



JÖNKÖPING INTERNATIONAL BUSINESS SCHOOL  
JÖNKÖPING UNIVERSITY

# **Corporate Identity: Communication as a key component**

Bachelor Thesis within Business Administration

Authors: Ugwu Kelechi

Charles Maina

Sergio Silva

Gabriel Vargas

Tutor: Börje Boers

Jönköping June 2008

## Acknowledgements

The authors would like to thank all people that have contributed to this thesis with their knowledge, feedback, time and support.

To the respondents, who contributed to our investigation by answering the questionnaires.

To Maria Nilsson, who contributed with her editorial experience and helped us to improve this thesis.

To other groups in our seminar that always provided us with constructive feedback.

And finally, we want to thank our tutor, Börje Boers, who guided us through the process of writing this thesis.

*Charles Maina*

*Ugwu Kelechi*

*Sergio Silva*

*Gabriel Vargas*

Jönköping International Business School

June, 2008

# Bachelor's Thesis within Business Administration

**Title:** Corporate Identity: Communication as a key component  
**Authors:** Ugwu Kelechi, Charles Maina, Sergio Silva and Gabriel Vargas  
**Tutor:** Börje Boers  
**Date:** 2008 - 06 - 10

**Subject terms:** Corporate Identity, Corporate Communication, Investor Relations

---

## Abstract

**Problem:** In the world of today's business, there is a trend for investors not only to base their decisions whether to invest in a company on the basis of its financial results. These days more features are taken into consideration. Corporate identity is a crucial aspect to bear in mind for investors, as it demonstrates what the company is, how it works and where it is going. Corporate Communication is a process that allows companies to share their information with the stakeholders. Not every company is aware of the significance of communicating its corporate identity to investors. These represent a basis for the company, since their support is needed to achieve the organization's objectives. Furthermore, communication of corporate identity to investors represents an opportunity for a company to achieve its goals. The importance and relation of corporate identity and communication to investors is becoming a relevant issue not only for them but also for stakeholders.

**Purpose:** The purpose of this thesis is to investigate corporate identity and its communication, as a key component, to investors.

**Method:** The authors have conducted a case study of the Chemical and Mining Company of Chile Inc. (SQM). A qualitative method approach has been used to achieve the purpose. Self-administered questionnaires have been used to gather empirical data.

**Conclusion:** The case study has led to conclusions on how important it is for SQM to communicate its corporate identity to investors. SQM's corporate identity is seen as an instrument to differentiate, compete and communicate with investors. SQM's visual identity is an instrument to communicate the evolution of the company. The company is using behavior, symbolism and communication as the main channels to transmit its corporate identity to investors. SQM's investor relations show a clear awareness of the need for communication with its investors and financial stakeholders. This is supported by the development of their website and the information collected through the questionnaire. Finally, the authors conclude that corporate identity and its communication, as a key component, is essential for SQM. Its investor relations department and website show that it is very important for the company to communicate to investors its identity.

## Table of Contents

<b>1</b>	<b>Introduction.....</b>	<b>1</b>
1.1	Background .....	1
1.2	Problem Discussion .....	2
1.3	Purpose .....	3
1.4	Delimitation.....	3
<b>2</b>	<b>Methodology .....</b>	<b>4</b>
2.1	Research approach .....	4
2.2	Research types: Qualitative and Quantitative.....	4
2.3	Why a Case Study? .....	5
2.4	Why SQM? .....	6
2.5	Data gathering and Data analysis.....	6
2.5.1	Data gathering .....	6
2.5.1.1	Primary and Secondary data .....	7
2.5.2	Self-administered questionnaire .....	7
2.5.2.1	Advantages and Disadvantages .....	8
2.5.2.2	Self-administered questionnaire design .....	8
2.5.3	Data analysis .....	9
2.6	Validity and Reliability.....	11
<b>3</b>	<b>Frame of Reference .....</b>	<b>13</b>
3.1	Corporate Identity .....	13
3.2	Corporate Communication.....	14
3.2.1	Organizational Communication .....	15
3.3	Investor Relations.....	16
3.3.1	Investor relations in a company.....	16
3.3.2	Investor relations and communication .....	17
3.3.3	Structural factors for Investors.....	18
3.3.4	Channels of Communication .....	19
3.4	Summary .....	19
<b>4</b>	<b>Empirical Findings.....</b>	<b>20</b>
4.1	Corporate Identity .....	20
4.2	Corporate Communication.....	21
4.3	Investor Relations.....	23
<b>5</b>	<b>Analysis.....</b>	<b>25</b>
5.1	Presentation of Data Analysis .....	25
5.2	Analysis presentation .....	26
5.2.1	Corporate Identity.....	27
5.2.2	Corporate Communication.....	30
5.2.3	Investor Relations.....	35
<b>6</b>	<b>Conclusion .....</b>	<b>40</b>
6.1	Conclusions .....	40
6.2	Discussion .....	41
6.3	Contributions and Limitations .....	41
6.4	Suggestions for Further Research.....	42
	<b>References .....</b>	<b>43</b>

<b>Appendices .....</b>	<b>48</b>
Appendix 1 Presentation of Case Study.....	48
Appendix 2 Delimitation Figure .....	49
Appendix 3 Profile of Respondents .....	50
Appendix 4 Consent Form .....	52
Appendix 5 Cover Letter and Instructions .....	54
Appendix 6 Questionnaire Investor Relations .....	57
Appendix 7 Questionnaire Investor .....	59
Appendix 8 Questionnaire Executive .....	61
Appendix 9 Questionnaire CEO/ Investor/ Financial Consultant .....	63
Appendix 10 Corporate Identity Model.....	67
Appendix 11 Presentation of Empirical Data Analysis.....	68
Appendix 12 Empirical Data Analysis: Corporate Identity .....	69
Appendix 13 Empirical Data Analysis: Corporate Communication .....	70
Appendix 14 Empirical Data Analysis: Investor Relations .....	71
Appendix 15 SQM's Corporate Identity .....	72
Appendix 16 Actual structure Board of Directors of SQM (May, 2008) .....	74
Appendix 17 Actual structure Management Team of SQM (May, 2008) .....	75

## List of Figures

Figure 4.1 Data Analysis Process and Presentation .....	26
Figure 15.1 Sociedad Química y Minera de Chile S.A. ....	72
Figure 15.2 Soquimich .....	72
Figure 15.3 SQM.....	73

# 1 Introduction

---

*The aim of this chapter is to introduce the chosen topic to the reader. The problem discussion and the formulated problem statement that will follow are also introduced. These are preceded by the purpose and delimitations of this thesis.*

---

## 1.1 Background

What makes an organization unique? And how does the organization transmit this uniqueness? It can be through different components such as design, employees, values, mission, product, origin, slogan, ownership structure, history, communication, among others. Probably all of these can cause an impact and be relevant to make an organization unique and transmit it. Despite of this, there is one concept that involves all the mentioned components: corporate identity.

In the past, corporate identity was considered a visual statement to the world of ‘who’ and ‘what’ the company is, but research on the subject has shown that corporate identity is more than a logo or design (Melewar, Bassett & Simoes, 2006a). Corporate identity is the “presentation of an organization to every stakeholder and it is what makes an organization unique” (Melewar & Karaosmanoglu, 2006b, p. 864).

Corporate identity is recognized as “an effective strategic instrument and as a mean to achieve competitive advantage” (Melewar & Karaosmanoglu, 2006b, p. 847). It also has positive influence on stakeholders. Van Riel (1995) argues that organizations with strong corporate identity create a ‘we-feeling’, which refers to a sense of identification with the organization. This creates confidence in employees, customers and investors, generating better performance and better relationships between them (Melewar et al., 2006a). Another question arises from this, how can an organization develop a strong corporate identity?

In order to achieve a strong corporate identity, an organization needs to keep in consideration that it is almost impossible to communicate its corporate identity solely via symbols. A presentation of an organization’s corporate identity needs an important instrument, corporate communication (Parum, 2006).

Corporate communication is a broad concept that can include almost anything that a company does. Van Riel (1995) identifies three types of corporate communication: first, management communication, this refers to how managers inform their employees; second, marketing communication, that support sales of particular goods, and third, organizational communication, which deals with public relations, public affairs, investor relations, labor market, corporate advertising, environmental communication and internal communication.

As mentioned before, corporate identity creates confidence on investors, but symbols are not enough to communicate with stakeholders. Organizational communication, through the investor relations department of a company, takes an important role communicating corporate identity to investors (Melewar et al., 2006a).

Therefore, considering the importance of corporate identity, added to the need of communicating it, the authors consider it important to conduct an investigation on corporate identity and its communication as key component, focused on investors. This

investigation develops the case study of the Chemical and Mining Company of Chile Inc. (SQM). Over the years, SQM has successfully met-up the changing demands from the market and stakeholders (SQM, 2008b). Further, it is the worldwide leader in three business areas: plant nutrition, iodine and lithium; and it seems to be a company aware of the importance of corporate identity and its communication to investors. (See Appendix 1)

## 1.2 Problem Discussion

Even though the companies know about the importance of communication, still some of them consider that having a newsletter to 'communicate' an annual report, a financial report, a shareholder meeting or a new adventure to its stakeholders is enough (RY, 2008a). But is a newsletter or *e-mail* enough to communicate with investors?

Probably the answer would be not. Financial stakeholders need more than this, such as information to make an analysis and support their decisions, and the company should inform them in order to create confidence and build relationships to attract and retain current and potential investors (RY, 2008a).

It is essential for an organization to communicate what the company is, what the company wants and where the company is going (Balmer & Dinnie, 1999). Also, corporate identity can work as a bond in the company; it can provide an organization with a common motivation to work together and to reach objectives in the same way.

As many other aspects, communication is an essential part of investor relations, for that reason, "communication should involve proper targeting of the audience by thinking who they are, what is relevant to them and being clear" (RY, 2008a, p. 6). It is important that investor relations inform the financial and general stakeholders what they want to know, whether it will impact them and if so, how (RY, 2008c). A company should anticipate investors' information demand and communicate what they require. Companies have different audiences, with different motivations within the company and this should be considered when a company is communicating or planning a communication strategy (RY, 2008b).

The information that an investor expects to be communicated may not be the same as what an employee expects. For example, "investors should be encouraged by communication of corporate identity, to purchase rather than to sell shares" (Sirower & Lipin, 2003, p.26). The communication of corporate identity to investors can influence them to agree or believe in what a company is and represents. DeArnold (1988) considers that the task of management of a company is to increase the shareholders' interest in the institution. He explains that this can be done in a 'smart' way using investor communications rather than working harder (DeArnold, 1988).

Related to this, judging from the authors of this thesis, investors are not only interested in 'numbers' but also in the company's communication of its values, vision, mission, corporate culture, strategy, among other aspects that are consider as part of corporate identity.

### **1.3 Purpose**

The purpose of this thesis is to investigate corporate identity and its communication, as a key component, to investors. This investigation is carried out through a case study of the Chemical and Mining Company of Chile Inc. (SQM).

### **1.4 Delimitation**

According to Melewar and Karaosmanoglu (2006b), corporate identity is a mix of components. These components are: corporate communication, corporate structure, corporate culture, corporate design, behavior, industry identity, and corporate strategy. The model developed by these authors is clear but involves other factors that make it extensive. Taking into consideration the purpose of this thesis, the authors decided to delimitate and narrow down this investigation to only one of the components; corporate communication.

Corporate communication is an extensive subject that is classified in three areas: management communication, marketing communication and organizational communication (Van Riel, 1995). Due to the extension of the subject and the purpose of this thesis, the authors focus on organizational communication.

Organizational communication deals with public relations, public affairs, investor relations, labor market, corporate advertising, environmental communication and internal communication. Considering this the purpose of this thesis, the authors choose investor relations as main focus since it is the department that communicates with investors.

This delimitation defines the purpose of this thesis, which is to investigate corporate identity and its communication, as key component, to investors. Appendix 2 shows graphically the followed process to delimitate this thesis' topic.

In addition to these aspects, the information and conclusions given in this thesis may not be applicable to firms in general but for SQM. The company chosen as case study is an example of a firm that seems to be aware of the importance of corporate identity and its communication, which might not be the case of all firms.

## 2 Methodology

---

*The present chapter is a description of the procedure used in this thesis. The research approach, the chosen research type and the reason for choosing a case study are also explained. Validity and reliability aspects are followed by data gathering and data analysis processes.*

---

### 2.1 Research approach

There are two research approaches to conduct an investigation, which are determined by the purpose of each study, and these are deductive and inductive (Dew, 2007).

A deductive approach, according to Dew (2007), draws on previous understandings of an aspect of the world, and from that understanding a hypothesis is developed that is tested. If the hypothesis is supported the prior theoretical understanding is supported, and if not then the understanding is modified (Dew, 2007, p.434).

An inductive approach “sets aside prior theories and attempts to build up an understanding of the world from the data” (Dew, 2007, p.435). As Elo and Kynga (2007) explain, if there is not enough knowledge about the phenomenon or if this knowledge is fragmented, the inductive approach is recommended. Furthermore, an approach based on inductive data moves from the specific to the general, so that ‘particular instances are observed and then combined into a larger whole or general statement’ (Chinn & Kramer, 1999; Cited in Elo & Kynga, 2007).

The authors of this thesis decided to apply an inductive approach considering that a topic on which there was no previous research at the moment this thesis was conducted, investigated and developed. Since a single case study is used, it is not intended to generalize.

### 2.2 Research types: Qualitative and Quantitative

According to Amaratunga, Baldry, Sarshar and Newton (2002), research may be categorized in two distinct types: quantitative and qualitative. The quantitative approach grows out of a strong academic tradition that places considerable trust in numbers that represent opinions or concepts (Amaratunga et al., 2002). In contrast, the qualitative research concentrates on words and observations to express reality and attempts to describe people in natural situations (Amaratunga et al., 2002).

The authors decided to use a qualitative data research strategy. The reason is that this investigation is not only focused on information about the chosen case study, but includes theories and aspects of communication of corporate identity to investors. Also, definitions and general aspects of important terms along the thesis are included what according to Creswell (2003) represent a characteristic of a qualitative study.

## 2.3 Why a Case Study?

A case study is defined as a multi-perspective analysis by Feagin, Orum and Sjoberg (1991). This means that it deals with more than one single approach. The researcher considers not just the voice and perspective of the actors, but also of their relevant groups and the interaction between the parts (Feagin et al., 1991). A case study approach is flexible so it can adapt to and probe areas of planned as well as emergent theory.

According to Flyvbjerg (2004), a case study can help to understand everyday's practices. A case study approach is useful to understand how the organizational and environmental context is having an impact on social processes.

The main reason to choose a case study was the possibility to accomplish the purpose of this thesis. In addition, the authors had a personal interest on developing a case study. At the same time it worked as a guide in the process of achieving objectives investigating a real life business situation involving corporate identity and communication.

It is important to mention that a case study can be analyzed as a single case vs. multiple cases or as a holistic case vs. an embedded case. A single case is used when it represents a critical, alternative or unique case. Multiple cases involve more than one case study, focusing on the need to generalize from the result of the research. The holistic case refers to the unit of analysis that is a type of study that concerns a single organization that currently employs you. "Embedded refers to the case when the researchers examine a number of sub-units in the organization" (Saunders, Lewis & Thornhill, 2007, p. 140).

The authors of this thesis have chosen the company as single case study because it represented a useful tool to achieve the objectives of this investigation. In next point of this chapter, the reasons for choosing SQM and its attractiveness to develop a case study are explained.

There are several ways of doing social science research and each strategy has advantages and disadvantages. One disadvantage is that a single case study approach is not enough to generalize because it lacks of sufficient numbers of cases (Yin, 1993). Yin (1993) argues that the relative size of the sample whether, two, ten or one hundred cases used, does not transform a multiple case into a macroscopic study. He says that the goal of the study should establish the parameters, and then apply to all research. In this way, even a single case could be considered acceptable, provided it meets the established objective.

Being aware of the previously mentioned limitations, the author's intention is not to generalize by analyzing one single case. Instead, it is intended to exemplify the company's corporate identity strategy and its communication to investors with a real-life business situation.

## **2.4 Why SQM?**

The Chemical and Mining Company of Chile Inc. (SQM) is the worldwide leader in its three main business areas: specialty plant nutrition, iodine and lithium. The company has commercial offices in more than 20 countries, which enables SQM to offer its business formula to customers in 110 countries around the world (SQM, 2008a).

