

Steinway: A Case of ‘Reputation by Design’

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INTRODUCTION

Some innovations gain attention overnight. They seem to embody that which is new and functional, efficient and effective, and currently ‘in’. There is often a question, however, as to how long these sorts of innovations will actually endure. Moreover, if they do, it is also often unclear as to what it is about them that enables them to establish a reputation that extends beyond the short term. Yet somehow and for some products, a fine reputation not only emerges but becomes institutionalized. What are the elements of this reputation-generating process? How does it occur? We use the Steinway & Sons case to explore this issue.

STEINWAY’S REPUTATION

For over a century, 90 per cent of the world’s virtuoso pianists have made the Steinway concert grand piano their instrument of choice so far as performances are concerned. With this record, therefore, it seems clear that the reputation of the Steinway piano is not only high but also well institutionalized. In a world of continuous technological change and improvement, the Steinway piano’s reputation appears to depend on the piano not changing at all. This raises questions, then, about how Steinway and Sons originally developed its unique and distinctive piano. How has the firm been able to maintain a lasting reputation in the face of considerably improved technology and much musical change?

To explore these questions, we visited the firm’s showrooms on 57th Street. There, we had some very helpful discussions with Henry Z. Steinway, the last Steinway family member to be actively associated with the firm. We also visited the firm’s main factory and headquarters in Astoria, New York, where we talked with workers, foremen and managers. We observed the pervasive pride everybody has in the firm’s craft skills and their shared commitment to maintaining the quality of the Steinway piano. We also noticed how the age of the equipment in the factory varied greatly, including century-old presses juxtaposed with modern CAD/CAM equipment.

Everyone at Steinway was well aware of the firm’s exalted reputation in the musical world. But most simply accepted it as ‘a fact’ that a Steinway is the best piano. They did not ask why or how the firm had gained this reputation. Rather, they saw it as their task to preserve the valuable legacy they had inherited, no matter how it had come about. As a result, they found it difficult to help us understand why or how Steinway had succeeded in gaining a dominant reputation in the piano field. They suggested the answer was likely to be found somewhere in the company’s history.

Many histories describe how both the piano and Steinway & Sons developed (Dolge, 1911; Ehrlich, 1976; Fostle, 1995; Good, 1982; Harrison, 1976; Lieberman,

1995; Music Trades, 1990; Ratcliffe, 1989; Steinway, 1953). We thought it necessary to consider, first, the way the piano instrument itself had evolved since Steinway & Sons had actually arrived late on the piano development scene. We were particularly interested in identifying the strategic decisions that Steinway & Sons had taken in order to develop a unique and distinctive piano which quickly gained recognition and ultimately market acclaim. We were also interested in how the distinctive sound of the Steinway came to be accepted as the world standard for assessing piano sound.

THE PIANO DEVELOPMENT CONTEXT

The first piano was built in Italy in 1700. It had a harpsichord's case and keys, but the quills used to pluck the strings were taken out and replaced by a hammer action. Thus, the action was the innovation. The new invention went largely unnoticed for it had no place in the popular Italian musical world which was then dominated by opera and violins. In Dresden, Germany, however, the harpsichord maker, Gottfried Silbermann learned of the piano and worked to improve it. After years of effort, his accomplishments were personally endorsed by Frederick the Great of Prussia. His many apprentices then developed the instrument further. When Dresden was engulfed in the Seven Years War (1756–1763), many of Silbermann's apprentices (later nicknamed the 12 apostles) migrated to England. Working with leading English harpsichord makers, these craftsmen helped make further technical progress and these achievements soon persuaded many English firms to abandon harpsichords and specialize in the increasingly popular pianos. By the beginning of the 19th century, England had become the world center for piano making.

A piano's critical components include not only the action, but also the strings, the soundboard, and the frame. Inventors

in Europe and the USA specialized in these different components and carried out extensive development work. By 1830, all of the components needed to make the modern piano had been the target of technical developments efforts and could be found in different factories in different parts of the world. But the leading makers often did not use the best available components. This was because leading piano makers like those located in England and France emphasized craft production, and their leading craftsmen were often skeptical about components 'not invented here.' Most chose to use only components they had personally developed and tended to ignore the improvements developed elsewhere. A consequence was that piano quality, even among leading makers, varied widely.

