



Moët et Chandon
circa 1898

The Prevalence of Longevity Among Leading Brands

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The age of firms and the implications of organizational longevity have been recurrent topics of interest among business scholars. However, attempts to catalogue or quantify the age or number of older firms are relatively rare. Even fewer scholars have investigated the longevity of brands, as opposed to the longevity of organizations with which the brands are associated. Such research would provide additional evidence to validate the prior work of scholars in contiguous areas, and assist in assessing the importance of brand longevity by determining its prevalence in the marketplace. Longevity is an underlying issue in a variety of topics such as brand equity, loyalty, nostalgia, and lifecycle. It is also an important conceptual element in the emerging topic of brand heritage. This article offers new research regard-

ing the age of leading brands in a variety of industries. The purpose is not to explore the causes or nature of longevity, but rather to determine the extent of the phenomenon.

Organizational and Brand Longevity

Much of the literature on the age of firms is focused on organizational (or company) longevity, rather than brand longevity. Such scholarship typically emerges from the disciplines of strategy, management, or economics. These publications explore the conditions or principles necessary for a company to survive and grow over extended periods, the nature and dynamics of older firms, the limits to longevity and causes of decline as expressed in the metaphor of the lifecycle, and techniques for overcoming such con-

straints and extending the life of mature companies.

An analysis by the Harris Corporation of founding dates of organizations listed among the Fortune 500 in 1994 concluded that 193 companies or 39% were aged 100 years or more. Seven of these companies were founded prior to the year 1800 and the oldest was founded in 1781. A separate study of management styles by Richard Hall was based on data from more than 200 existing companies in Britain that were founded prior to the year 1800. It has been estimated that there are several hundred companies worldwide that are at least a century old.

To the extent that it has been accomplished by the research mentioned above, the task of investigating the age of brands has been completed in circumstances where the organizational name and history are identical to the brand name and history. However, in circumstances where these differ, the longevity of the brand must be researched independently. This may occur if a company has traded under a different name than its legal registration, if a company has changed its name, if partners have entered or exited the firm, if a new brand has been created or acquired, if a company has assembled a portfolio of multiple brands, and so forth. Thus the founding date of a brand may be different from the founding date of the organization associated with the brand.

Marketing literature has devoted significant attention to issues relating to older brands. However, the age of brands is often considered incidental to other types of analysis and the raw data about longevity are usually not provided. Standards of longevity are also often unspecified or vague. There has not been any significant research conducted about the age of brands or brand longevity itself, as opposed to its effects or benefits. Apparently there is no brand equivalent of the Harris Corporation study of or-

ganizational founding dates.

The Importance of Longevity

The longevity of brands is embedded in scholarship involving processes that evolve over time, or research in which time or duration constitute input data. For example, the concept of brand equity suggests that after new brands are introduced into the marketplace, they may accrue value over time. The concept of loyalty suggests that consumers may become increasingly loyal to products over time, thereby increasing purchase likelihood and reducing price sensitivity. The concept of nostalgia suggests that consumers may have sentimental reactions to brands and products from prior eras. The concept of product or brand lifecycle suggests that a company or its goods may have a limited lifespan in the marketplace.

ABOUT THE RESEARCH SOURCES

The list of brands derived from the *Best Global Brands* report created annually by the consulting firm Interbrand during the period 2001 to 2010, which was also published in *BusinessWeek* during the period 2001-2009. Sources for historical data included *Historical Components of the Dow Jones Industrial Average* from McGraw Hill Financial, the *International Directory of Company Histories* from Gale, the Mergent Online Database, the ProQuest Historical Newspapers Electronic Database, the Trademark Electronic Search System of the European Union, the Electronic Search System of the United States Patent & Trademark Office, and a multitude of websites and publications produced by the companies that own the brands included in this study. Perspective on the historical emergence of industries derived from the work of Alfred Chandler, especially his books *The Visible Hand* and *Scale and Scope*. Background literature about brand heritage included work by John M.T. Balmer, Stephen Greyser, Bradford Hudson, and Mats Urde. Background literature about older brands included work by Stephen Brown, Joel Evans, Gregg Lombardo, Robert Kozinets, and John Sherry. Background literature about organizational longevity included work by Simon Caulkin, Arie de Geus, Richard Hall, the Harris Corporation, and Ichirou Horide. Background literature about historical research methods included work by Mary Fulbrook, Peter Golder, Louis Gottschalk, Terence Nevett, and Ronald Savitt. The complete inventory of sources constitutes more than 500 individual citations. Further details are available directly from the author.