The company has reinvented its corporate identity more than once over the years, in order to meet the high efficiency levels required by the changing global markets. At the same time, the demanding response level from its customers has been satisfied (SQM, 2008a).

SQM has established a constant improvement of its corporate governance practices, with general and financial stakeholders, through its investor relations department to maintain equal treatment to all its shareholders (SQM, 2008a). Also, SQM is an attractive case study for the topic developed in this thesis because in 2003, the company was recognized by the Corporate Communications Broadcast Network, as having the Best Investor Relations in a Chilean Company (BW, 2003).

Therefore, all these aspects support the decision for choosing the Chemical and Mining Company of Chile Inc. (SQM), to conduct an investigation on corporate identity and its communication, as a key component, to investors.

## **2.5 Data gathering and Data analysis**

According to Chandler (1998), there are two main forms of methodology: data gathering and data analysis. The authors of this thesis considered both forms of methodology to help develop this thesis. Data gathering is focused on theories and information about corporate identity and its communication to investor relations.

### **2.5.1 Data gathering**

Data gathering or collection is “a method that combines primary and secondary data to answer research questions and satisfy the purpose of a research” (Saunders et al., 2007, p.272). The purpose of gathering data is for assessment (MSC, 2003). The implication is that ‘good’ data can help to assess the effectiveness of techniques in dealing with certain problems. Also, it can improve overall performance and vice versa. There are many methods of data collection, for example: observations, interviews, surveys, questionnaires, among others (Zikmund, 2002).

As data gathering method, self-administered questionnaires are considered. To have a valid and reliable data, the authors of this thesis have ensured that the questionnaires were well formulated which allows error minimization and misunderstandings. More information on the applied self-administered questionnaires is given later in this chapter.

Regarding respondents, an executive, an investor, the company’s investor relations and a financial consultant were chosen; all of them with a vast experience in business and

within SQM. Considering this, the profile of each of them with a description of their experience is given in Appendix 3.

According to Saunders et al. (2007), confidentiality and anonymity is importance in gaining access to organizations and individuals. They further argue that once promises about confidentiality and anonymity have been given, it is of great importance to make sure that these are maintained. In the data collection, the importance of not causing harm to participant's privacy was considered. This was done by signing a consent form, which the authors are obliged not to reveal any personal information and use it only for the purpose of this thesis. The consent form was developed considering the example given by Saunders et al. (2007, p.186). (See Appendix 4)

Since some of the respondents decided to remain anonymous, the authors of this thesis decided not to consider any name but the position or relation with the company. In this way, the gathered information was analyzed only considering the role in the company of the respondent.

#### **2.5.1.1 Primary and Secondary data**

There are two types of data collection, primary and secondary data considered in this thesis. Zikmund (2002) defines primary data as data gathered and assembled specifically for the research project at hand. Also, primary data is data collected "specifically for the research project being undertaken" (Saunders et al., 2007, p.607).

Zikmund (2002) defines secondary data as information that has been previously collected for some project other than the one at hand and adds that, secondary sources can be found inside the company, library or Internet, among others. Secondary data is used for a research project that was "originally collected for some other purpose" (Saunders et al, 2007, p.611).

Regarding primary data, self-administered questionnaires were applied. These helped to accomplish the purpose of the conducted investigation, develop an analysis and finally, establish conclusions, suggestions and contributions.

Concerning secondary data, it has been obtained from SQM's website, previous studies on corporate identity and communication, and SQM's annual reports (2006 and 2007). Secondary data provided reliable and valid data as primary data did. It is important to mention that SQM's website includes information that has been approved by the company, what represented a good source when comparing the information to the answers of the questionnaires.

#### **2.5.2 Self-administered questionnaire**

One of the most fundamental techniques for qualitative research is the interview. The reason for this is that it allows researchers to obtain information that they cannot gain by observation alone (Asa, 2000). Saunders et al. (2007) considers that the use of interviews can help gather valid and reliable data that can be relevant for the research question and purpose. Added to this, interviews are used to gather data that is normally qualitatively analyzed. This data is likely to be used not only to reveal and understand

the ‘what’ and the ‘how’ but also to place more emphasis on exploring the ‘why’ (Saunders et al., 2007).

Due to the geographical and economic circumstances for conducting face-to-face interviews with the respondents in Chile, the interviews were conducted as a self-administered questionnaire with open questions.

A questionnaire is a set of questions or items in written form that can be self-administered. According to De Vaus (2002), a questionnaire includes all techniques of data collection in which each person is asked to respond to a set of questions in a predetermined order. By self-administered it is meant that the questionnaires were answered by each respondent, without the participation of an interviewer. Related to this, Fink (2003) mentions that an open question “allow respondents to give answers in their own way” (Cited in Saunders et al. 2007, p.368). Sets of questions and instructions to follow were sent to the interview subjects. (See Appendices 5 - 9)

The main goal of using self-administered questionnaires was to get more information about the company’s investors, executives, consultants and investor relations, attitudes towards corporate identity and its communication to investors. The authors of this thesis identified and contacted people that worked for the company in areas related to corporate identity and communication, that were related to the company as investors and that had management experience. Also, it was considered that the information that could be gathered from these respondents would help on achieving the purpose of this thesis.

#### **2.5.2.1 Advantages and Disadvantages**

Using this method resulted in advantages and disadvantages. The main advantages were: the interviewer bias or disruptions were avoided, the person answering the questionnaire recorded her/his own answers; with this type of technique approach errors resulting from the recording of responses by interviewers were reduced, fear and embarrassment which may result from direct contacts were avoided (Oppenheim, 2000; Cited in Saunders et al., 2007). Finally, according to Burns (2000), what is also important is that by using this method, the respondent is free to answer in their own time, and it can also guarantee confidentiality.

The disadvantages of using this method were: not having control of the conditions where the questionnaires were answered, which could have resulted in incomplete answers or questionnaires, and that not all questionnaires are returned after responses (Neuman, 2006).

The advantages and disadvantages proposed by these authors fit the characteristics of this investigation.

#### **2.5.2.2 Self-administered questionnaire design**

Before starting to design and elaborate the data-gathering tool, the authors asked themselves what kind of information would be needed to gather and analyze, to fulfill the purpose of this thesis.

Therefore, the questionnaire is divided in three main topics: corporate identity, communication and investor relations. The reasons for structuring the questionnaire in such a way were to help organize the information by topic and make it easier to analyze.

Also, being aware of the advantages and disadvantages of applying this method in the thesis, the questionnaire was designed using six steps. These were developed after the emphasis given by Saunders et al. (2007) to the importance of having a clear message and structure when using this data collection method. The authors of this thesis developed the following steps:

1. Respondents were selected according to their management experience, their role as investor relations, investor, consultant or executive, and their relationship with SQM's corporate identity.
2. The participants were contacted by phone before the questionnaires were sent to them, to be sure of their interest on taking part of this investigation. Linked to this, Grbich (2007) argues that close interaction with participants is an important aspect. This helped establishing a relationship between the respondent and the authors' that could have generated confidence when answering the questionnaires. This also helped on reducing bias. Since the interviews were not face-to-face, creating an early relationship was considered important.
3. A cover letter, created by the authors of this thesis, was attached to each questionnaire to ensure clear understanding of the questions and the purpose of the questionnaire. Also, a brief introduction to the topic is provided before each question. A consent form was attached to offer confidentiality to respondents. All these information was sent and received by *e-mail*.
4. Since the respondents lived in countries where the official language is Spanish, questionnaires were also provided in this language. In this way, the respondents had the choice to answer in the language of their preference. Also, it was assured that the participant understood the questions, and at the same time did not feel uncomfortable answering the questions in another language.
5. Those who chose to answer the questionnaire in Spanish were provided with a copy of the translated questionnaire; this had the purpose of verifying that their answers were translated accurately. This 'extra step' also helped to reduce bias, what resulted in clear and understandable information.
6. In case an answer was not clear or incomplete for the thesis' purposes, the interviewed person was aware that he/she could be contacted by telephone to get an answer or to clarify it.

### **2.5.3 Data analysis**

In order for collected data to be useful, it needs to be analyzed. There are a number of alternatives to conduct analytical procedures for qualitative data. These are: data display and analysis, template analysis and analytic induction, among others.

Considering that an inductive approach is used, which provided large amount of data, reducing long interview texts, and selecting 'key words' and 'key terms' was required to analyze the data collected. Therefore, the authors decided to develop an analysis process using "data display and analysis" (Zikmund, 2002, p.493).

Mile and Huberman (1994) developed this analysis approach and their work consists in using three main processes:

- First, data reduction. This step summarizes and selects the data collected. The main objective is to transform and condense the data. To accomplish this, the authors of this thesis read through all the information collected. This included SQM's information and answers obtained from the questionnaires, which helped the authors to be aware of the information collected. It also helped to select and elaborate a summary of the gathered data.
- Second, data display. This part consists in organizing and assembling the selected data. For this process, Mile and Huberman (1994) suggest two types of matrix display: matrices and networks. Matrices are "generally tabular in form, with defined columns and rows" (Cited in Zikmund, 2002, p.493). A network is a "collection of nodes or boxes that are joined or linked by lines, perhaps with arrows to indicate relationships" (Cited in Zikmund, 2002, p.493).

From the two options given for a matrix display, the authors decided to use 'the matrix' model. This model offers structure, division, categorization, reduction of text, and finally creation of links and outcome (Cited in Saunders et al., 2007, p.493). The decision of using a matrix to present, organize and assemble the data collected was based on the advantages it represented. The authors of this thesis used the model as follows:

- a) Structure and division. The self-administered questionnaires were divided in three main topics: corporate identity, communication and investor relations. The same division was established for the matrix, which provided a clear structure to follow and accomplish the objective of the analysis.
  - b) Categorization. The information was categorized into gathered information from primary and secondary sources.
  - c) Reduction of text. Allowed reduction of text by selecting 'key words' and 'key terms' identified from the theory and collected data.
  - d) Creation of links. The authors were able to establish relationships and comparisons between theories, primary and secondary sources.
  - e) Outcome. The authors were able to elaborate an output that helped to integrate and structure the analysis presented.
- Third, drawing and verifying conclusions. Following the steps of this approach, enables the authors of this thesis not only to explain to the reader the result of the analysis, but also a visual way in which these were obtained. It also helped to establish conclusions, suggestions and contributions about the conducted investigation (Cited in Saunders et al., 2007, p.493).

Added to these steps, a practical process that helped during the analysis of the thesis was developed. The practical process is presented in Chapter 4.

## 2.6 Validity and Reliability

In this thesis, a self-administered questionnaire was considered as data collection method. According to Bickman, and Rog (1998), a ‘good’ question is the one that produces answers that are valid and reliable.

Cronbach and Meehl (1955) define validity as the extent to which answers correspond to true values of what is described or measured (Cited in Bickman & Rog, 1998). Validity, in relation to a questionnaire, refers to the ability of it to measure what is intended to measure (Saunders et al., 2000). Validity, in qualitative research, is divided into three main parts: content, criterion-related and construct validity.

According to Saunders et al. (2007), content validity means the extent to which the measurement device provides adequate coverage of the investigative questions. Criterion-related validity, sometimes known as predictive validity, is concerned with the ability of the measures (questions) to make accurate predictions. Construct validity refers to “the extent to which measurement questions actually measure the presence of those constructs intended them to measure” (Saunders et al. 2007, p.366). Since validity is dependent on measurement, accurate measurement increases validity as well as reliability.

Nunnally (1978) defines reliability as the extent to which answers are consistent (Cited in Bickman & Rog, 1998). Furthermore, Mitchell (1996) outlines three common approaches to assess reliability when comparing the data collected with other data from a variety of sources (Cited in Saunders et al., 2007). These are: test re-test, internal consistency and alternate form.

According to Mitchell (1996), test re-test estimates of reliability are obtained by correlating data collected with those questionnaires under similar conditions (Cited in Saunders et al., 2007). The author points out that, “internal consistency involves correlating the responses to each question in the questionnaire with those of other questions in the questionnaire” (Cited in Saunders et al. 2007, p.367). Mitchell (1996) also explains that this method measures the consistency of responses across either all the questions or a subgroup of the questions from a questionnaire.

The final approach to test reliability outlined by Mitchell (1996) is an alternative form. He considers that this method “offers some sense of reliability within the questionnaire by comparing responses to alternative forms of the same question or groups of questions” (Cited in Saunders et al. 2007, p.367). This method is also called *check questions* because it is advisable to check questions carefully according to the researcher.

Data collected through self-administered questionnaires must be trustworthy in order to be valid and heavily reliable for the purpose of the research. Respondents may consistently interpret a question in one way, when something else is meant. Bickman and Rog (1998) consider that there are five fundamental characteristics of questions and answers for a good measurement process. These are:

1. Questions need to be consistently understood.
2. Questions need to be consistently administered or communicated to respondents.
3. What constitutes an adequate answer should be consistently communicated.
4. Unless measuring knowledge is the goal of the question, all respondents should have access to the information needed to answer the question accurately.
5. Respondents must be willing to provide the answers called for in the question (Bickman & Rog, 1998 p.344).

When questions have ‘good’ characteristics as described above, it is likely that answers are consistent and trustworthy. Regarding to this topic, the authors of this thesis consider that the questions were formulated and presented to the respondent according to the characteristics mentioned earlier by Bickman and Rog (1998). This helped to develop reliable and valid questionnaires to accomplish the investigation’s objective.

### 3 Frame of Reference

---

*This chapter considers main aspects on corporate identity and communication as key component to investors. The topics are further developed, to be the basis for the thesis' analysis.*

---

#### 3.1 Corporate Identity

Originally, corporate identity was connected to graphic design and other forms of symbolism used by an organization. The graphic design or logo, according to Selame and Selame (1975), is the firm's visual statement to the world of who and what the company is, and how the company views itself (Cited in Melewar et al., 2006a). As more research has been conducted, "corporate identity became a more comprehensive topic connected as a strategic issue for management, and it has been gaining importance as strategic instrument for internationalization, mergers and acquisitions, deregulations and privatization of markets" (Melewar et al., 2006a, p.138).

Academics and consultants such as Balmer, Sirower, among others, have found that it can be difficult to define corporate identity, even though much research has been done during these years with the purpose of defining corporate identity, establishing its influences, components, and its impact in organizations. In 1995, the International Corporate Identity Group (OCIG) together with other academics and leading consultants offered a statement that articulates the multidisciplinary nature of the area. This statement is called *Strathclyde Statement*, which argues that every organization has an identity. It articulates the "corporate ethics, aims and values and presents a sense of individuality that can help to differentiate the organization within its competitive environment" (Van Riel & Balmer, 1997, p.355).

Other academics, as the ones mentioned before, have done important contributions to the subject. Many of these acknowledge that, "corporate identity refers to an organization's unique characteristics which are rooted in the behavior of members of the organization" (Melewar & Karaosmanoglu, 2006b, p.341). Also, Melewar and Karaosmanoglu (2006b) conclude that corporate identity can be defined as the presentation of an organization to every stakeholder. It is what makes an organization unique.

The definition of corporate identity has become broad along the process of making the term understandable. Many authors have defined it in several ways according to their own perspective. Melewar and Karaosmanoglu (2006b) explain a corporate identity model by breaking it into the seven component areas: corporate design, corporate culture, behavior, corporate structure, industry identity corporate strategy and corporate communication. The seven areas that integrate the model are further divided into components. (See Appendix 10)

Due to complicated definitions and extension of corporate identity, this model provides a clear but holistic breakdown of the concept. To provide a better understanding of the topic, a brief introduction to each of this model's components is presented below.

Corporate design. Visual identity has two fundamental purposes. Firstly, it represents the organization's value and philosophy, and secondly, it supports corporate communication (Baker & Balmer, 1997; Cited in Melewar et al., 2006a). Corporate

visual identity system is composed of five main elements: the organization's name, slogan, logotype or symbol, color and topography (physical location) (Melewar & Saunders, 1998; Cited in Melewar et al., 2006a). Olins (1989) considers that for a company, its physical location is an important aspect for corporate identity (Cited in Melewar & Karaosmanoglu, 2006b). It creates confidence to stakeholders. Websites have also been a recent visual identity media that stakeholders use to gather information about the organizations. How the website is developed and its contents outline the perception of corporate identity.