In the first half of the 19th century, the consumer needs that pianos should aim to satisfy were crystallizing. Larger auditoriums were being built, pianos were being placed in them, and people wanted them to be louder so as to hear them better. Composers, too, sought a greater range of notes and tone from the new instrument, and they wrote music which showed the benefits of such improvements. Piano makers responded by working on many fronts to build a more powerful piano. But by the middle of the 19th century, piano-making was still craft-based, pianos were still expensive luxuries, and piano makers were still experimenting in their separate ways to find the best way to satisfy these demands.

ENTER THE STEINWAYS

Henry Steinway had a small piano-making workshop in Germany that served local needs. In 1850, he and his family immigrated to New York and found jobs with piano-makers. In New York, they encountered new components and approaches to piano making that they had not seen

before. In 1853, they established a family partnership to make pianos and the 23-year old son, Henry Jr., became the firm's piano designer. Utilizing experience gained working in the family workshop in Germany and the new ideas and components he found in New York, he synthesized a new piano design. The result was acclaimed at an important manufacturer's competition in 1855. As firm sales grew rapidly, it opened the largest piano factory in the USA in 1860. The firm continued to gain wider recognition in international competitions. Its success culminated with a triumph at the 1867 Paris Exhibition where Steinway's pianos were recognized for the first time by independent judges as being superior to those made by English and French firms who, until this point, were recognized as the leading makers.

How was this very rapid recognition and success accomplished? In retrospect, we suggest that firm *leadership* based on *human abilities* clearly had a major impact. Unlike the designers of many of the leading firms, Henry Jr. was young, did not have a long record of established craft production experience to guide his efforts, and was keenly interested in learning about, and using the best ideas available, in his adopted country. He relied on the knowledge he had garnered from his father's workshop to evaluate which of these new ideas were best and consider how they could be best combined into a new piano design. The resulting synthesis was unique and led to the distinctive Steinway piano that eventually achieved worldwide acclaim.

Although a good design was necessary for success in manufacturer's competition, it was not sufficient for the firm to gain the level of prominence that it did. In addition and from the start, the firm had aggressively publicized claims concerning the quality of its products which it argued were supported by its competitive suc-

cesses. This marketing effort was directed by a younger son, William. In 1866, to further enhance the firm's image, William opened Steinway Hall. Steinway Hall became the center of cultural life in New York until 1890 when Carnegie Hall was opened. A further aspect of the Steinway success story was the family's interest and involvement in the production process. While the emphasis was still on craftwork, the Steinway factory incorporated as many machines and labor-saving devices as was possible to both maintain quality and promote efficiency. The firm gained recognition not only for the design of its pianos, but also for implementing their manufacture.

THE EVOLVING STEINWAY DESIGN

While the Steinway pianos exhibited in Paris were largely a result of Henry Jr.'s design efforts, he could not present them, having died two years earlier. The Steinway pianos were presented in Paris by his eldest brother, Theodore. Also an expert piano designer, Theodore had enjoyed an extensive technical correspondence with Henry Jr. In Paris, he enthusiastically explained Steinway's new design methods and manufacturing approaches to all who would listen. The English and the French did not listen, possibly convinced that they already made the best pianos, and so had little to learn. But the struggling German piano makers listened very closely indeed. They copied Steinway & Sons' designs and manufacturing methods and, within a decade, they seriously threatened the dominance of French and English firms.

While an ardent advocate for Steinway pianos, Theodore still felt their design could be improved. He decided to redesign Henry's successful grand piano through adherence to a single, consistently applied principle: The purest, most brilliant piano tone is achieved as the strings are stretched to their utmost. With this in mind, he

sought ideas from piano and material makers for ways to build such a piano. The redesign took over a decade and the Steinway concert grand piano that appeared around 1880 is very similar to the Steinway instrument used in concert halls today.