It would be useful in considering such scholarship to have a more precise notion of the longevity of older brands. If events or conditions are predicted to occur at certain points in the evolution of a brand, then it is important to understand the magnitude of the scale of measurement. Such research would also assist academics or practitioners who are studying specific companies with the intention of making future-orient-

ed prognoses or decisions about change. The question of whether brands tend to decline after a certain period of time has important strategic implications for the management of brands of varying ages within a portfolio.

The age and longevity of brands is a subject of particular relevance to scholars concerned with brand heritage. Brand heritage is an emerging concept within the marketing discipline, which suggests that the historical status of older companies may be explicitly linked to their brand identity and consumer appeal. Although longevity may not be a sufficient condition for brand heritage effects to be evident, it is a necessary component. Heritage requires age.

Existing scholarship in the area of brand heritage has not adequately addressed the question of how old a brand must be to qualify for heritage status. In manner similar to the research cited earlier, the standard of longevity is unspecified. There is also uncertainty regarding the prevalence, and thereby the importance, of brand heritage. The question of whether the brand heritage concept could be applied to 5% of brands or 95% of brands has implications for the activities of researchers in the discipline of marketing.

Research and Findings

This study involved historical research to determine the age of leading brands. The list of brands derived from the *Best Global Brands* report created annually by the consulting firm Interbrand during the period 2001 to 2010, which was also published in *BusinessWeek* during the period 2001-2009. Each annual ranking included 100 brands, but the overall data set comprises 148 brands that appeared in the rankings at least once. These are listed in Exhibit 1.

After identifying the set of brands, the author conducted historical research to determine the year in which each brand was

EXHIBIT 1 // ALL BRANDS All 148 brands, sorted alphabetically

Absolut	Compaq	Jack Daniels	Panasonic
Accenture	Corona	Johnnie Walker	Pepsi
Adidas	Credit Suisse	Johnson & Johnson	Pfizer
Adobe	Danone	JP Morgan	Philips
AIG	Dell	Kellogg's	Pizza Hut
Allianz	Disney	KFC	Polo Ralph Lauren
Amazon	Duracell	Kleenex	Porsche
American Express	Ebay	Kodak	Prada
AOL	Ericsson	Kraft	Puma
Apple	Estee Lauder	Lancôme	Reuters
Armani	FedEx	Levi's	Rolex
AT&T	Ferrari	Lexus	Samsung
Audi	Financial Times	LG	Santander
Avon	Ford	L'Oreal	SAP
AXA	Gap	Louis Vuitton	Shell
Bacardi	GE	Marlboro	Siemens
Barbie	Gillette	Marriott	Smirnoff
Barclays	Goldman Sachs	McDonald's	Sony
Benetton	Google	Mercedes-Benz	Sprite
BlackBerry	Gucci	Merck	Starbucks
BMW	Guinness	Merrill Lynch	Sun
Boeing	Harley-Davidson	Microsoft	Swatch
BP	Heineken	Mobil	Texas Instruments
Budweiser	Heinz	Moët et Chandon	Tiffany
Bulgari	Hennessy	Morgan Stanley	Time
Burberry	Hermes	Motorola	Toyota
Burger King	Hertz	MTV	UBS
Campbell's	Hewlett-Packard	Nescafé	UPS
Canon	Hilton	Nestlé	Visa
Carlsberg	H&M	Nike	Volkswagen
Cartier	Honda	Nintendo	Wall Street Journal
Caterpillar	HSBC	Nissan	Wrigley
Chanel	Hyundai	Nivea	Xerox
Cisco	IBM	Nokia	Yahoo
Citi	Ikea	Novartis	Zara
Coca-Cola	ING	Oracle	Zurich
Colgate	Intel	Pampers	3M

established, using more than 500 sources. Further information about this can be found in the accompanying textbox entitled “About the Research Sources.”