Corporate culture. Downey (1986) believes that corporate culture is the consequence of corporate identity and argues that culture is the 'what' of a company and identity is the 'why' (Cited in Melewar & Karaosmanoglu, 2006b). Corporate Culture includes: values, missions, principles, guidelines, history, country of origin, sub-cultures and philosophies.

Behavior. Communication and actions emanating from top management and employees have a significant impact on corporate identity (Melewar & Karaosmanoglu, 2006b). These actions include: corporate behavior, employee behavior, and management behavior. This is essential in reflecting what the company is, since it can influence stakeholders and behavioral actions reflect corporate identity (Melewar & Karaosmanoglu, 2006b).

Corporate structure. It is a fundamental component of corporate identity; it is divided in two parts: branding structure and organizational structure (Melewar & Karaosmanoglu, 2006b). Brand structure is where organizations engage in branding strategies with an aim of differentiating themselves from competitors. Strong brand in the market increases the organization competitiveness, and it generates customers' loyalty and stakeholders' confidence.

Industrial identity. It develops from characteristics such as competitiveness, size and rates of change. Companies operating in an industry with clear and strong identity, adopt similar strategies on their corporate identity management, thereby developing similar identities (Melewar & Karaosmanoglu, 2006b). This shows that the corporate identity of the organizations is strongly influenced by the industry or the sector they are in.

Corporate strategies. Corporate identity and corporate strategy are closely related since corporate identity provides a sense of direction for employees, while corporate strategy provides the plan as to where the company is going. This is a grand plan of how the company will compete in the market.

Since this thesis' focus is on corporate communication, now this dimension is described more in detail.

### **3.2 Corporate Communication**

Van Riel (1995) argues that organizations consider it important to develop a strong corporate identity. To be able to accomplish this, it is important for companies to communicate properly in order to send the right messages across to stakeholders. Strong corporate identity motivates financial target groups in investing their resources; every

stakeholder wants to maximize profit (their initial cost of capital); and it ensures that all internal and external communication directed to company's stakeholders is coherent and consistent.

It is important to have a clear understanding of the definition, characteristics and development of corporate communication. According to Van Riel (1992), corporate communication is an instrument, term, nexus, and/or process. Corporate communication is a management instrument to acquire and sustain the image as the most important target. It is also seen as the "nexus between the company's identity and image" (Melewar & Karaosmanoglu, 2006a, p.197). Furthermore, corporate communication is "the process through which stakeholders perceive the company's identity and image, and reputation is formed" (Balmer & Gray, 1999, Cited in Melewar et al., 2006a, p.171). Finally, corporate communication is also defined as a "term that encompasses all the ways in which the organization communicates with its various stakeholders" (Melewar & Karaosmanoglu, 2006a, p. 850)

Corporate communication can be defined in a broad way because companies communicate identities in different ways. It can include almost anything the company does; from the way telephones are answered to the involvement of company employees in community affairs. According to the Encyclopedia of Business (2006), some of the principal sources of corporate communication include company and product names and logos, formal statements (mission statements, credos, codes of ethics, annual reports, advertising copy, and company slogans), and behavior during important events.

Van Riel (1992) explains that corporate communication can be divided as uncontrolled and controlled. Uncontrolled communication refers to unintentional perceptions that influence stakeholders without organization's intention. Controlled communication refers to intentional management with the aim of improving stakeholders' relationships.

Furthermore, there are three distinctions of controlled corporate communication: management communication, marketing communication and organizational communication. Management communication refers to how managers inform their employees with regards to their aims and aspirations of the company or more basic administration issues. Van Riel (1995) stresses that marketing communication consists primarily of those forms of communication that support sales of particular goods or services. Finally, since organizational communication deals with investors through the investor relations department of a company, and as main focus, it is developed in the next point.

### **3.2.1 Organizational Communication**

Organizational communication deals with public relations, public affairs, investor relations, labor market, corporate advertising, environmental communication and internal communication (Van Riel, 1992). The importance of a clear communication strategy promotes a specific target group both internally and externally.

As mentioned before, the focus of this investigation is corporate communication to investors. The self-presentation of a company to the internal and external stakeholders, according to Parum (2006) could be developed in three ways:

1. Behavior: one of the most important and effective ways to present corporate identity to shareholders and stakeholders is by actions. As mentioned earlier, Melewar and Karaosmanoglu also recognized the importance of the actions from the top management and employees.
2. Symbolism: this tool harmonizes with other forms of communication of corporate identity. According to Parum (2006) it gives an implicit indication of what the organization stands for.
3. Communication: sending a verbal or visual message is one of the most flexible ways of communication. This allows the company to transmit directly to shareholders and stakeholders.

As mentioned earlier, organizational communication deals with investors through the investor relations department of a company. It is also one of the fastest growing areas of corporate communication in recent years (Dolphin, 2004; Cited in Van Riel, 1992). It combines finance and communication and is seen as communication of information to the financial stakeholders (analysts, investors and potential investors). The ultimate objective of all communications with the financial community is to protect management skill, integrity and credibility.

Therefore, the authors consider it important to develop investor relations in this thesis. This has the purpose of getting an understanding of its evolution, and the important of corporate identity and communication to investors.

### **3.3 Investor Relations**

With the constant development of the global capital market, the emergence of institutional investors has risen (Fu & Qiu, 2007). Depending on the size of shareholding the power and importance of investors has become greater (Mallin, 2004). Useem (1996) adds, “The concentration of shares in relatively small number of hands has empowered investors, especially institutional investors to directly challenge Company’s management on many issues” (Cited in Mallin, 2004, p. 65).

#### **3.3.1 Investor relations in a company**

Investors have posed their challenge further by increasing their awareness of the firm they are investing in and pushing for more protection on their investment rights and interests (Fu & Qiu, 2007). This has made many firms establish an Investment Relations management as a strategic activity. According to Hong and Kid (2007), investor relations is a strategic management that integrates company’s finance, communication, marketing and securities law compliance. Investor relations integrate these by communicating accurately a description and information of the company’s performance and prospects.

Corporate communication is two-way and the company markets itself by ensuring investors how safe and profitable their investment will be in the company. This motivates investments in the company. The objective of this is to promote the approval

of the company in investment community by positively improving investors' interest and the quality of the listed firm (Fu & Qiu, 2007).

This department specializes in information and handles inquiries from shareholders and investors, as well as others who might be interested in a company's stock or financial stability. Harrison and Haung (2005) suggest that investor relations management has a set of activities that a firm engages with investors for the purpose of expanding the firms' shareholding base (Cited in Fu & Qiu, 2007). These activities include, safeguarding investors securities, providing them with information on their present performance and future prospects, voluntary information disclosure, competition for analyst coverage, interaction with investors, among others (Cited in Fu & Qiu, 2007).

Rayder and Regester (1989) further add that investor relations links the firm and investors, creating investors' confidence that maintains the highest share price and lower the cost of financing (Fu & Qiu, 2007). "Many Companies are designating investor relations officers to oversee aspects on company's continuous communication with shareholders and investors through meetings ('one-to-one') and press conferences" (Mallin, 2004, p. 141). This makes investor relations professionals serve as the information conductors between company management and information seekers like analysts, specialists and stakeholders (Murad, 2006).

### **3.3.2 Investor relations and communication**

Communication to investors should include forward-looking communication documents even if temporary and not only last year's events like annual reports (Barnette, 1988). This communicates to investors about company's future plans and not just focusing on its past achievements which not only promotes future relationship with investors but also gives them a chance to evaluate the company's future strategies, plans and realism. Their connection with corporate identity plays a role in determining the total corporate image and the total impression of the organization to stakeholders. Topazio (2007) adds that better reporting should improve the management information available to the board as it assesses the position, performance and prospects of the company. The company should communicate to investors why they should invest in it and what they will gain from it, how they will be satisfied and how mutually beneficial and trustful their relationship will be.

According to Jones (2002), there are five drivers that determine the credibility of investor communication. The communication must be complete, verifiable, familiar, responsive and easy to use (Jones, 2002). Communication completeness means that the company's disclosure practices measures up, not only to their immediate peers but also to a broader benchmark (Jones, 2002). The report should include company's present business environment, its future strategies, its key performance indicators, its objectives, risk profile, capital employed and any future value creation methods to generate future returns (RLG, 2006). This means that communication to investors should be comprehensively covering the company details that investors need. Verification means that the communication should have a proof. Familiarity concerns how well the investors understand company's communication.

The way in which a company communicates with investors should be clear. This calls for the company to present information both in ways that are familiar to the audience

addressed and adaptable to the media used to disseminate this information. The company should communicate to investors being responsible for its communication.

Jones (2002) considers that communication to investors should have the ease of use. This means that the information should be informative and accessible so that investors will get it with easy navigation. The company can do this by structuring its information such that it has a clear title, sub-headings, glossary, table of contents and a quick-read summary at the start of main section (RLG, 2006). This gives the investor a clear focus and easiness to find the definite information, with high exactness. This eliminates the chances of investor getting mixed messages making the information clear, direct and informative which boosts his confidence, admiration and relation of the company the investor is interested in.

### **3.3.3 Structural factors for Investors**

There are several structural factors investors consider to be satisfied, attain trust, invest and make decisions on their re-investment intention. These are: investment profitability, investment stability, investment liquidity, regulation, investment location and investment 'well-being' (Lee, Shim & Kim, 2006).

Profitability, the return of the invested securities, is the factor that most investors consider when investing. Investment stability concerns how easy the investor can dispose their investment share and at least recover the principal sum in a risky situation. Investment liquidity is how easily the investor can dispose of his/her investment share at the market price, and how easily it can be turned to cash. Regulations and restrictions depend on the industry where the investment is allocated. Location of an investment is important, since law on: taxation, government policies, labor, social infrastructure, business cycle, inflation, deflation, and local economic background can affect investment decisions, especially for foreign investors. Investment well-being refers to aspects related to life quality (Lee et al., 2006). Investment location and well-being suggest that investors like to invest in a company, which is in good location, trustful and positive development in business. These factors increase the satisfaction level for both investors and potential investors. At the same time, the factors increase the rate of re-investments and reduce the rate of investors selling their shares (Lee et al., 2006).

The company should not deceive potential investors through heavily bloated future profit estimates. The company should also practice a social responsibility code and be genuine to gain future trust. Trust refers to the belief that a person can be faithful in a contractual relationship (Schurr & Ozanne, 1985; Cited in Lee et al., 2006). It also refers to the mutual belief that each partner in such a relationship would not take advantage of the other's weakness (Barney & Hansen, 1994; Cited in Lee et al., 2006). Trust serves as an important mediator in the formation of interaction between business and business, individual and business, and individual to individual in an organization (Garbarino & Johnson, 1999; Cited in Lee et al., 2006).

If a company loses investor's trust, its corporate image will be eroded significantly and it might take it long to recover or to attract new investors. The company might also face legal problems if authorities find that it attracted potential investors by deluding them through inflated unrealistic profit estimates.

### **3.3.4 Channels of Communication**

Today, investors get information from a wide variety of channels like the Internet, *blogs*, *e-mails*, radio, television, newspapers, among others (Negris, 2006). According to Jones (2002), the Internet provides a low-cost and effective way to make it easier to understand the business, strategy, objectives, and performance metrics. Pickton and Broderick (2001) argue that technologies such as Internet provide a 'near' two-way communication. This has made it the most important channel of communicating to investors. Posting complete corporate governance information on a website is an important way of showing that a firm is responsive to investor concerns and the need to rebuild confidence in the capital markets (Jones, 2002).

## **3.4 Summary**

As it has been recognized, corporate identity and corporate communication are broad topics that involve many different aspects. Therefore, for the purpose of this thesis, controlled communication has been chosen as the type of corporate communication to work with. Then, among the distinctions within controlled communication, organizational communication has been chosen.

Organizational communication helps companies to transmit information to their stakeholders including investors.

When developing this investigation, no information that related directly corporate identity and its communication to investors was available. This represented the main reason for the authors to integrate different models to be able to achieve the purpose of this thesis.

The models and the followed process to investigate the topic of this thesis are shown in Appendix 2.

## 4 Empirical Findings

---

*In this chapter the empirical findings are displayed. The results of the empirical study are based on the conducted questionnaires and secondary data sources. Results are presented using a tool developed by the authors of this thesis.*

---

*To identify the respondents, the profile and description of each of them are given in Appendix 3.*

### 4.1 Corporate Identity

According to respondent A, corporate identity is a convenient term that people can use to describe a number of elements that define what a company is and what it wants to achieve. Related to this, respondent B recognizes that a company must consider certain 'elements' to achieve its goals and it must have the necessary tools to succeed in achieving what was planned. Both participants agree that corporate identity is conformed by a number of elements. Furthermore, corporate identity is believed to make an organization unique.

Regarding uniqueness, respondent A does not agree with this idea, saying that different companies can share the same values or objectives of corporate identity. On the other hand, respondent C says that corporate identity maintains a 'unique image' for investors, achieving their support for the company's development. Respondent A and C do-not mutually agree that corporate identity makes a company unique. In addition to this fact, respondent B says that organizations need to identify and differentiate themselves from others through their corporate identity as a tool.

Further, corporate design is linked to corporate identity and it has certain attributes such as slogan and logotype. Related to this, respondent C argues that in the past, the company (SQM) used different names, which affected its strength and image. The same participant adds that this gives the impression that the company is too small. According to SQM's website, the logotype represents the symbol of the company, which reflects and personifies everything the company stands for; the letter 'Q' shows the heart of SQM and the green color of the logotype stands for nature, life and movement (SQM, 2008). In addition, the graphical metaphor of the 'curve elements' from the website represents the growth of the company (SQM, 2008i).

According to the website of the company, its slogan, *The Worldwide Business Formula*, reflects and personifies everything SQM stands for. Added to this, respondent B says that companies that transmit their corporate identity through their name differentiate themselves from others.

Corporate culture is also linked to corporate identity. Respondent A mentions that corporate identity has a link with the company's values, strategy, business objectives, and its relationship with its employees and customers. The same participant maintains that companies can share the same values and objectives. With regards to this, the website of the company shows how SQM develops and shares its values through the *Code of Business Conduct* and its commitments with employees, shareholders, customers, suppliers and community. This reflects that SQM has a network of people. Also, the official website of SQM presents the company's values that include: respect, transparency, participation/ collaboration, improvement/ self-criticism, innovation, austerity, responsibility and flexibility (SQM, 2008d). Linked to this, the annual report of 2007 shows the company's history and how it has been influenced by its corporate

identity. Both respondent C and the website agree that SQM has a corporate design which shows the company's values and objectives.

In addition, respondent A recognizes the importance of behavior, considering that there is a growing trend in today's financial community for certain investors to analyze not only financial and strategic fundamentals, but other less concrete variables, including corporate social responsibility, sustainable development, and corporate governance practices. As consider by the participant, corporate identity is linked to behavior since it personifies what the company is.

Added to this, SQM's 2007 annual report has shown sustainable development where it established a clear policy that mandate employees and contractors to contribute to the company's performance (SQM, 2008f). It also includes corporate governance for the Board of Directors to improve its corporate governance practices in order to remain an ethically driven organization, focused on equal treatment of all shareholders (SQM, 2008g).

Further, corporate strategy is linked to corporate identity. Respondent A mentions that strategy is one of the main factors within corporate identity. Related to this, respondent B says that corporate identity can help a company differentiate themselves from other companies. According to annual report 2007, the Chairman's letter points out SQM's leadership position in core business products. It also demonstrates that SQM's strategy and corporate identity is focused on what the company strives for.

## **4.2 Corporate Communication**

Considering communication as an instrument, respondent A agrees that SQM communicates with/to shareholders using many instruments such as annual reports, *webcasts* and its website. SQM communicates verbally with its stakeholders using *webcast* conferences, which are transmitted in English. In this way, it is possible for investors and financial consultants to get information directly from the investor relations department. Added to this, every stakeholder is invited to discuss financial issues with the management team. According to the company's website, SQM communicates also through the Bank of New York (SQM, 2008).

The website also states that SQM uses *proxy cards* with information that will be discussed in a shareholders meeting. Added to this, SQM's respondent A says that communication is a necessary tool to ensure that all of a company's stakeholders understand its corporate identity. The participant also maintains that it is important to talk about stakeholders in the context of corporate identity and if a company's stakeholders do not understand its corporate identity, then the company's message may not be communicated across.

