a particular corporate family brand. This is another related, complementary theme to the subject analyzed here and which requires further attention by the literature.

It must be said, as well, that this investigation has the typical limitations of exploratory studies; One side we need to consider the distinctive factor of the case we analyzed, and on the other the distinctive character of the tourism sector here analyzed. Therefore, in order to further advance the research in this area of family branding and family firms this distinctiveness needs to be addressed, i.e. for which subset of tourism family firms family branding is more appropriate? Similarly, further research can address the limitations of the model in terms of its restrictiveness to the tourism sector. With both these developments, further research will advance our understanding of how family businesses brand themselves and what benefits or consequences branding can have for the strategic decisions of family firms.

## Teaching Note

### Key learning

The Grup Mas de Torrent is a teaching case study that can be used to discuss different topics related to family business. The topics that we have already introduced in the theoretical part of that paper are (1) the brand construction, and the role of the family in the process, (2) the familiness as the specific elements that help a family business to create and develop a differentiated brand, (3) and the positive consequences of creating a family-based corporate brand in the family firm and the community. Those topics are discussed more in depth with the development of the four propositions and its corresponding analysis in the case study.

### Key audience and beneficiaries

This case study is useful to help to understand the concept of 'family' branding or familiness branding and discuss about its related topics such as resources and capabilities of the family business, the role of the family in creating a brand or the consequences of having a brand developed.

The beneficiaries of this case study can be:

- Students in order to learn about the uniqueness of family business and the characteristics and relevance of branding family values for their competitive strategy.



- Family business owners and their family members that want to create a family or familiness brand.
- Local communities and governments who need to learn about the advantages of supporting family businesses in terms of customer satisfaction and sustainable practices and development.

### Suggestions for using this case study

This case study is an illustration of the elements and the effects of developing a 'family' corporate brand in a family business in the tourism sector. It can serve as a discussion case to the process and the relevance of branding the 'family' in a business firm as part of their differentiation strategy both for the firm and for the local community.

Questions should be raised regarding how much the effects seen in this firm are universal or might change depending on the economic sector in which the family firm operates. Why it seems that very few family firms actually and effectively brand their familiness; etc.

### References

- Ackerman, L. (1998). Secrets of the corporate brand. *Across the Board*, 35 (1), 33-6.
- Balmer, J. M. T. (1995). Corporate branding and connoisseurship. *Journal of General Management*, 21 (1), 24-46.
- Balmer, J. M. T. (2001). Corporate identity, corporate branding and corporate marketing: Seeing through the fog. *European Journal of Marketing*, 35 (3/4), 248-291.
- Baum, T. (1998). Tourism marketing and the small island environment: cases from the periphery. In E. Laws, B. Faulkner & G. Moscardo (Ed.), *Embracing and Managing Change in Tourism: International Case Studies*. London: Routledge.
- Bramwell, B. & Alletorp L. (2001). Attitudes in the Danish Tourism Industry to the Roles of Business and Government in Sustainable Tourism. *International Journal of Tourism Research*, 3, 91-103.
- Brown, B. (1987). Recent tourism research in south east Dorset. In G. Shaw & A. Williams (Ed.), *Tourism and Development: Overviews and Case Studies of the UK and the South West Region*. Exeter: Department of Geography, University of Exeter.
- Carlsen, J. & Liburd, J. (2006, June). Family Business and Sustainable Tourism: the role of family businesses in sustainable tourism development. Paper presented at BEST Education Network Think Tank VI, Girona.