The founding years of brands sometimes differed from the founding years of the organizations with which they were associated. In several instances, there was significant ambiguity or contradiction among the various sources consulted, requiring interpretation by the author. Further information about this can be found in the accompanying textbox entitled “About the Research Methods.”

After the historical research was completed, the founding year of each brand was subtracted from the year 2010 (the final year in the data set) to determine the age of each brand. The data about age was then analyzed for patterns across industries and age groups. The results appear in Exhibits 2 through 4.

Analysis of the data set reveals significant longevity among the 148 brands, as indicated in Exhibit 2. The founding dates range from 1743 to 2000, and therefore brand age ranges from 267 years to 10 years. The average age is 93 years and the median age is 87 years. Within the entire data set, 64 brands (43%) are aged 100 years or more, and 5 brands (3%) are aged 200 years or more.

An analysis by industry groupings is provided in Exhibit 3. The three oldest industries (based on average age) are food & beverage manufacturing (141 years), pharmaceuticals (119 years), and financial services (117 years). The food & beverage manufacturing industry constitutes only 16% of all brands, but accounts for 30% of brands aged 100 or more. The oldest brand in the entire data set is the Champagne wine producer Moët et Chandon (founded as Moët in 1743).

The three newest industries (based on average age) are computer hardware, software & services (39 years), followed by hospitality, foodservice & travel (62 years), and finally media, entertainment & information (64 years).

Historical Context

Although the overall findings provide new insight into the extended longevity of leading brands, the findings by industry are generally consistent with prior scholarship in economic and business history. For example, the pre-

dominance of the food & beverage manufacturing industry among the oldest brands is consistent with analysis by other scholars.

The influential business historian Alfred Chandler explored the founding of companies and the emergence of industries in his books *The Visible Hand* (1977) and *Scale and Scope* (1990). According to Chandler, the food industry provides a “good starting point” for understanding the growth in the American economy during the later phases of the Industrial Revolution. The food industry was one of the few sectors in which “the modern industrial enterprise had its beginning.” The other early sectors he cites are tobacco, heavy machinery, and primary metals. The former has since been diminished by legal settlements, while the latter two are not characterized by strong brands (the presence of Caterpillar in the data set notwithstanding).

Chandler cited several food or beverage companies that are represented among the Interbrand rankings including Anheuser Busch (Budweiser), Campbell’s, Coca-Cola, Guinness, Heinz, Nestlé, and Wrigley. Early entrants in this sector were positioned to harness the benefits of first-mover advantage in developing strong brands as the consumer and media economies developed. These companies were pioneers in the modern branding phenomenon.

Some of the newest industries reflect popular narratives about economic development. The youthfulness of brands in the computer industry can be explained by the young age of the industry itself, the relatively recent development of most aspects of computer technology, and the movement of the industry into consumer markets during the past two decades. The media industry includes several brands aged more than 100 years, but these are overwhelmed by a large number of newer brands with operations based on television or internet channels of communication. Again, it seems clear that new technology explains the low average age of these brands.

However, the youthfulness of hospitality and travel brands cannot be explained by the age of the industry or by the novelty of related technologies. Activity in this sector can be traced to antiquity, and technology has arguably not been a major influence on growth, despite the importance of aircraft and computers. Again, a possible solution to this confusion may be found by ap-

EXHIBIT 2 // AGE SUMMARY All 148 brands, summarized by age group

	Number of Brands	Percent of data set	Oldest brand (year)	Newest brand (year)	Oldest brand (age in 2010)	Newest brand (age in 2010)	Average age (2010)	Median age (2010)
Age group (years)								
0-99	84	57%	1912	2000	98	10	55	59
100-199	59	40%	1812	1910	198	100	134	129
200-299	5	3%	1743	1806	267	204	239	245
300+	0	0%						
Subtotal 100+	64	43%	1743	1910	267	100	142	137
Total (all brands)	148	100%	1743	2000	267	10	93	87

EXHIBIT 3 // INDUSTRY SUMMARY All 148 brands, grouped by industry, sorted by decreasing average age of brands in industry