In addition to this, respondent A mentions that one of the primary objectives of changing the corporate identity of the company was to create a single, unified, corporate brand and image. With regards to this, the participant stress that the changes that SQM faced records that it is a global company with branches in more than 20 countries. Respondent A argues that different types of organizations require lower or higher levels of communication to be successful.

Furthermore, communication can be a nexus between corporate identity and image. As mentioned before, respondent A argues that the change in the company's corporate identity was to create a single, unified, corporate brand and image. Therefore, communication has been acting as a nexus between SQM's corporate identity and image. Linked to this, respondent B considers that corporate identity is strongly related to the image and identity of an institution. Respondent C mentions that one of the advantages of SQM's new corporate identity is that it communicates a unique image to the market. Respondent A emphasizes that it is important to communicate a coherent message using corporate identity. The same participant adds that, if the company's stakeholders do not understand its corporate identity, then that corporate identity will never reach its potential. Therefore, both respondent A and C agree that corporate identity communicates a good message across.

In addition, communication is also considered as a process. Related to this, respondent A states that it is important to deliver a coherent message about corporate identity. On the other hand, the website states that the company is aware of how corporate identity and image are perceived by the stakeholders using SQM's logotype, slogan and website. Added to this, the annual report of 2007 mentions that the company is committed to create value not only for shareholders but also for customers. Sequel to this, respondent B points out that SQM's corporate identity has accomplished a better perception of the company's business that gives more possibilities and more interest to support its growth.

Regarding to uncontrolled communication, respondent C emphasizes that a message given in the wrong way gives the opposite reaction than expected. On the other hand, the website of SQM can also influence the perception of investors and other stakeholders without the company knowing about it. Therefore, respondent A and the website agree that uncontrolled communication can influence the perception of people without the company being aware of it.

Furthermore, respondent A and B agree that communication can be controlled. According to the participants, if SQM do not communicate the company's message to the target market, the strategy will fall apart as consequence of the low return obtained. Related to this, respondent B mentions that communication should be on time and efficient. The same participant argues that, to obtain the desired outcome of communication, it is important to communicate a coherent and consistent message about corporate identity both internally and externally, in a well-defined corporate 'look- and- feel'.

Also, respondent B maintains that good communication brings efficient result and causes employees to feel part of the company. Linked to this, respondent C argues that communication is part of the market strategy and it is essential to communicate and inform about the difference respect to others. The same participant stresses that communication is part of SQM's marketing strategy and it is essential to communicate and inform about competitive advantages, otherwise the company loses. Related to this, respondent C concludes that the message given to the investors should be interesting and homogenous, so that information can reach the potential party in a unique way.

The behavior of the company can also be communicated. The annual report of 2007, states that SQM has established an environmental policy that monitors the subterranean

and surface water as well as flora and fauna. According to the source, these actions communicate SQM's behavior and were approved by the environmental authorities of the Chilean's government (SQM, 2008h). The annual report also mentions that SQM has started important projects within the community and participates in group works with indigenous micro-entrepreneurs.

Symbolism can be used as a tool to communicate. As mentioned earlier, according to SQM's website, the logotype represents the symbol of the company, which reflects and personifies everything the company stands for (SQM, 2008). Added to this, according to SQM's website, the 'curve elements' illustrate that the company has achieved new goals through evolution (SQM, 2008i).

### **4.3 Investor Relations**

As mentioned before, respondent A considers that there is a growing trend in today's financial community for certain investors to analyze not only financial and strategic fundamentals, but other, less concrete variables, including corporate social responsibility, sustainable development, and corporate governance practices. In addition, the participant mentions that it is important for investor relations and corporate identity to be fully integrated, in order to ensure consistency in the messages that are delivered to the financial community and other company's stakeholders.

Linked to this, respondent C says that it is important to achieve growth by increasing the possibility of providing more detailed information to the shareholders. On the other hand, respondent D argues that the investor relations department is not more important than other departments in the company.

SQM communicates to shareholders and other investors using its *webcasts*, corporate organization, press releases, stock market information and financial information. Despite this, respondent D explains that investors also use reports available in the market, specialized publications, and consulting companies, to get detailed information on what is happening in the market.

Furthermore, the company communicates with its investors and shareholders in a credible way. Respondent B of the company considers that, good internal communication is relevant between departments and employees, also with customers, suppliers and shareholders. On the other hand, respondent C states that the message needs to be well-focused, clear, fulfill the requirements and consider a high-level presentation. According to the participant, SQM has 'good' annual report that contains a summary of the activities and new businesses of the company. Added to this, the annual report 2006 and 2007 present complete information of the company in different aspects that is easy to follow by the stakeholders.

Investor relation activities can be used as a tool to communicate to stakeholders. According to the website, investor relations department communicates to investors with all the information needed through: income statements, balance sheets, analyst coverage, cash flows and financial reports. Investors can simply access information from the website without visiting the company. Added to this, investors can be communicated using a feedback form available on the webpage. Feedback form helps

SQM to identify weak aspects that need future improvement and maintain important areas that are working properly.

Investor relations' objectives can be an important factor to communicate to stakeholders. Related to this, respondent D states that the name of the company attracts investors since it is a synonym of the investment's support, security and the company's stability. According to the same participant, the name of the company is a source of credibility to investors because it shows the experience of the company, financial results and future projects, which gives confidence to investors. Further, respondent D mentions that, investment projects, development projects and future businesses that the company is working on, are essential tools when making investment decisions.

Considering investors' satisfaction, these consider aspects such as: investment profitability, stability, liquidity, regulations, location, and well-being of the company. With regards to this respondent D considers that the corporate identity of a company is important, but it is good to get the financial results of the company first. The participant adds that future financial projects of the company represent an aspect that investors consider important when making decisions. The same participant maintains that sales, products and services generate financial results, and investors are concerned about these.

Finally, respondent D elaborates that another aspect to consider when investing is the utility and profitability the investment can generate. According to respondent B, it is important the company is attractive in this aspect. The participant also explains that there are some companies that have a good image, but they are not attractive in the long term. On the other hand, there are also some companies that have a bad image, but they are attractive in a short term.

## 5 Analysis

---

*This chapter contains the analysis of the empirical data and the frame of reference. In order to establish a structure, the analysis has been divided into Corporate Identity, Communication and Investor Relations.*

---

### 5.1 Presentation of Data Analysis

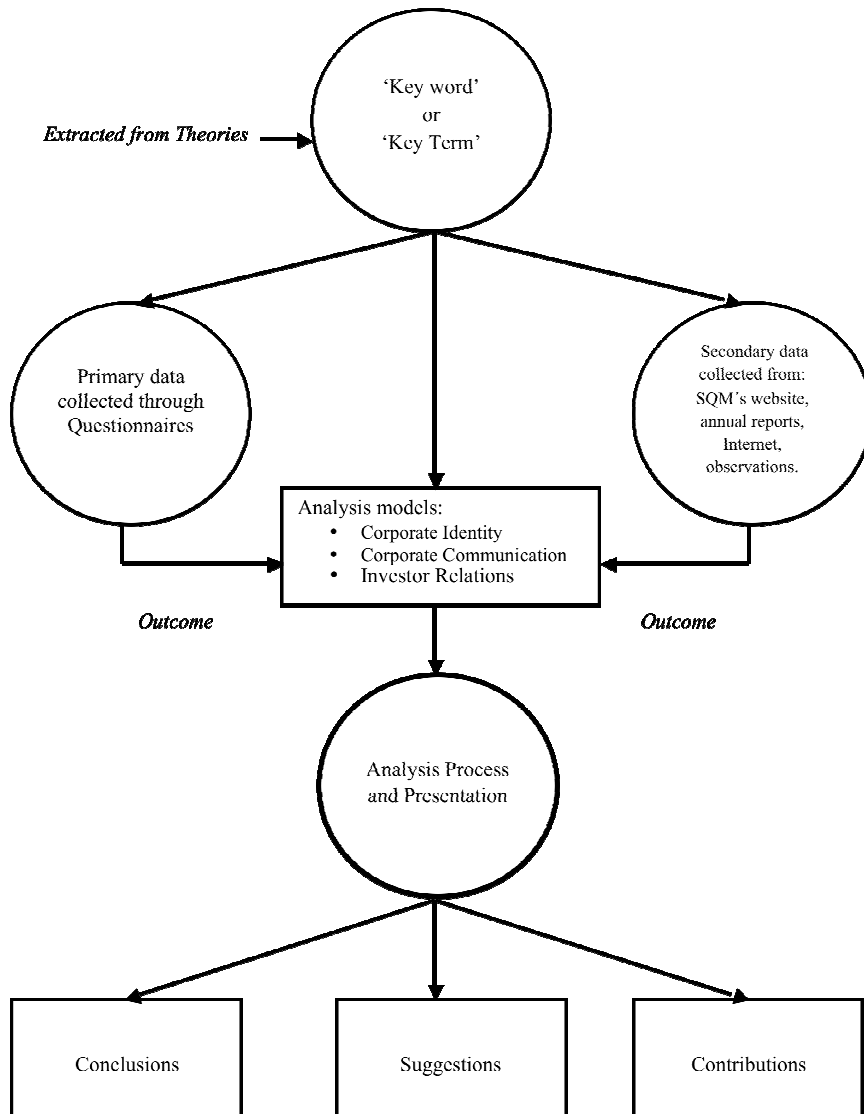
To help along the process of reducing, displaying and drawing conclusions, the authors have developed a tool. This was inspired by the work of Mile and Huberman (1995) (Cited in Saunders et al., 2007). The main purpose of this tool was to help organize theories, gathered data (primary and secondary) and come up with an outcome for this thesis' analysis. (See Appendix 11)

As explained in the Data Analysis point, details on the process that was followed to analyze the gathered data were given; the followed steps were:

1. Data reduction
2. Data display
3. Drawing conclusions

To have a more practical process, the authors formulated an approach to analyze the gathered data and came up with six steps:

1. 'Key words' and 'Key terms' were identified from the Theories and described by a brief introduction.
2. The authors search for related information between the data gathered from questionnaires and the 'key words' or 'key terms' extracted from the Theories.
3. Information between the secondary data sources and the identified 'key words' or 'key terms' extracted from the theories was related.
4. From the extracted information an outcome was elaborated.
5. Considering the outcome from the extracted information, it was analyzed within one of the three categories previously established: Corporate identity, communication and investor relations.
6. Finally, with the information analyzed the authors were able to offer conclusions, suggestions and contributions of their work. Figure 4.1 shows graphically the followed steps. This graphical representation, developed by the authors of this thesis, but inspired by the analysis method of Miles and Huberman (2004), intends to provide the reader with a visual understanding of the process (Cited in Saunders et al., 2007). The partial results of following these steps are shown in Appendices 12, 13 and 14.



**Figure 4.1** Data Analysis Process and Presentation

## 5.2 Analysis presentation

As mentioned earlier, the data was categorized into: Corporate Identity, Corporate Communication and Investor Relations. At the same time, the analysis was organized in three different stages. In the first stage, the collected data was reduced using the model included in the Presentation of Data Analysis. Data is displayed in the second stage. This helped accomplishing the third stage, where the authors established conclusions, suggestions and contributions.

In the first part, a short introduction to the theory on each category for analysis is given. Each category was divided into 'key words' or 'key terms' found along the thesis' theory, which also includes a brief description. After this, data is displayed and

analyzed. These steps allow the authors, in first place, to establish a clear structure of the categories. Secondly, patterns, links and relationships between ‘key words’ and ‘key terms’ within the theories were identified. Also, the data was organized and reduced according to its category. Finally, the steps provided a better structure to establish conclusions, suggestions and contributions.

As mentioned before, the respondents were offered confidentiality when considering their personal information. Since some of them decided to remain anonymous, the authors of this thesis decided not to include any of their names to establish a general pattern. Due to this, it was decided to identify the respondents as respondents A, B, C and D.

### 5.2.1 Corporate Identity

While conducting this research, different definitions of corporate identity were found. From these, the authors have selected key works or terms to elaborate the analysis.

- **Number of elements.** Corporate identity is conformed by different elements.

Regarding the mix of components of corporate identity, respondent A explained, “corporate identity is a convenient term that people can use to describe a number of elements that define what a company is and what it wants to achieve”.

The authors consider important to mention this point because along the research process, it was found that academics highlight corporate identity as a mix of components. Nevertheless, this aspect does not apply to SQM, and the given answer only shows that the respondent is aware of this.

- **Uniqueness.** Corporate identity makes an organization unique.

Respondent A disagreed with this by saying, “I do not think that corporate identity necessarily has to make a company unique; different companies can share the same values or objectives”. In relation to this, respondent C stressed, “corporate identity maintains a unique image for investors, achieving their support for the company’s development”. The participant added, “Organizations need to identify themselves and differentiate from others through their corporate identity, using it as a tool”.

Through these comments the authors want to exemplify how corporate identity is perceived and analyzed by different stakeholders. As it can be seen, for respondent A, corporate identity does not necessarily represent uniqueness for the company, while respondent C considers it is a way to differentiate from others. This shows the need for corporate communication to transmit a clear message about the company’s corporate identity, if the company wants to be recognized for its values and objectives or to be differentiated.

- **Corporate design.** The visual identity of a company is composed of five elements: the organization's name, slogan, logotype or symbol, color and topography (Cited in Melewar et al., 2006a).

The authors of this thesis found that the corporate design of SQM has been used as a tool to support corporate identity. Since it was found that its name, logo, slogan, color and topography are being used to establish its identity.

Nowadays, the company uses the name 'SQM' for most of its subsidiaries. In the past, the company used different names, which according to respondent C affected the "strength and image" of the company. The participant added that this gave an "impression of (the company) being small". The authors also found that the participant believed that "a company with strong name and sustainable growth are attractive for professionals". Also, respondent B argued, "the companies that transmit their corporate identity through their name differentiate themselves from the rest".

The authors recognized that SQM has unified its name, using the same name for most of the subsidiaries, which has probably given the company a strong image. Nevertheless, it was also found that the participants did not connect this issue to investors. The respondents relate this aspect more to image, attractiveness for professionals or differentiation.

SQM's current logotype, which is shown in Figure 15.3 in Appendix 15, emphasizes the letter 'Q' as an important element. SQM's business formula guarantees its growth, and the element 'Q' is the heart and warranty seal. The green color represents nature, life and movement which SQM stands for. The topography was designed with curve elements to suggest movement on SQM's evolution towards a new goal. Also, the graphical metaphor represents the accelerated growth of the company (SQM, 2008b). The slogan, "*The Worldwide Business Formula*", reflects and personifies everything the company stands for today.

As presented before, SQM's logotype description shows that the company wants to communicate its corporate identity and evolution through time. But this communication instruments were more related to marketing strategy to customers, than to investors. Along the conducted research, the authors found press releases that talked about SQM's new corporate identity and how it is connected to its products and new business formula that integrates customers. This shows that investors might not be receiving this communication from the investor relations department.

SQM's website is another component of its corporate design to support the company's corporate identity. The authors found that SQM's website includes different aspects of the company, for example, *about SQM*, *investor relations*, *human resources*, among others (SQM, 2008a).

The authors consider that SQM's website is supporting its corporate identity. Many aspects that investors or financial stakeholders are searching for are available in its website. According to respondent D, the information that the investors need should be the newest or most current, what investors get from

other sources. The same participant added, “Any situation that occurs while I am investing can produce that my stocks go up or down. In this way, it is the financial market in general which gives me information”.

- **Corporate culture.** It includes: values, missions, principles, guidelines, history, country of origin, sub-cultures and philosophies. Over the years, corporate culture develops teamwork, integrity and probity (Melewar & Karaosmanoglu, 2006b).

Respondent A recognized that corporate identity is linked to the “company’s values, its strategy, its business objectives, its relationship with its employees or its customers, and many other factors”. At the same time the participant argued, “companies can share the same values and objectives”. Furthermore, SQM’s website presents the company’s values that have forged SQM’s corporate identity. These are: respect, transparency, participation/collaboration, improvement/self-criticism, innovation, austerity, responsibility, and flexibility. All these values are considered by SQM as “synonymous of return on investment and productivity” for its shareholders (SQM, 2008d).

According to this information, SQM seems to be aware of the importance of values as part of its corporate identity. However, the authors do not have any evidence to prove that these values are communicated in a different way other than the website for investors. The authors did not have access to information of the company related to this aspect.