Again, the same synthesizing approach that brought success to Henry Jr. was also the method that guided Theodore's design efforts. Like Henry Jr., his initial 'bricolage' skills came from his father's workshop. He traveled extensively through Europe to visit different piano makers to assess what they were doing and how he could incorporate their ideas in his piano design. He also visited material makers to find new materials that might enable a more robust piano frame and design. He then synthesized this learning into a new design. Theodore's efforts differed from Henry's in that he made continual reference to a specific guiding principle in mind. Yet while a taut string makes a distinctive sound, it was not clear to everyone at the time that such a sound was always the best. In the treble, a taut string gives a 'singing' tone, and the bass notes 'growl'. These unique Steinway features were the basis of a loud and powerful sound. Not everyone at the time or since regarded this loudness as the unequivocal ideal for piano sound. Nevertheless, the Steinway sound became the institutionalized standard against which all other piano sounds are compared, not only in the USA, but around the world.

INSTITUTIONALIZING THE STEINWAY SOUND

How did this institutionalization process come about? The authors believe that it started as a result of the many promotional efforts directed by William Steinway, who managed and diversified Steinway & Sons for over 30 years. When he died in 1896, his heirs quickly ascertained that, despite its obvious success, the firm's many unrelated investments placed it under a heavy debt

load. They decided to sell off all unrelated investments and concentrate on pianos. At the turn of the century, the newly-focused firm was in a changed competitive context. Severe competition and specialization in the piano industry had left Steinway & Sons as the only fully-integrated piano making firm in the USA with a tight hold on the high end piano market. The firm's dominance of the high end piano market was the cornerstone of competitive advantage on which the heirs decided to build.

Steinway's new management hired professional advisors who suggested the firm should reinforce and cement its relationships with the musical elite. The firm sponsored numerous concert national tours by prominent musicians, created a list of 'Steinway-supported artists' that included, among others, George Gershwin, Percy Granger, Vladimir Horowitz, Jan Paderewsky, Serge Prokofiev and Serge Rachmaninoff. The impact of Steinway's association with this stellar group was further enhanced when it was able to persuade competing piano makers to stop all of their sponsoring activity. Now in control of a monopoly of support and mutual endorsement, it was soon clear to everyone that so far as elite musicians were concerned, a Steinway affiliation was the only option. The best pianists chose a Steinway, and Steinway endorsed and supported the best pianists.

Over the years, the company sought to broaden its elite affiliations by building ties to the broader cultural community. They sponsored non-pianists, for example, such as Heifetz, Kreisler and Zimbalist. They also commissioned paintings of music-related events by famous artists such as N.C. Wyeth. Such steps systematically embedded the Steinway name in the broader cultural scene. But in explaining what it was doing, the company left nothing to chance. Year in and year out, the company invested in huge advertising bud-

gets that often amounted to 10 per cent of firm sales revenues. Steinway advertising emphasized the excellence of their pianos, confirmed by its competitive successes and many endorsements. Its advertising themes also emphasized family values and the idea that everyone needed a piano because it was the ideal center around which the family gathered to make music in the ideal home. Other advertising appealed to the status-seeking masses, arguing that owning a Steinway indicated elite taste, implicitly making the owner a member of the cultural elite.

For the first 30 years of the 20th century, Steinway & Sons was a cultural monopolist and together, its innumerable affiliations with the cultural elite and its repeated advertising messages established the Steinway piano as the standard for evaluating piano sound. It became institutionalized as the best piano. As such and in the face of a changing and innovating world, Steinway keeps its reputation by maintaining itself unchanged.

CONCLUSION: FROM NOTE TO MELODY

So how can a firm generate a reputation? The history of Steinway & Sons suggests some of the critical steps. The piano was well-developed when the Steinway family came on the scene. Their contribution was

to synthesize many available ideas into a new design which, in turn, offered new paths for design and manufacturing improvements. Family members did this not once but, after having received worldwide acclaim for developing the best piano, another family member decided to do it again! Supported by a manual endorsement process involving the cultural elite along with massive advertising programs, the firm succeeded in institutionalizing itself as the 'sound standard' for pianos. Today, the firm cannot change the sound of its pianos. By not doing so, it retains its reputation.

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