	Number of brands	Percent of data set	Oldest brand (year)	Newest brand (year)	Oldest brand (age in 2010)	Newest brand (age in 2010)	Average age (2010)	Median age (2010)
Industry								
Food & beverage manufacturing	23	15%	1743	1961	267	49	141	141
Pharmaceuticals	3	2%	1827	1996	183	14	119	161
Financial services	17	11%	1782	1991	228	19	117	120
Energy	3	2%	1897	1917	113	93	104	106
Personal care	10	7%	1806	1961	204	49	100	95
TOTAL (all industries)	148	100%	1743	2000	267	10	93	87
Apparel, accessories & jewelry	21	14%	1837	1981	173	29	93	89
Other (various industries)	5	3%	1885	2000	125	10	88	106
Electronics & equipment	15	10%	1847	1998	163	12	86	76
Motor vehicles	13	9%	1900	1987	110	23	79	76
Consumer products	4	3%	1883	1964	127	46	73	60
Transportation & logistics	2	1%	1919	1971	91	39	65	65
Media, entertainment & information	12	8%	1851	1997	159	13	64	53
Hospitality, foodservice & travel	8	5%	1924	1971	86	39	62	59
Computer Hardware, software & services	12	8%	1924	1984	86	26	39	33

plying the principle of scale.

Chandler devotes considerable attention to the size and sophistication of railroad companies, emphasizing their importance as pioneers of the modern corporate form. Otherwise, he completely ignores the hospitality and travel sector, because it remained highly fragmented until the twentieth centu-

ry. The development of significant scale and scope lagged other industries by at least fifty years, and the emergence of most major hospitality and travel brands did not occur until the 1950s.

One indication of scale is the ability of a company to generate interest from public equity markets. The New York Stock Ex-

EXHIBIT 4 // BRANDS IN SELECTED INDUSTRIES, Selected brands, grouped by industry, sorted by decreasing age

	Age of brand (calculated 2010)	Brand introduced (author year)	Company founded (official year)			Age of brand (calculated 2010)	Brand introduced (author year)	Company founded (official year)
Food & Beverage Manufacturing					Hospitality, Foodservice & Travel			
Moët et Chandon	264	1743	1743		Hertz	86	1924	1918
Guinness	251	1759	1759		Hilton	85	1925	1919
Hennessy	245	1765	1765		McDonald's	62	1948	1955
Johnnie Walker	190	1820	1819		KFC	60	1950	1930
Carlsberg	163	1847	1847		Burger King	57	1953	1954
Bacardi	148	1862	1862		Marriott	54	1956	1927
Heineken	146	1864	1864		Pizza Hut	52	1958	1958
Smirnoff	146	1864	1864		Starbucks	39	1971	1971
Jack Daniels	144	1866	1866					
Nestlé	143	1867	1866					
Campbell's	141	1869	1869					
Heinz	141	1869	1869					
Budweiser	134	1876	1852					
Absolut	127	1883	1879					
Coca-Cola	124	1886	1886					
Wrigley	119	1891	1891					
Pepsi	114	1896	1898					
Kellogg's	107	1903	1906					
Kraft	107	1903	1903					
Danone	91	1919	1919					
Corona	85	1925	1925					
Nescafé	72	1938	1866					
Sprite	49	1961	1886					

change was founded in 1792, but the first hotel company was not listed on this exchange until 1945 (Sheraton). Similarly, the first food manufacturing company to be included in the Dow Jones Industrial Average debuted in 1894 (American Sugar), but the first restaurant company did not become part of this index until 1985 (McDonald's).

Implications

The idea that companies decline over time has received attention from a variety of scholars and practitioners. Some observers believe that successful brands must be youthful, while others suggest that companies and products have an inherent lifecycle. The findings of this study, specifically the existence of a large number of brands more than a century old within a group of modern brand leaders, will undoubtedly surprise and challenge such observers.

The results also offer some guidance about the appropriate gauge of longevity for further scholarship related to older brands. Although debate may continue about shorter measures, it seems clear that the intuitively satisfying boundary of 100 years may be applied with some confidence. A significant proportion of firms exceed this milestone, which also exceeds both the average and median age of the sample as a whole, such that it seems to offer a meaningful standard.