Concerning guidelines, the authors found that SQM have develop a *Code of Business Conduct* to “employees, shareholders, customers, suppliers and the community” and “committed to deliver reasonable financial returns and act for the benefit of its shareholders” (SQM, 2008e).

Regarding this aspect, it was considered important to mention that the investors are looking for more protection of their rights and interests. This shows that the company is aware of the importance investors give to these aspects. In this case the authors do not have evidence to make any conclusive statements.

- **Behavior.** Corporate, employees and management behavior are essential in reflecting what the company is (Melewar & Karaosmanoglu, 2006b).

Respondent A recognized the importance of behavior, considering that “there is a growing trend in today’s financial community for certain investors to analyze not only financial and strategic fundamentals, but other, less concrete variables, including corporate social responsibility, sustainable development, and corporate governance practices”. SQM also established corporate governance for the Board of Directors, which is committed to “improve its corporate governance practices in order to remain an ethically driven organization, focused on equal treatment of all shareholders” (SQM, 2008g).

Even when respondent A has recognized less concrete variables like corporate social responsibility and sustainable development, that are also supported by the company's website and annual reports, the participant did not address the topic as being important to be communicated to them. Instead, respondent D argued that future investments, project developments and future business of a company are more important to be communicated at the moment to make an investment decision.

- **Corporate Strategy.** It provides the plan for company, where to go and how to compete on the market. This aspect is associated to corporate identity because it capitalizes the strengths and advantages of a company.

Respondent A mentioned "strategy" as one of the main factors within corporate identity. Respondent B also recognized the importance of strategy as competitive advantage within corporate identity by saying, "corporate identity can help a company differentiate from other companies...".

In the Chairman's letter, addressed to shareholders in the Annual Report of 2007, it was found that the strategy to strengthen SQM's leadership position in its core businesses was emphasized. Furthermore, the Chairman stressed SQM's high commitment with its shareholders and strategy. Therefore, it is considered that SQM's corporate strategies and corporate identity are closely associated with identity that a company strives for, and also is being communicated to shareholders. However, respondent D highlighted the importance of this type of information to investors, since it is relevant because this could affect their investments.

The authors considered that the importance given to each of these aspects, depends on the 'type' each investor is. By this, it is meant that some investors consider other aspects than the financial results of the company to invest. Also, there are some investors that only consider the profitability of the company.

## 5.2.2 Corporate Communication

Corporate communication is defined with different elements.

- **Instrument.** Communication acquires and sustains the image of an organization.

Respondent A stated that communication is a "necessary tool to ensure that all of a company's stakeholders understand its corporate identity". The participant added, "it is important to talk about stakeholders in the context of corporate identity; if a company's stakeholders don't understand its corporate identity, then the company may not be getting its messages across".

The authors considered this as clear example of the importance of corporate communication with investors. Respondent A not only argued that it is a

necessary tool to ensure that the stakeholders understand its corporate identity; also the message needs to get across to the investors. In addition, respondent C argued, “corporate identity maintains investors strong and aligned, with a single image, achieving their support for the business development”. In this case, it was found that SQM communicates with investors and stakeholders using different instruments, for example: annual reports, *webcasts*, and their website. These help the company to get its messages across to investors.

Another instrument that SQM uses as a communication tool with investors is the Bank of New York. Whenever there is an ordinary or extraordinary shareholder’s meeting, the Bank of New York acts as depository bank, conducting a screening process to determine who the American Depository Receipts (ADR) holders are. Then SQM sends a *proxy card* together with the information regarding the issues that will be discussed during the shareholders meeting. The *proxy card* is then sent back to a Chilean depository bank that votes according to the instructions given by shareholders. Therefore, SQM uses the banks in New York and Chile as an instrument to communicate with shareholders (SQM, 2008i).

Regarding the bank as a communication tool with investors, the authors of this thesis do not see it as an instrument in communicating SQM’s corporate identity. Instead, it shows that investors could find confidence and transparency on how the company is managing its decisions. The authors consider important to mention this, because according to the conducted research, these aspects are a main concern for investors nowadays.

- **Term.** Communication is a term that encompasses all the ways in which the organization communicates with its various stakeholders.

Respondent A mentioned that one of the primary objectives of changing the corporate identity over the years was “to create a single, unified, corporate brand and image”. Therefore, with these changes, SQM accomplished and encompassed all the ways in which the organization communicates with its various stakeholders. At the same time, the participant mentioned that the changes that SQM faced were needed because “SQM is a global company, with a presence in more than 20 countries”.

Through these changes, SQM probably did not only manage to create a single, unified corporate brand, which is different from corporate identity. Nevertheless, it can be the case that the company was able to fortify its corporate identity, and communicate this to investors. The authors of this thesis cannot provide evidence of this effect but since SQM seems to be aware of its corporate identity, this was concluded.

As mentioned before, SQM uses its website to discharge its communication. This encompasses its different subsidiaries around the world. Also, its webpage covers information needs of its various stakeholders, for example, investors, clients, employees and suppliers. A *webcast* is another way that SQM uses to unify its corporate communication. Its employees, investors, financial analysts

among others, can take part in the *webcast* conference, which is transmitted in English. In these meetings, every stakeholder is invited to discuss financial issues with the management team.

- **Process.** Communication is a process through which stakeholders perceive the company's identity and image.

Regarding the term selected, the main focus is the process through which stakeholders perceive corporate identity and not corporate image. This is for two reasons – first, the purpose is focused on corporate identity, and second, corporate image is a different concept that is not being analyzed in this thesis.

Respondent A stated that it is “important to deliver a coherent message about corporate identity”. Regarding this topic, respondent B pointed out that SQM's corporate identity “has accomplished a better perception of SQM's business that gives more possibilities and more interest to support its growth”.

This argument shows that the process through which stakeholders perceive corporate identity is mainly connected with how the message is communicated. This is a clear example of how important communication is to convey corporate identity and how this could affect the perception with investors.

- **Uncontrolled and Controlled communication**

- **Uncontrolled communication.** It influences stakeholders' perceptions without organization's intention.

Under uncontrolled communication the authors found that the perception of investors and other stakeholders of SQM could be influenced by websites and open forums about stock markets. The information shared by these modes of communication cannot be controlled by SQM. In relation to this topic, respondent C emphasized, “a message given in the wrong way, gives the opposite reaction than you expect”.

The authors found that this is a real consequence of communicating a message in the wrong way to the public, which influences the perception of stakeholders on corporate identity.

- **Controlled Communication.** It refers to the intentional management communication with the aim of improving stakeholders' relationship.

According to respondent C, “if we don't inform, if we don't communicate, the effort of made by the company, it will not reach the focus market and the strategy will fall apart as consequence of the low return obtained”. Respondent B mentioned that communication should be “on time and efficient”. Finally, respondent A argued that to obtain

the desired outcome of communication, “it is important to deliver a coherent message about corporate identity and by being consistent in the messages we deliver both internally and externally, and by having a well-defined corporate ‘look-and-feel’, we (SQM) have been able to reinforce our corporate identity and values”.

Concerning controlled communication, it is clear and important to deliver a coherent message, but it is also vital that communication of this message is on time. Related to this, respondent D argued, “I make decisions considering the information I get at the moment”. This is another clear example of the importance of communication to investors as it helps in their decision-making.

The authors found that respondent A use controlled communication through its *webcast* and financial reports, and SQM’s investor relations department manages these. Concerning the investor relations division acting as a communicator, respondent C considered its participation as an “essential element to achieve growth in this way, by increasing the possibility of providing, with more details, with better information, of the company’s message to third parties”. At the same time, the participant stated that it is hard to achieve a “centralized communication”. Also respondent C argued, “The investors become the support of the administration, to maintain the growth of the company. The communication that it receives must be well-focused, clear, fulfill the requirements and consider a high-level presentation”. In addition, the participant considered that communication of certain message could only reach its objective “...by increasing the possibility of providing, with more detail, with better information, the message of the company to third parties; with high level and as a consequence, with credibility”.

The participant concluded that the message given to the investor should be “interesting and homogenous, so the information can reach the potential party interested in a unique way”.

The authors found that controlled communication plays a crucial role in SQM, not only because the information has to be on time, but also due to the fact that investors are expecting information that can support their decisions, and most importantly how the market could react with the given information.

- **Organizational Communication.** It deals with investor relations, it is the self-presentation of a company to general stakeholders, could be develop in three ways: behavior, symbolism, and communication (Van Riel, 1992).
  - **Behavior.** It considers an important and effective way to communicate corporate identity to stakeholders by actions (Parum, 2006).

As it has been mentioned, respondent A recognizes the importance of behavior, considering that “there is a growing trend in today’s financial community for certain investors to analyze not only financial and strategic fundamentals, but other, less concrete variables, including corporate social responsibility, sustainable development, and corporate governance practices”. SQM has established policies regarding these issues. Two examples of this are:

1. Environmental. During 2007, SQM developed different projects. SQM’s management and employees monitored the subterranean and surface water as well as flora and fauna. These actions communicated SQM’s behavior; at the same times this behavior was demonstrated by the approval of environmental authorities of the Chilean’s government (SQM, 2008h).
2. Social Development. SQM has started important projects within the community, participating in-group works with indigenous and micro- entrepreneurs. These are clear examples of the behavior of the company that demonstrate to investors that SQM takes care of other aspects and not only financial results (SQM, 2008h).

Concerning these behavior actions, the authors only want to exemplify them, and it was not possible to verify them since contact with any of the parties involved in these projects was limited. The given example has the purpose of demonstrating that SQM shows another significant aspect of its awareness about corporate identity and the importance of communication to investors.

- **Symbolism.** It gives implicit indication of what the organization stands for (Parum, 2006).

SQM’s logotype is the symbol of the company, which reflects and personifies everything the company stands for currently. As mentioned before in this chapter, the letter ‘Q’ is the heart and warranty seal for SQM. In addition, the green color on the logotype indicates what the organization stands for: nature, life and movement. Finally, the curve elements suggest movement on evolution towards new goals and the graphical metaphor represents the accelerated growth of the SQM (SQM, 2008i).

Nowadays, SQM’s logotype is an example of communication to create confidence among investors and stakeholders. But as stated early, it was found that the logotype seems to be used more as a marketing tool with customers than as a communication tool with investors. Not only because press releases on SQM’s website related to the topic of marketing were found, but also because analyzing the old logotypes of SQM the authors found that the company used them mostly as a support for its products and customers. (See Appendix 15)

- **Communication.** It is the verbal or visual message that allows the company to transmit messages directly to shareholders and stakeholders.

Verbal messages are very important for SQM. As considered before, the *webcast* helps to communicate verbally to investors and stakeholders. There are few *webcasts* available on SQM's website (SQM, 2008j). Also, it is possible for all investors and financial stakeholders, to contact directly the investor relations department since contact information is provided on the website.

SQM uses visual communication through its website and annual reports. The company's website was developed comprehensively to communicate with all stakeholders (SQM, 2008a). Regarding annual reports, these are available for all shareholders and stakeholders by contacting the investor relations department. The authors found that the annual reports give a complete picture and understanding of the company corporate identity and information need it to establish financial analysis of SQM.

### 5.2.3 Investor Relations

Investor relations is a strategic management department that integrates a company's finance, communication, marketing, and securities law compliance.

Respondent A argued, "There is a growing trend in today's financial community for certain investors to analyze not only financial and strategic fundamentals, but other, less concrete variables, including corporate social responsibility, sustainable development, and corporate governance practices...". In addition, the participant mentioned, "it is important for investor relations and corporate identity to be fully integrated, in order to ensure consistency in the messages that are delivered to the financial community and the rest of a company's stakeholders". These answers show the role of the investor relations department, and the need for consistent and coherent messages to integrate finance, communication, marketing and securities law of a company.

Concerning the advantages of incorporating investor relations and corporate identity, respondent C argued, "It is an essential element to achieve growth in this way, by increasing the possibility of providing more details, with better information..." to shareholders. Contrary to what this participant said, respondent D argued that the investor relations department does not have more importance than other departments in the company.

The participants recognized the importance of a department focused on investors, but also that is not the only important department in a company. Investors play an important role for a company since they provide the financial support to achieve its objectives. Therefore, the way on which investors perceive the company can influence their decisions to invest or not in a company. The authors consider that developing an investor relations department is a good strategy to follow for any company, but it needs to work along the other departments to accomplish the objectives of the firm.

- **Communication.** The company markets itself and investors are ensured that their investment will be safe and profitable (Fu & Qiu, 2007).

SQM markets itself to shareholders using its website. For example, under *Investor Relations* information that give an overview of the corporate organization, press releases, stock market information and financial information was found (SQM, 2008k). The company ensures shareholders with a clear *Corporate Governance Framework*, specifying “SQM is dedicated to act in its shareholders best interest, maximizing investment returns and optimizing shareholders value” (SQM, 2008g).

In this matter, respondent D stated, “When it comes to communication, investors and consultants use reports available in the market, specialized publications, consulting companies, which provide us with information on what is happening in the market”. It can be seen that for SQM its website is an important tool to communicate with stakeholders. Despite this, as the respondent mentioned, sometimes the information provided by a company is not enough, so investors look for other sources of information.

The authors consider that another reason for this, might be that investors look for third parties’ opinions or information, to be sure of their decisions when investing or not. Also, the information provided by the company can be focused only in positive aspects of the company, but can skip the negative aspects. In this case, the information that an investor could get would have bias.

Furthermore, communication enables stakeholders to have complete information communicated by the company to enable them use it freely and understand the full message that is passed across. If information is not complete it will lose its value to stakeholders and the company will not benefit from it.

- **Credibility of communication.** Communication with investors should be complete, verifiable, familiar, responsive and easy to use (Jones, 2002).

Considering integrity, respondent B stated, “I consider that good internal communication is relevant between departments and employees, but also with customers, suppliers, shareholders, etcetera”.

Regarding the communicated messages, respondent C stated, “The message needs to be well-focused, clear, fulfill the requirements and consider a high-level presentation. As an example, we (SQM) have the *Memoria Annual* (Annual Report) (excellent level, presentation, contains a summary of the activities and presence around the world, results, new businesses, etc.)”. With this, not only the importance of communication is recognized, but also the need to have useful information. The authors consider that presenting accurate information in an efficient way can bring positive results for the company.

The authors of this thesis have consulted the annual reports for 2006 and 2007, and it was found that the characteristics stated by the executive match the actual

presentation of the reports. Since the information included follows certain structure and presentation, it is easy for stakeholders to use it. Added to this, the Annual Reports considered for this analysis, present complete information of the company in different aspects.

- **Investor Relations activities.** These activities include safeguarding investor securities; provide information about the company's performance, future prospects, information disclosure, analyst coverage, and interaction with investors (Cited in Fu & Qiu, 2007).

The authors of this thesis found that SQM is “committed to the constant improvement of its corporate governance practices”, which offers a safeguard to investors that the company is committed to secure their investment (SQM, 2008k). Concerning information about the company's performance, SQM provides quarterly *webcast* conferences to all its investors and financial analysts. These conferences, as mentioned earlier, are conducted in English by the investor relations vice-president and all stakeholders are welcome to participate (SQM, 2008j).

Regarding information disclosure and analyst coverage, the authors found that SQM's investor relations department is fulfilling these activities. There is a menu on its website to cover these issues, providing investors with all the information needed on income statements, balance sheets, cash flows and financial reports. Furthermore, for the purpose of analyst coverage, SQM shows contact information for many of them (SQM, 2008j). The authors also consider that, since it might be not only difficult to attract investors but to maintain them, the way on which investors are taken care of can motivate some of them to stop supporting the company or in some other cases to increase their support.

Finally, a feedback form available under investor relations' menu facilitates interaction with investors (SQM, 2008m). This form shows that SQM is not only concerned about the importance of communication from the company to investors, but also on what the investors can communicate. This feedback allows SQM to identify points or aspects where the company can improve or aspects that are working properly and should be maintained. The authors consider that this represents an important tool for SQM, since they can get information directly from their investors, and therefore, know from a good source, how is the company perceived. The authors consider the feedback form as a tool that helps both parties, SQM and its investors. This is because it helps the company to identify what it is doing wrong or to maintain the positive aspects; and for investors is an opportunity to let the company know what they require.

- **Investor Relations Objectives.** The main objectives for the department should be to protect management skills, integrity and credibility (Murad, 2006).