- Cleary, D. P. (1981). *Great American brands: The Success Formulas that Made Them Famous*. New York: Fairchild Publications.
- de Chernatony, L. (1999). Brand management through narrowing the gap between brand identity and brand reputation. *Journal of Marketing Management*, 15, 157-79.
- de Chernatony, L. (2001). *From Brand Vision to Brand Evaluation*. Oxford: Butterworth & Heineman.
- Dyer, J. H. & Singh, H. (1999). Response to Relational View Commentary. *Academy of Management Review*, 24 (2), 184-187.
- Gersick, K., Davis, J., Hampton, M. & Lansberg, L. (1997). *Generation to Generation: Life Cycles of Family Business*. Boston: Harvard Business School Press.
- Getz, D. & Carlsen, J. (2000). Characteristics and goals of family- and owner-operated businesses in the rural tourism and hospitality sectors. *Tourism Management*, 21, 547-560.
- Getz, D., Carlsen, J. & Morrison, A. (2004). *The family business in Tourism and Hospitality*. Oxfordshire: CABI Publishing.
- Habbershon, T. G. & Williams, M. L. (1999). A resource-based framework for assessing the strategic advantage of family firms. *Family Business Review*, 12 (1), 1-25.
- Habbershon, T. G., Williams, M. & MacMillan, I.C. (2003). A unified systems perspective of family firm performance. *Journal of Business Venturing*, 18, 451-465.
- Hatch, M. J. & Schultz, M. (2001). Bringing the corporation into corporate branding. *European Journal of Marketing*, 37 (7/8), 1041-1064.
- Ind, N. (1997). *The Corporate Brand*. London: Macmillan Business.
- Knox, S. (2004). Positioning and branding your organization. *Journal of Product & Brand Management*, 13 (2), 105-115.
- Nickerson, N., Black, R. & McCool, S. (2001) Agritourism: motivations behind farm/ranch business diversification. *Journal of Travel Research*, 40, 19-26.
- Notzke, C. (1999). Indigenous tourism development in the Arctic. *Annals of Tourism Research*, 26 (1), 55-76.
- O'Malley, D. (1991). Brands mean business. *Accountancy*, 107, 107-108.
- Schaper, M. & J. Carlsen (2004). Overcoming the Green Gap: Improving Environmental Performance of Small Firms in Western Australia. In R. Thomas (Ed.), *Small Firms in Tourism: International Perspectives* (pp. 197-214). Oxford: Elsevier Science.



- Sharma, P., Chrisman, J. & Chua, J. (1996). *A review and Annotated Bibliography of Family Business Studies*. Boston: Kluwer.
- Singer, J. & Donahu, C. (1992). Strategic management planning for the successful family business. *Journal of Business and Entrepreneurship*, 4 (3), 39-51.
- Sirmon, D. G. & Hitt, M. A. (2001). Creating wealth in family firms through managing resources. Paper presented at the *Center for Entrepreneurship and Family Enterprise: Theories of the Family Enterprise*, Edmonton.
- Smyrnios, K., Romano, C. & Tanewski, G. (1997). *The Australian Family and Private Business Survey*. Melbourne: Monash University.
- Vinhas Da Silva, R., & Faridah Syed Alwi, S. (2008). Online corporate brand image, satisfaction and loyalty. *Journal of Brand Management*, 16 (3), 119-144.
- Wanhill, S. (1997). Peripheral area tourism: A European perspective. *Progress in Tourism and Hospitality Research*, 3, 47-70.
- Westhead, P. (1997). Ambitions, "external" environment and strategic factor differences between family and non-family companies. *Entrepreneurship and Regional Development*, 9 (2), 127-157.
- Yin, R. (2003). *Case Study Research: Design and Methods* (3rd ed.). Sage Publications: Newbury Park.

Pilar Presas is a research assistant and Ph.D. student of the Tourism, Law and Business programme at the University of Girona. Her dissertation deals with family businesses and branding the familiness of these businesses.

Dep. OGEDP, EPS, Campus Montilivi, University of Girona, E-17071 Girona  
pilar.presas@udg.edu

Dolors Muñoz is an emeritus professor of the Department of Business Management at the University of Girona. Her main research interests lie in the fields of family business and human resource management, in which she has carried out several research projects and publications. She is director of the Research Center of Family Businesses in the Science and Technology Park in Girona.

Càtedra Cambra de l'Empresa Familiar, Pic de Peguera, 15 (La Creueta), Edifici Jaume Casademont, office 33, 17003 Girona  
dolors.munoz@udg.edu

Jaume Guia is an associate professor of the Department of Business Management at the University of Girona. He has research interests in the fields of organizational networks, identity and image in which he has carried out several research projects and publications. He is director of the Research and Innovation Center of the Tourism Industries in the Science and Technology Park in Girona.

Dep. OGEDP, EPS, Campus Montilivi, University of Girona, E-17071 Girona  
jaume.guia@udg.edu

Published by permission of the authors. Copyright ©2009 by Pilar Presas, Dolors Muñoz, Jaume Guia. All rights reserved. This case may not be quoted, photocopied or reproduced by any means without prior written consent.