The extended longevity of many brands in the Interbrand rankings supports the argument that brand heritage is an important concept. Prior literature discussed the phenomenon of older brands or companies, but such scholarship often relied upon vague conceptual analysis and provided limited evidence. In contrast, this study suggests not only that older brands exist, but that a large proportion of major brands have significant longevity.

The advanced age of many leading

brands has implications for practitioners and scholars. For executives within companies that possess older brands, this study suggests the need for stewardship to preserve and protect the equity that resides in historic brands, and for methods to exploit the heritage embedded in such brands for marketing advantage.

For executives within younger companies, this study suggests that opportunities exist to build and preserve equity over extended periods, and that strategic analysis must include consideration of brand heritage effects among older competitors. Brands in the hospitality and travel sector will undoubtedly exhibit heritage effects as they grow older, and the related companies can benefit from insightful management of the history embedded in these brands.

For academics, this study suggests that brand heritage is an important concept within the larger discipline of marketing. The validation of significant age among leading brands informs prior scholarship on a variety of related subjects, and supports the argument that further attention should be directed toward brand heritage effects. ■

ABOUT THE RESEARCH METHODS

The list of brands derived from the *Best Global Brands* report created annually by the consulting firm Interbrand during the period 2001 to 2010. The purpose of this study was to investigate longevity among a group of leading brands, not to evaluate the methodology used to establish the group itself. The Interbrand rankings were used solely to identify a plausible data set for subsequent historical analysis.

The first step involved aggregation of the ten separate annual Interbrand rankings into a single database. Each annual ranking included 100 brands, but the overall data set included 148 brands that appeared in the rankings at least once. Many brands near the top of the ranking appeared every year, while brands lower in ranking have appeared less frequently.

The second step involved assignment of an industry category for each of the brands. These categories were created and assigned intuitively by the author, based partially upon review of the North American Industry Classification System in the Mergent database. The third step involved historical research to determine the founding year of each brand. This process followed methodological principles that are well established for historical research on any topic, but relied mostly on secondary sources. Although primary sources are preferred in historical research, the use of secondary sources is a legitimate and accepted technique in some circumstances. The nature and size of the data set in this study precluded the examination and validation of primary sources for each brand.

Three sources were consulted for every brand. First, the author reviewed the historical narrative about each brand or parent company within the *International Directory of Company Histories*. Second, the author reviewed the official historical profiles provided by the current owners of each brand, which were usually found within corporate websites. Third, the author conducted searches in the online trademark databases of the European Union and the United States Government.

In some instances, there was significant ambiguity or contradiction in the preliminary references and therefore additional sources were consulted. In most cases, the additional sources were

also secondary in nature. These included articles in academic journals, books written by historians and journalists, or correspondence with archivists regarding primary sources in their collections. In a few cases, the author was able to find primary sources that could be reviewed remotely. These included historical newspaper collections, which offered definitive evidence of brand usage no later than a particular date.

Ambiguity about dates often required significant interpretation and analysis by the author. Three types of problems occurred routinely. First, many of the brands were founded after the related organization was officially established. This usually occurred because a new product or business unit was subsequently introduced. Sometimes the new product was so successful that the entire company was re-named with the product brand. Second, brand usage sometimes preceded the official company founding date. This typically involved use of the brand by founders in a prior partnership or company. Third, trademarks were sometimes registered years or decades after the first usage.

Therefore legal actions (such as incorporations and trademark registrations) did not always provide reliable measures for the longevity of brands. Rather the primary criterion adopted for this study was the verifiable first usage of the brand as a formal term associated with the provision of a commercial product or service.

Ambiguity was also apparent in older brands that have changed over time. This may have involved changes in spelling, wording, partners, or translation (from the language of origin). This may also have involved the use (formal or informal) of acronyms derived from the original name. The approach in such cases was to adopt the oldest date upon which the name (or part of the name) was first used in a form that would be recognizable to subsequent customers as representing the same business offering.

After the historical research was completed, the final step involved determination of the age of each brand. The author subtracted the founding year from the year 2010, which was the final year in the data set. This was calculated using calendar whole years, with no consideration of the exact date (month and day) of founding.

Further details about research methods, interpretation of evidence, and the determination of specific founding dates for each brand are available directly from the author.



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