Related to this aspect, respondent D stated, “The name of a company attracts investors, since it is a synonym of the investment's support, security and the

company's stability. It is also important to mention that the name of the company can provide trustworthiness". In this case, participant refers to the name of the company as a source of credibility for investors. The same respondent added, "investment projects, development projects and future businesses that the company is working on, are essential tools when making decisions".

Therefore, the authors can say that the name of the company, added to aspects like experience of the company, financial results and future projects, generate confidence on investors. This results in credibility of the company. The information that an investor can receive from the company does not only allows him/her to see the performance of the company but if his/her investment is safe. This is another reason for transmitting the adequate messages to the right target group. Thus, it is important to create messages that fit the requirements of different parties inside and outside a firm.

- **Investor Satisfaction.** Some aspects that satisfy investors are: investment profitability, stability, liquidity, regulations, location, and well-being (Lee et al., 2006).

In this aspect respondent D considered, "that the corporate identity of a company is important, but in the first place are the financial results obtained by the company. Future financial projects of the company represent another aspect that investor consider important when making decisions". The participant added, "Sales, products and services would generate the financial results, and investors are concerned about these". According to respondent D, corporate identity is important for investors, but they are more concerned about financial results of the company.

Related to this, the company, under *SQM Corporate Materials*, has outlined the benefit for its shareholders for investing in the company, "profitability and productivity" (SQM, 20081). Also, respondent B highlighted the importance of the company's profitability, and said it was his greatest attraction for investing in a company.

Furthermore, respondent D added, "Another aspect to consider when investing is the utility and profitability the investment can generate. It is important that the company is attractive in this aspect...". The participant explained that "there are companies that have a good image, but they are not attractive in a long term. On the other hand, there are companies that have a bad image, but that offer results in a short term", which according to the consultant makes a company attractive for investors.

With the given example by respondent D, it can be understood that investing in a company with a good image or not is a decision that each investor makes. There can be investors that look to invest in a company with a good image and investors that do not take this into consideration.

As mentioned before, there can be different 'types' of investors that can have different objectives when investing. The authors consider that every investor

wants to make profit, but not all of them consider the same aspects when investing. It has also being recognized that some investors focus on other aspects than the financial results of the company. In some cases, some investors only focus on the return of an investment, while some others want to invest in a company that has a well-developed social responsibility.

The investors' satisfaction can be related to the objectives of the investor relations department. The authors consider that one of the objectives of this department is to maintain the investors interested in the company.

## 6 Conclusion

---

*In this section the authors connect the purpose of the thesis to the results and knowledge gained from the analysis. Conclusions, a discussion, contributions and suggestions for further research are developed in this chapter.*

---

### 6.1 Conclusions

*The purpose of this thesis was to investigate corporate identity and its communication, as a key component, to investors.*

Regarding corporate identity as a mix of components, it was shown that corporate design, corporate culture, behavior, corporate structure, industrial identity, corporate strategy, and corporate communication were used directly and indirectly by SQM to communicate corporate identity to investors.

Although there are different profiles of investors that consider different aspects when deciding to invest or not, corporate identity is becoming more important among them. Investors do not only evaluate the financial reports of a company, but also variables concerning the image of the company, its corporate identity and the way they communicate.

SQM's corporate identity is seen as an instrument to differentiate, compete and communicate with investors. But it is not only a way to show uniqueness, considering that companies could share values and objectives among other things.

SQM's visual identity is an instrument to show the evolution of the company. The authors found that in this case, it is not an important instrument to communicate to the investors. Instead, it is seen as an instrument to support the marketing strategy of SQM.

The conducted investigation focused on communication to investors. Concerning this issue, the authors conclude that SQM's corporate identity is using behavior, symbolism and communication as the main channels to communicate its corporate identity to investors.

The authors found that communication is important, but also the way in which it is established. To develop Annual Reports and a website, where investors can find information related to different aspects of the company, has helped SQM to 'build' a closer relationship with its investors. These develop confidence since they are provided with information that they require to continue supporting the company. Also, the authors have found that one-way communication is not the best strategy but two-ways. A tool such as the feedback form on SQM's webpage represents an instrument for both SQM and its stakeholders, since the company can adapt its communication strategy to the needs of the investors. In this way, both parties are benefited.

SQM's investor relations show a clear awareness of the need for communication with investors and financial stakeholders. This is supported by the development of their website and the information collected through the questionnaire. In contrast, investors

see that information given by this department offers them more confidence in the company.

The authors found that developing a department for investor relations can be a positive strategy for a company. In this case, SQM's investor relations department has helped the company to identify the need of investors and fulfill their needs.

Finally, the authors conclude that corporate identity and its communication, as a key component, is essential for SQM. Its investor relations department and website, among other aspects show that it is very important for the company to communicate to investors its identity.

## **6.2 Discussion**

As it has been recognized along this thesis, corporate identity and communication are broad topics, which are integrated by a considerable number of aspects. The chosen topic for this thesis, required the authors to relate models developed in different topics, to carry out the presented investigation. This, since no information that related corporate identity, corporate communication and investor relations, was available when conducting this thesis; if there had been a study directly related to the topic developed in this investigation; it would have been useful as a guide but also to compare results.

Also, it can be the case that students or academics that are also interested in this topic, would integrate other models or the ones considered in this investigation, in a different way. As a consequence, this would bring a new perspective and different results within the topic.

It is important to remind the reader that the authors were not trying to reach to any general conclusions. Although, it is considered that the way on which aspects from different models were related and integrated, suits the purpose of this investigation.

Considering the used case study, SQM does not represent the way on which all companies are driven. Despite this, the company was a real-life business example, what the authors consider is an important feature of this investigation because it shows how theoretical aspects can be applied on a real strategy. After information on the company has been exposed, it can be thought that the communication tools were developed only with marketing purposes, but the authors do not have evidence to state this. The results of this investigation shows that SQM is aware of the importance of communicating its corporate identity to investors, and its strategy is supported by the tools used by to achieve its objectives related to this matter.

## **6.3 Contributions and Limitations**

As mentioned earlier, most of the research on corporate identity is related to visual identity and financial communication. The authors argue that an important contribution of this thesis is to offer more knowledge about corporate identity and communication with investors. By this it is meant that since no previous research that relates the three topics together developed in this thesis was found, this investigation provides more

information on the importance of communicating corporate identity to investors. Therefore, awareness and knowledge on the topic is provided.

Also, the authors consider that using a real-life business situation supports this contribution. As a consequence of these aspects, the purpose of this investigation has been achieved.

Nowadays, investors are not only interested in financial results. They are also aware of other aspects of the company that need to be communicated, for example, social responsibility, environmental policies, among others. This thesis has contributed with knowledge on this subject by giving a further perspective about how companies are communicating their identity to investors involving these aspects.

Despite this, the authors also recognize the limitations of the conducted investigation. General conclusions about the impact of communication on investors cannot be given but only on the case of SQM.

## **6.4 Suggestions for Further Research**

Along the process of writing this thesis, the authors realized that there is not much information or previous research that integrates the three topics of the thesis: corporate identity, communication and investor relations. The available information is, most of the times, focused on one of these.

As mentioned in the Contributions and Limitations point, corporate identity is a broad concept that offers different topics to develop further research. Therefore, the authors believe that linking corporate identity and its communication to investors can be an important topic to investigate. As it has been mentioned, investors are taking into consideration other aspects and not only the financial results of the company. In this way, research can be useful when developing a strategy in a company.

A suggestion for further research is to integrate corporate identity, corporate communication and investor relations as one topic. Considering that all these are broad topics, especially in the case of corporate identity and communication, only interrelated aspects should be considered. With this, the topics can be interconnected and factors that influence each other can be recognized. Within this suggestion, research focused on corporate identity and investor relations as a marketing tool or corporate identity using a website as a communication tool can be derived. Related to this, tools such as the feedback form used by SQM that promotes a two-way communication can be developed and researched so new instruments with the same purpose can be developed.

Another suggestion is to investigate further the benefits of communicating corporate identity to investors. In this case, only one case study was developed, which is not enough to generalize, but it is considered that the case study of SQM shows that a company can obtain similar results when applying a similar strategy.

These were only few alternatives to develop further research on the topic of corporate identity, but there can be many other valuable alternatives. Definitely, in future, there would be more alternatives connected to investor relations, taking into consideration the evolution of global business.

## References

- Amaratunga, D., Baldry, D., Sarshar, M. & Newton, R. (2002). Quantitative and qualitative research in the built environment application of “mixed” research approach. *Work Study*, 17-31.
- Asa, A. (2000). *Media and Communication Research Methods: An Introduction to Qualitative and Quantitative Approaches*. United States of America: Sage Publications.
- Balmer, J. & Dinnie, K. (1999). Corporate identity and corporate communications: the antidote to merger madness. *Corporate Communications: An International Journal*, 4 (4), 182 – 192.
- Barnette, D. (1988). Investor Relations... A Critical Function for Public Thrifts. *Financial Managers Statement*, 10 (1), 24-26.
- Bickman, L. & Rog, D. J. (1998). *Handbook of Applied Social Research Method*, Thousand Oaks, London.
- Burns, R. (2000). *Introduction to research methods*. London: SAGE.
- Business Wire (BW) (2003). *CCBN Latin American Clients Receive Top Investor Relations Industry Awards*. November, 25. Retrieved April 20, 2008 from [http://findarticles.com/p/articles/mi\\_m0EIN/is\\_2003\\_Nov\\_25/ai\\_110498408](http://findarticles.com/p/articles/mi_m0EIN/is_2003_Nov_25/ai_110498408)
- Chandler, D. (1998). *Writing your Dissertation*. UWA. Retrieved February 14, 2008 from <http://www.aber.ac.uk/media/Modules/dissert1.html>
- Creswell, J. (2003). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (2<sup>nd</sup> ed.). United States of America: Sage Publications.
- Custom-writing.org (CW) (2007). *Writing dissertation methodology*. Retrieved February 14, 2008 from <http://custom-writing.org/blog/writing-tips/free-dissertation-writing-tips/140.html>
- DeArnold, R. (1988). Investor Relations...A Critical Function for Public Thrifts. *Financial Managers' Statement*, 10 (1), 24-26.
- Dew, K. (2007). A health researcher’s guide to qualitative methodologies. *Australian and New Zeland Journal of Public Health*, 31 (5), 433-437.
- Dey, I. (1993). *Qualitative Data Analysis: A user friendly Guide for Social Scientists*. London: Routledge.
- Duncan, T. & Moriarty, S. (1998). A communication-based marketing model for managing relationships. *Journal of Marketing*, 62, 1 – 13.
- Eileryd, M. and Görling, A. (2003). Communication of Core Values - In the process of building a corporate brand. Master’s Thesis within Business Administration.

- Elo, S. & Kynga, H. (2007). The qualitative content analysis process. *Journal of Advanced Nursing*, 62 (1), 107–115.
- Elofson, A. and Tagavi, S. (2004). Middle Managers as Managers of Identity- the rationale of decentralization of corporate identity management. Master's Thesis within Business Administration.
- Encyclopedia of Small Business (ESB) (2005). Retrieved on February 28, 2008 from <http://www.referenceforbusiness.com/small/Co-Di/Corporate-Image.html>
- Feagin, J., Orum, A., & Sjoberg, G. (Eds.) (1991). *A case for case study*. Chapel Hill, NC: University of North Carolina Press.
- Flyvbjerg, B. (2006). *Qualitative Inquiry; Five Misunderstandings about Case Study Research*. 12 (12). Retrieved on March 16, 2008 from <http://flyvbjerg.plan.aau.dk/Publications2006/0604FIVEMISPUBL2006.pdf>
- Fu, M. & Qiu, C.D (2007). *Investor Relations Management and Firm Performance; an Empirical Research Based on the Perspective of Endogeneity*. China: Philosophy, Education and Social Research Base.
- Goczol, J. & Scoubeau, C. (2003). *Corporate Communication and Strategy in the field of Project*. 8 (1). Belgium: Mons Hainaut University.
- Gomm, R., Hammersley, M. & Foster, P. (Eds.) (2000). *Case Study Method: Key Issues, Key Texts*. Great Britain: Sage Publications.
- Grbich, C. (2007). *Qualitative data analysis: An introduction*. London: Sage Publications.
- Hatch, M.J. & Schultz, M. (2003). Bringing the corporation into corporate branding. *European Journal of Marketing*, 37 (7/8), 1041-1064.
- Hong, Y. & Ki, E. (2007). *How do Public Relations Practitioners perceive investor relations? An Exploratory study*. 12 (2), 199-213. United States of America: Emerald Group.
- Johansson, A., Fageus, M. & Fritz (2001). Corporate Identity Management. Bachelor's Thesis within Business Administration.
- Johansson, A. & Wallin, J. (2001). Design Management in a service company; A case study at Telia. Master's Thesis within Business Administration.
- Jones, D. (2002). Communicating corporate governance via the Web. *Financial Executive*. 18, (9), p. 39.
- Lee, S.H, Shim, G. & Kim, Y. (2006). How investor behavioral factors influence investment satisfaction, trust in Investment Company, and reinvention intention. *Journal of Business Research*, 61, 47-55.
- Lehaney, B. & Vinten G. (1994). Methodology: An Analysis of Its Meaning and Use. *Work Study*. 5-8.

- Mallin, A. C. (2004). *Corporate Governance*. New York: Oxford University Press.
- Markwick, N. & Fill, C. (1997). Towards a framework for managing corporate identity. *European Journal of Marketing*. 31 (5/6), 396-409.
- Melewar T.C., Basset, K. & Simoes, C. (2006a). The role of communication and visual identity in modern organizations. *Corporate Communications: An International Journal*.
- Melewar T.C. & Karaosmanoglu E. (2006b). Seven dimensions of Corporate Identity; a categorization from the practitioners' perspectives. *European Journal of Marketing*. 846 - 869.
- Murad, A. (2006). Competing for Capital: Investor Relations in a Dynamic World. *Financial Analysis Journal*. 62 (5), 98-99.
- MSC (2003). *Data Gathering and Analysis*. Retrieved on March 30, 2008 from <http://www.msc.navy.mil/n7/LCINs/LCIN008.htm>
- Negrish, V. (2006). *Strategic Financial Marketing: The Key to Attracting and Retaining Investors*. New York: Sandler O'Neill Partners.
- Neuman, L. (2006). *Social Research Methods: Qualitative and Quantitative Approaches* (6<sup>th</sup> ed.). United States of America: Pearson Education.
- Parum, E. (2006). Corporate Governance and Corporate Identity. *Journal Compilation* Blackwell Publishing Ltd. 14 (6).
- Pickton, D. & Broderick, A. (2001). Integrated marketing communications. Italy: Pearson Education Limited.
- Pieczka, M. & L' Etang, J. (2001). Public relations and the question of Professionalism. *Handbook of public relations*. 223-35. Thousand Oaks, CA.
- Radley Yeldar (RY) (2008a). *Internal Communication: Goodbye Staff numbers 5,357 and 76,583, Hello Aisha and Dave; People like news. People like letters. So why don't people like newsletters?* Retrieved April 8, 2008 from [http://ry.com/internal\\_communication/](http://ry.com/internal_communication/)
- Radley Yeldar (RY) (2008b). *Internal Communication: Goodbye Staff numbers 5,357 and 76,583, Hello Aisha and Dave; you don't have to be a corporate responsibility expert to talk to your people about it.* Retrieved April 8, 2008 from [http://ry.com/internal\\_communication/](http://ry.com/internal_communication/)
- Radley Yeldar (RY) (2008c). *Internal Communication: Goodbye Staff numbers 5,357 and 76,583, Hello Aisha and Dave; why is it that so much internal communication falls on deaf ears?* Retrieved April 8, 2008 from [http://ry.com/internal\\_communication/](http://ry.com/internal_communication/)
- Report Leadership Group (RLG) (2006). *Effective Report Leadership, Tomorrow's Reporting Today*. Retrieved April 20, 2008 from <http://www.reportleadership.com/newsletter/brochures/>

- Saunders, M., Lewis, P. & Thornhill, A. (2007). *Research Methods for Business Students* (4<sup>th</sup> ed.). England: Prentice Hall.
- Sirower, M. & Lipin, S. (2003). Investor communications: New rules for M&A success. *Financial Executive*. 19 (1), 26-30.
- SQM: The Worldwide Business Formula (2008a). Retrieved on March 16, 2008 from <http://www.sqm.com/aspx/en/default.aspx>
- SQM: The Worldwide Business Formula (2008b). *Our Identity*. Retrieved on May 9, 2008 from <http://www.sqm.com/aspx/about/Identity.aspx>
- SQM: The Worldwide Business Formula (2008c). *SQM in the World*. Retrieved on May 9, 2008 from <http://www.sqm.com/aspx/en/world.aspx>
- SQM: The Worldwide Business Formula (2008d). *Vision & Values*. Retrieved on May 10, 2008 from <http://www.sqm.com/aspx/about/Vision.aspx>
- SQM: The Worldwide Business Formula (2008e). *Code of Business Conduct*. Retrieved on May 9, 2008 from <http://www.sqm.com/aspx/Investor/Conduct.aspx>
- SQM: The Worldwide Business Formula (2008f). *Annual Report 2006*. Retrieved on May 9, 2008 from [http://www.sqm.com/PDF/Investors/AnnualReport/SQM-Annual\\_Report\\_2006-EN.pdf](http://www.sqm.com/PDF/Investors/AnnualReport/SQM-Annual_Report_2006-EN.pdf)
- SQM: The Worldwide Business Formula (2008g). *Corporate Governance Framework*. Retrieved on May 17, 2008 from [http://www.sqm.com/PDF/Investors/SQMCorporate\\_Governance\\_Framework-EN.pdf](http://www.sqm.com/PDF/Investors/SQMCorporate_Governance_Framework-EN.pdf)
- SQM: The Worldwide Business Formula (2008h). *Annual Report 2007*. Retrieved on May 17, 2008 from [http://www.sqm.com/PDF/Investors/AnnualReport/SQM-Annual\\_Report\\_2007\\_EN.pdf](http://www.sqm.com/PDF/Investors/AnnualReport/SQM-Annual_Report_2007_EN.pdf)
- SQM: The Worldwide Business Formula (2008i). *Corporate Governance Framework*. Retrieved on May 16, 2008 from <http://www.sqm.com/aspx/Investor/Corporate.aspx>
- SQM: The Worldwide Business Formula (2008j). *Webcasts*. Retrieved on May 15, 2008 <http://www.sqm.com/aspx/Investor/WebCast.aspx?S=1>
- SQM: The Worldwide Business Formula (2008k). *Global Qommitment*. Retrieved on May 15, 2008 <http://www.sqm.com/aspx/investor/Default.aspx>
- SQM: The Worldwide Business Formula (2008l). *Presentation*. Retrieved on May 15, 2008 <http://www.sqm.com/PDF/SQM-Presentation-EN.pdf>
- SQM: The Worldwide Business Formula (2008m). *Investor Feedback Form*. Retrieved on May 15, 2008 <http://www.sqm.com/aspx/Investor/Feedback.aspx>
- Stake, R. (1995). *The art of case research*. Thousand Oaks, CA: Sage Publications.
- Tellis, W. (1997). *Introduction to Case Study. The qualitative Report*. Volume 3, Number 2, July, 1997 retrieved on March 16, 2008 from <http://www.nova.edu/ssss/QR/QR3-2/tellis1.html>

- Topazio, N. (2007). Investor relations. *Financial Managers Statement*. 38.
- Van Riel C.B.M. (1992). Corporate Communication in Europe. Financial Institutions. *Public Relations Review*. 161-175.
- Van Riel C.B.M. & Balmer J. (1997). Corporate identity: the concept, its measurement and management. *European Journal of Marketing*. 309 - 566.
- Yin, R. (1993). *Applications of case study research*. Beverly Hills, CA: Sage Publishing.
- Zikmund, W.G. (2002). *Business Research methods* (6<sup>th</sup> ed.). United States of America: Harcourt College Publishers.

## **Appendices**

### **Appendix 1 Presentation of Case Study**

Official name in Spanish: Sociedad Quimica y Minera de Chile S.A. (SQM)

SQM is a Chilean company whose history dates back from the 17th century. Nevertheless SQM was not founded until 1968 and was reorganized by the Chilean Government with a company named Anglo Lautaro S.A. (SQM, 2008a). Its main business was exploitation and development of natural resources of nitrate, iodine and lithium.

The headquarters are located in Santiago, Chile. The company has almost 3,000 employees around the world and commercial offices in more than 20 countries, which are used as distribution channels to another 100 countries (SQM, 2008a). During its existence, SQM has undergone many transformations in ownership structure, portfolio and strategy.

One of the transformations that SQM faced was in its ownership structure; the privatization process from the Chilean government took six years to be successfully completed. Another historical moment in the development of SQM was the entrance to the New York Exchange Market through the American Depository Receipts System (ADR) in 1993 (SQM, 2008a).

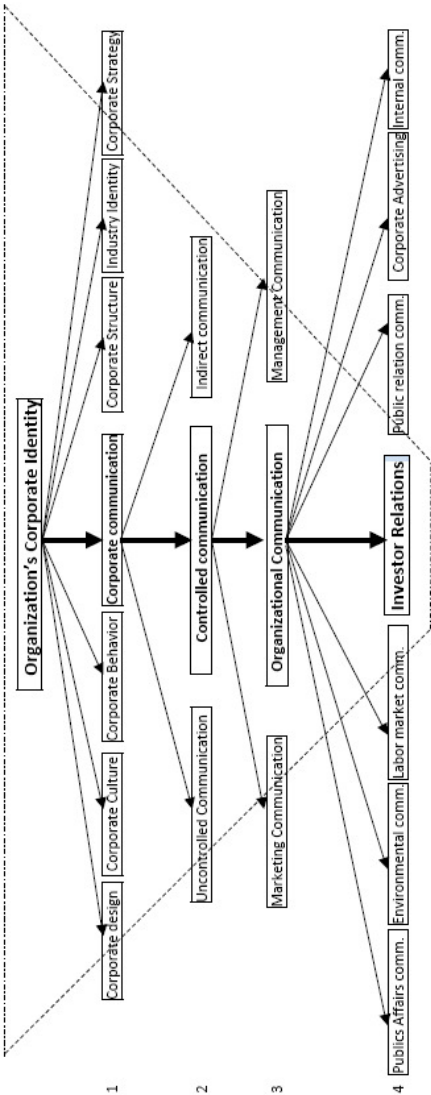
At the end of 2000, the development with its products, favorable changes in the market and a solid financial consolidation, allowed SQM to establish a joint venture with companies in Norway and Thailand, achieving important cost synergies and becoming the leading organization in their market segment (SQM, 2008).

Another important transformation SQM has experienced through their history is its corporate identity; their corporate identity is the result of a historical process. To be able to meet the changes on the markets and in their customers, SQM re-invented its corporate identity.

SQM's administration structure is divided in two parts: a Board of Directors and a management team. The Board of Directors is integrated by eight members, which were elected by the shareholders. The President and CEO was designated by the Board of Directors (SQM, 2008). (See Appendices 16 and 17)

Appendix 2 Delimitation Figure

Corporate Identity: Communication as a key component



The figure was developed by the authors of the thesis, by integrating and taking as base different models on Corporate Identity, Corporate communication and organizational communication.

- 1) Seven components of corporate identity. Based on (Melewar and Karaosmanoglu 2006 "Dimensions of corporate identity").
- 2) Classification of corporate communication. Based on (Melewar and Karaosmanoglu 2006 "Dimensions of corporate identity").
- 3) Three distinction of controlled communication. Based on (Melewar, Basset and Simões 2006, "The role of communication and the visual identity in modern organizations").
- 4) Seven facets of organizational communication. Based on (Van Piel's 1995, "Integrated corporate communication model").

## Appendix 3 Profile of Respondents

As mentioned before, the respondents were selected considering their experience in business and within SQM. The profiles of the respondents show how they fulfill these characteristics.

### 1. Investor Relations

At the moment of conducting the questionnaire, this participant held the Head position of SQM's Investor Relations' department. The participant is a representant of the company that the authors were conducting this investigation on. Through this, it is shown that the respondent fulfills the characteristics considered when choosing the participants.

The answers from this participant were received on April 16, 2008. The authors refer to this participant as '**Respondent A**' in the empirical findings and analysis chapters.

### 2. Investor

This participant, when conducting the questionnaire, held the position of Chief Financial Officer in an outsourcing and investment company. The respondent experience in the business area fulfills the characteristics required by the interviewees.

The answers from this participant were received on May 12, 2008. The authors refer to this participant as '**Respondent B**' in the empirical findings and analysis chapters.

### 3. Executive

When conducting the questionnaire, the respondent held a position as Executive in an international subsidiary for SQM. The participant has vast experience as Chief Executive Officer on different companies, accounting more than 30 years. In addition, the participant has also being an investor.

The answers from this participant were received on April 24, 2008. The authors refer to this participant as '**Respondent C**' in the empirical findings and analysis chapters.

#### **4. Chief Executive Officer (CEO)/Investor/Financial Consultant**

At the moment of conducting the questionnaire, this participant held the title of CEO of one of the companies that have a permanent investment in SQM. At the same time, the participant was a regular investor in other companies. Besides these two activities, the respondent offered financial consultancy to third parties.

The participant has more than 15 years experience holding positions as CEO, investor and financial consultant. In addition to this experience, the respondent has been member of the Board of Directors of different companies.

The answers from this respondent were received on May 17, 2008. The authors refer to this participant as '**Respondent D**' in the empirical findings chapter and analysis.

## Appendix 4 Consent Form

Attachment 1

Jönköping International Business School

Jönköping University. Sweden

Consent form

Title of Thesis: *“Corporate Identity; Communication as a key component”*

\_\_\_\_\_ I confirm that I have authorized the authors of this thesis to use my name for the analysis purposes of the project.

\_\_\_\_\_ I would prefer to stay completely anonymous in this thesis.

We guarantee that your information and answers will be treated with complete confidentiality according to your instructions. This questionnaire interview is only conducted for strict academic purpose. The data collection from the questionnaire will be analyzed and incorporated to our thesis to achieve the Degree in International Management at the Jönköping International Business School, of The University of Jönköping Sweden. ([www.jibs.se](http://www.jibs.se))

Name of Participant (In case the participant wants his/her name in the thesis)

April 2008

Representative of the Group

April 2008

## **Consent Form (Spanish)**

Archivo adjunto 1

Escuela Internacional de Negocios de Jönköping

Universidad de Jönköping, Suecia

Formulario de consentimiento

Título: “Identidad Corporativa; comunicación como un componente esencial”

Favor de marcar la alternativa de su preferencia

\_\_\_\_\_ Confirmando que autorizo a los autores de esta tesis a usar mi nombre para el propósito de análisis de la misma.

\_\_\_\_\_ Prefiero mantener mi anonimato en todo momento en la tesis.

Garantizamos que su información y respuestas serán tratadas con completa confidencialidad de acuerdo a sus instrucciones. La entrevista es conducida exclusivamente con propósitos académicos, la información recolectada en nuestro cuestionario será analizada e incorporada a nuestra tesis de nuestra carrera en International de la Escuela de Internacional de Negocios de Jönköping, de la Universidad de Jönköping, Suecia. ([www.jibs.se](http://www.jibs.se))

Nombre del participante

Fecha:

Representante del Grupo

Fecha:

## Appendix 5 Cover Letter and Instructions

Jönköping International Business School

Jönköping University. Sweden

Mr. \_\_\_\_\_

The purpose of this letter is to inform you that:

1. We have received the approval to proceed with the interview for our thesis which title is “*Corporate Identity: Communication as a key component*”.
2. The information that you provide us with will be treated with the strictest confidence. We will only mention your name with your authorization. (Attachment 1).
3. Due to the geographical, economic and time-limit circumstances this interview will be conducted as a self-administered questionnaire. The questions are attached to this letter (Attachment 2). These are open questions, which means that you will be able to answer the questions using unlimited space on your sheet.
4. We have translated all the questions to Spanish. Please feel free to answer all the questions either in Spanish or English.
5. To ensure that you have a clear understanding of the questions, you will find an introduction to the topic before the question. If we have not made ourselves clear with the introduction or question, please just skip the question and continue with the next one.
6. After you are done answering the questions please return the answer sheet and Attachment 1 to any of these email addresses: [sergiosilvam@hotmail.com](mailto:sergiosilvam@hotmail.com) or [bbam05vrga@ihh.hj.se](mailto:bbam05vrga@ihh.hj.se)
7. In case you answer the questionnaire in Spanish, we will translate your answer to English since is the language we are using to write our thesis. In this case, to be sure that we have not misunderstood your answers, we will send you a copy for your approval.
8. If, for any reason, we need to do follow-up questions to clear a point out, we would like to conduct a follow up telephone interview. In this case, we will contact you in advance to check your availability.
9. The finding of your answers will be used as the main data for our thesis for our degree in International Management at the University of Jönköping, Sweden. ([www.jibs.se](http://www.jibs.se))

The questionnaire is part of our thesis research project to investigate “*Corporate identity; Communication as a key component*”. Your responses are really important in achieving the objectives of our thesis. For this reason and for your valuable time, we thank you in advance for your cooperation.

Group Representative

Sweden April 2008

**Cover Letter and Instructions (Spanish)**

Escuela Internacional de Negocios de Jönköping

Universidad de Jönköping, Suecia

Señor: \_\_\_\_\_

El propósito de esta carta es para informarle en forma general, el procedimiento de nuestra entrevista acordada en nuestra previa conversación telefónica.

1. Hemos recibido la aprobación para conducir una entrevista con usted para nuestra tesis con el título: “Identidad Corporativa: comunicación como un componente esencial”
2. La información que se produzca a través de esta entrevista, es estrictamente confidencial. Sólo mencionaremos su nombre y cargo ejecutivo en nuestro reporte final, si usted nos autoriza (Ver archivo adjunto 1).
3. Debido a las condiciones geográficas, económicas y al tiempo limitado con el que se cuenta; esta entrevista será llevada a cabo, a través de un cuestionario de 9 preguntas. Estas se encuentran en el archivo adjunto 2. Estas preguntas son abiertas, por lo consiguiente, siéntase libre de escribir sin limite de espacio sus respuestas.
4. Hemos traducido todas las preguntas al español, siéntase en entera libertad de contestar ya sea usando español o inglés.
5. Para asegurarnos de que usted tenga una clara comprensión de nuestras preguntas; hemos establecido en el comienzo de cada una de ellas, una pequeña introducción acerca del tema que queremos abarcar. En caso de que no hubiéramos sido completamente claros con nuestra pregunta por favor continúe con la siguiente.
6. Después que usted haya terminado de responder las preguntas, agradeceríamos las envíe a cualquiera de las siguientes direcciones electrónicas: [sergiosilvam@hotmail](mailto:sergiosilvam@hotmail) o [bbam05vrga@ihh.hj.se](mailto:bbam05vrga@ihh.hj.se)
7. En caso de que usted decidiera contestar sus preguntas en español, traduciremos sus respuestas al inglés, debido a que nuestro reporte final es en inglés. Para asegurarnos de haber obtenido una correcta interpretación de sus respuestas, le enviaremos una copia de esta traducción para su aprobación.

8. Si por alguna razón tenemos la necesidad de consultar dudas o nuevas preguntas que surjan; nos gustaría tener una entrevista telefónica con usted de acuerdo a su disponibilidad.
9. Los resultados de su entrevista serán utilizados como primera fuente de datos para nuestra tesis de nuestra carrera en International Management de la Universidad de Jönköping, Suecia ([www.jibs.se](http://www.jibs.se))

Este cuestionario es parte de nuestro trabajo de investigación acerca de “Identidad Corporativa, Comunicación como un componente esencial”. Su experiencia en negocios es muy importante, con ella podremos obtener valiosa información acerca nuestro tema. Por esta razón y por estar tomando parte de su valioso tiempo, le agradecemos antemano su cooperación.

Representante del grupo

Suecia, Abril 2008

## Appendix 6 Questionnaire Investor Relations

### Attachment 2

While doing our background research we came across some definitions about corporate identity, one of the definitions is “a presentation of an organization to every stakeholder and what makes an organization unique”.

According to your experiences in business:

1. Do you or do you not agree with this definition of corporate identity, and, why?

Corporate identity is also defined as “a mix of components”. One of these components is “communication”. We have found that this component could act as a key force for corporate identity.

According to your experiences in business:

2. Do you agree that communication is a key component of corporate identity, and if so, why?

The purpose of our research is to connect communication with investor relations the following questions are generally focused in this area.

Investor relations is a growing area of corporate communication, it combines finances and communication for investors and potential investors. It is playing a role in determining the total corporate image and identity of the organization to stakeholders.

According to your experiences in business:

3. What advantages do you see in a company that incorporates investor relations as part of its corporate identity?
4. As an investor, are you concerned about how the company’s corporate identity is communicated through the investor relations department?

Our research is based on a case study; one of the reasons we have chosen a case study is to be able to understand everyday practices in business. During 2004, SQM established a new corporate identity. Investor relations deal with investors through communication.

According to your experiences in business:

5. What advantages do you see in SQM’s new corporate identity in terms of communication?
6. As an investor how relevant are, corporate identity and investor relations communication for you?

## Questionnaire Investor Relations (Spanish)

Archivo adjunto 2

Durante la preparación de esta entrevista encontramos algunas definiciones acerca de identidad corporativa, una de ellas define el termino como: “la presentación de una organización a todas las instituciones y la forma en que una organización se establece como única”

1. De acuerdo a su experiencia en negocios, está usted de acuerdo o en desacuerdo con la definición de identidad corporativa presentada anteriormente y ¿por qué?

Identidad corporativa también es definida como una “mezcla de componentes”, uno de estos es comunicación. Pensamos que este componente actúa de manera esencial.

2. De acuerdo a su experiencia en negocios, está usted de acuerdo o en desacuerdo que la comunicación es un componente esencial de la identidad corporativa y ¿por qué?

El propósito de nuestro trabajo es relacionar la comunicación con los inversionistas, las siguientes preguntas corresponden a este tema:

3. ¿Qué ventajas ve usted en una compañía que incorpora las relaciones con inversionistas (investor relations) como parte de su identidad corporativa?
4. Como Gerente General e inversionista, ¿a usted le preocupa la manera en que la identidad corporativa en la compañía es comunicada a los inversionistas a través del departamento de Relaciones con Inversionistas?

Nuestro trabajo esta basado en un caso, una de las razones que seleccionamos este tipo de investigación es para tener un mayor entendimiento de las prácticas diarias en negocios.

Durante el año 2004, SQM estableció su nueva identidad corporativa, relaciones con inversionistas se relaciona con inversionistas por medio de comunicados.

5. De acuerdo a su experiencia en negocios y como Gerente General, ¿qué ventajas ve usted en la nueva identidad corporativa de SQM en términos de comunicación?
6. Como inversionista, ¿qué relevancia tiene para usted la identidad corporativa y la comunicación de ésta a los inversionistas de SQM?

## Appendix 7 Questionnaire Investor

### Attachment 2

While doing our background research we came across some definitions about corporate identity, one of the definitions is “a presentation of an organization to every stakeholder and what makes an organization unique”.

According to your experiences in business:

1. Do you or do you not agree with this definition of corporate identity, and, why?
2. As a n executive of Assisten Ltda., do you consider corporate identity a strategic element in today’s businesses? Why?

Corporate identity is also defined as “a mix of components”. One of these components is “communication”. We have found that this component could act as a key force for corporate identity.

According to your experiences in business:

3. Do you agree that communication is a key component of corporate identity, and if so, why?

The purpose of our research is to connect communication with investor relations the following questions are generally focused in this area.

Investor relations is a growing area of corporate communication, it combines finances and communication for investors and potential investors. It is playing a role in determining the total corporate image and identity of the organization to stakeholders.

According to your experiences in business:

4. What advantages do you see in a company that incorporates investor relations as part of its corporate identity?
5. As an executive of Assisten Ltda., how relevant are, corporate identity and investor relations communication for you?
6. Please add any other comments that you consider important.

## Questionnaire Investor (Spanish)

Archivo adjunto 2

Durante la preparación de esta entrevista encontramos algunas definiciones acerca de identidad corporativa, una de ellas define el termino como: “la presentación de una organización a todas las instituciones y la forma en que una organización se establece como única”.

1. De acuerdo a su experiencia en negocios, está usted de acuerdo o en desacuerdo con la definición de identidad corporativa presentada anteriormente y ¿por qué?
2. ¿Considera usted identidad corporativa un elemento estratégico en negocios? ¿por qué?

Identidad corporativa también es definida como una “mezcla de componentes”, uno de estos es comunicación. Pensamos que este componente actúa de manera esencial.

3. De acuerdo a su experiencia en negocios, está usted de acuerdo o en desacuerdo que la comunicación es un componente esencial de la identidad corporativa y ¿por qué?

El propósito de nuestro trabajo es relacionar la comunicación con los inversionistas, las siguientes preguntas corresponden a este tema:

4. ¿Qué ventajas ve usted en una compañía que incorpora las relaciones con inversionistas como parte de su identidad corporativa?
5. Como ejecutivo de Assisten Ltda. y experiencia en negocios ¿qué relevancia tiene para usted, identidad corporativa, investor relations, y comunicación en una empresa?
6. Favor agregue cualquier otro comentario que considere importante.

## Appendix 8 Questionnaire Executive

### Attachment 2

While doing our background research we came across some definitions about corporate identity, one of the definitions is “a presentation of an organization to every stakeholder and what makes an organization unique”.

According to your experiences in business:

1. Do you or do you not agree with this definition of corporate identity, and why?
2. As a former President and CEO, was Corporate Identity considered as a strategic issue?

Corporate identity is also defined as “a mix of components”. One of these components is “communication”. We have found that this component could act as a key force for corporate identity.

According to your experiences in business:

3. Do you agree that communication is a key component of corporate identity, and if so, why?

The purpose of our research is to connect communication with investor relations the following questions are generally focused in this area.

Investor relations is a growing area of corporate communication, it combines finances and communication for investors and potential investors. It is playing a role in determining the total corporate image and identity of the organization to stakeholders.

According to your experiences in business:

4. What advantages do you see in a company that incorporates investor relations as part of their corporate identity?
5. Are you concerned about how company’s corporate identity is communicated through the investor relations department?

Our research is based on a case study. One of the reasons we have chosen a case study is to be able to understand everyday practices in business. During 2004, SQM established a new corporate identity. Investor relations deal with investors through communication.

According to your experiences in business:

6. What advantages do you see in SQM’s new corporate identity in terms of communication with investors?
7. As a SQM’s executive, how relevant are corporate identity and investor relations communication for you?
8. Please add any other comments that you consider important.

## Questionnaire Executive (Spanish)

Archivo adjunto 2

Durante la preparación de esta entrevista encontramos algunas definiciones acerca de identidad corporativa, una de ellas define el termino como: “la presentación de una organización a todas las instituciones y la forma en que una organización se establece como única”

1. De acuerdo a su experiencia en negocios, está usted de acuerdo o en desacuerdo con la definición de identidad corporativa presentada anteriormente y ¿por qué?
2. Como ex-gerente general de empresas y experiencia en negocios, ¿identidad corporativa era un elemento estratégico?

Identidad corporativa también es definida como una “mezcla de componentes”, uno de estos es comunicación. Pensamos que este componente actúa de manera esencial.

3. De acuerdo a su experiencia en negocios, está usted de acuerdo o en desacuerdo que la comunicación es un componente esencial de la identidad corporativa y ¿por qué?

El propósito de nuestro trabajo es relacionar la comunicación con los inversionistas, las siguientes preguntas corresponden a este tema:

4. ¿Qué ventajas ve usted en una compañía que incorpora las relaciones con inversionistas (investor relations) como parte de su identidad corporativa?
5. Como inversionista, ¿a usted le preocupa la manera en que la identidad corporativa en la compañía es comunicada a los inversionistas a través del departamento de Relaciones con Inversionistas?

Nuestro trabajo esta basado en un caso, una de las razones que seleccionamos este tipo de investigación es para tener un mayor entendimiento de las prácticas diarias en negocios.

Durante el año 2004, SQM estableció su nueva identidad corporativa, relaciones con inversionistas se relaciona con inversionistas por medio de comunicados.

6. De acuerdo a su experiencia en negocios ¿qué ventajas ve usted en la nueva identidad corporativa de SQM en términos de comunicación?
7. Como ejecutivo de SQM, ¿qué relevancia tiene para usted la identidad corporativa y la comunicación de ésta a los inversionistas de SQM?
8. Favor agregue cualquier otro comentario que considere importante.

## Appendix 9 Questionnaire CEO/ Investor/ Financial Consultant

### Attachment 2

While doing our background research we came across some definitions about corporate identity, one of the definitions is “a presentation of an organization to every stakeholder and what makes an organization unique”.

According to your experiences in business:

1. Do you or do you not agree with this definition of corporate identity, and why?
2. As a President and CEO of CGB, and financial consultant, do you consider corporate identity a strategic element in today's businesses? Why?
3. As an investor, are you concerned about the company's corporate identity when you invest? Why?

Corporate identity is also defined as “a mix of components”. One of these components is “communication”. We have found that this component could act as a key force for corporate identity.

According to your experiences in business:

4. Do you agree that communication is a key component of corporate identity, and if so, why?

The purpose of our research is to connect communication with investor relations the following questions are generally focused in this area.

Investor relations is a growing area of corporate communication, it combines finances and communication for investors and potential investors. It is playing a role in determining the total corporate image and identity of the organization to stakeholders.

According to your experiences in business:

5. What advantages do you see in a company that incorporates investor relations as part of its corporate identity?
6. Are you concerned about how the company's corporate identity is communicated through the investor relations department?
7. As a financial consultant, does the company's investor relations department have an impact when you are analyzing an investment alternative?

Our research is based on a case study; one of the reasons we have chosen a case study is to be able to understand everyday practices in business. During 2004, SQM established a new corporate identity. Investor relations deal with investors through communication.

According to your experiences in business:

8. What advantages do you see in SQM's new corporate identity in terms of communication with investors?
9. As a CGB executive, how relevant are corporate identity and investor relations communication for you?
10. As a CGB executive, how relevant are corporate identity, investor relations and communication?
11. As a financial consultant, do you consider important company's investor relations department?
12. As a financial consultant, do you consider relevant relations investor's communication channels? Why?
13. Please add any other comments that you consider important.

## Questionnaire CEO/ Investor/ Financial Consultant (Spanish)

Archivo adjunto 2

Durante la preparación de esta entrevista encontramos algunas definiciones acerca de identidad corporativa, una de ellas define el termino como: “la presentación de una organización a todas las instituciones y la forma en que una organización se establece como única”

1. De acuerdo a su experiencia en negocios, está usted de acuerdo o en desacuerdo con la definición de identidad corporativa presentada anteriormente y ¿por qué?
2. Como gerente general de CGB y consultor financiero, ¿considera usted identidad corporativa un elemento estratégico en negocios? ¿por qué?
3. Como inversionista, ¿considera usted relevante la identidad corporativa de la compañía en la cual considera invertir? ¿Por qué?

Identidad corporativa también es definida como una “mezcla de componentes”, uno de estos es comunicación. Pensamos que este componente actúa de manera esencial.

4. De acuerdo a su experiencia en negocios, está usted de acuerdo o en desacuerdo que la comunicación es un componente esencial de la identidad corporativa y ¿por qué?

El propósito de nuestro trabajo es relacionar la comunicación con los inversionistas, las siguientes preguntas corresponden a este tema:

5. ¿Qué ventajas ve usted en una compañía que incorpora las relaciones con inversionistas (investor relations) como parte de su identidad corporativa?
6. Como inversionista, ¿a usted le preocupa la manera en que la identidad corporativa en la compañía es comunicada a los inversionistas a través del departamento de Relaciones con Inversionistas?
7. Como consultor financiero, ¿el departamento de investor relations, tiene algún impacto cuando esta analizando una alternativa de inversión? ¿Por qué?

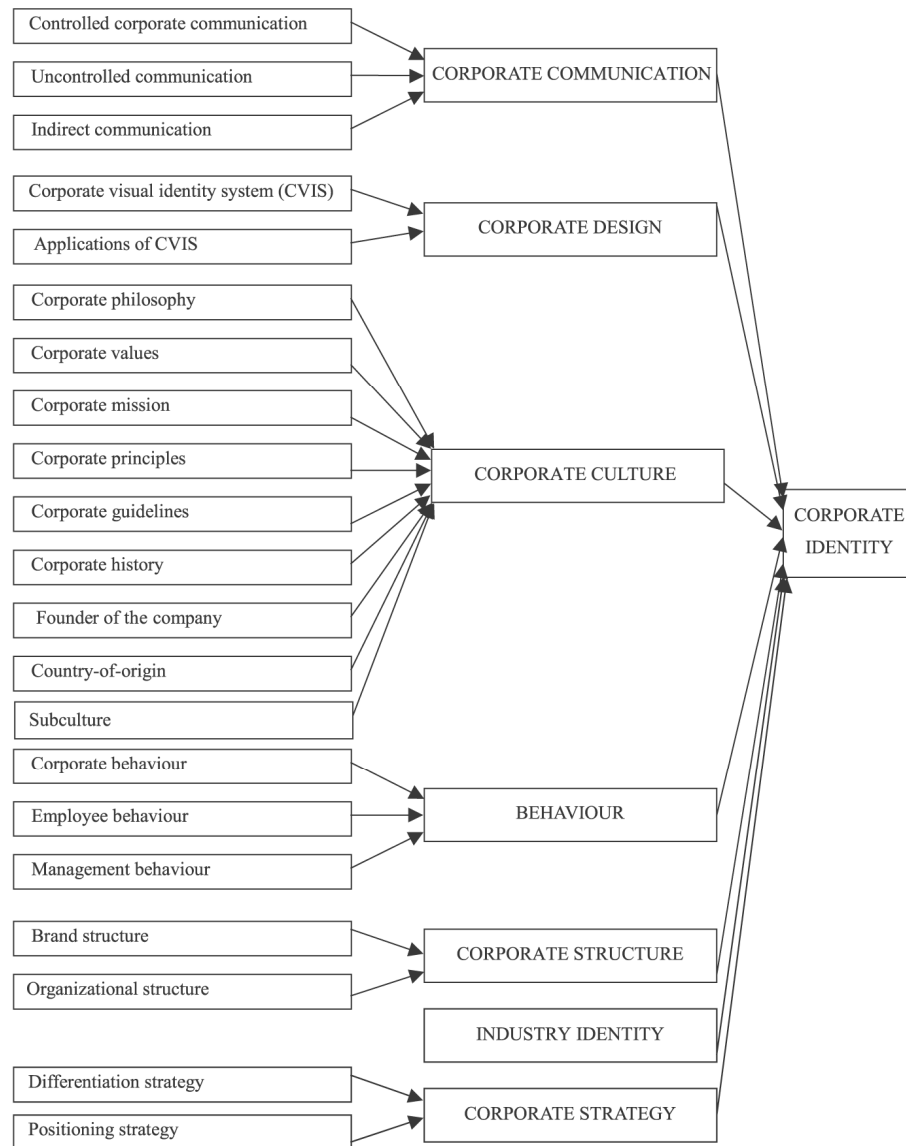
Nuestro trabajo esta basado en un caso, una de las razones que seleccionamos este tipo de investigación es para tener un mayor entendimiento de las prácticas diarias en negocios.

Durante el año 2004, SQM estableció su nueva identidad corporativa, relaciones con inversionistas se relaciona con inversionistas por medio de comunicados.

8. De acuerdo a su experiencia en negocios ¿qué ventajas ve usted en la nueva identidad corporativa de SQM en términos de comunicación?
9. Como ejecutivo de CGB, ¿qué relevancia tiene para usted la identidad corporativa y la comunicación de ésta a los inversionistas de SQM?
10. Como ejecutivo de CGB, ¿qué relevancia tiene para usted, identidad corporativa, investor relations, y comunicación de SQM?

11. Como consultor financiero, ¿considera usted relevante el departamento de investor relations en una empresa? ¿Por qué?
12. Como consultor financiero, ¿considera usted relevante el medio de comunicación que usa el departamento de investor relations? ¿Por qué?
13. Favor agregue cualquier otro comentario que considere importante.

## Appendix 10 Corporate Identity Model



### Corporate Identity Model

Melewar T.C. & Karaosmanoglu E. (2006b). Seven dimensions of Corporate Identity; a categorization from the practitioners' perspectives. *European Journal of Marketing*. p. 849.

**Appendix 11 Presentation of Empirical Data Analysis**

**Presentation of Empirical Data Analysis**  
**Corporate Identity / Communication / Investor Relations**

<b>Theory ‘Key Word’ or ‘Key Term’</b>	<b>Primary Data</b>	<b>Secondary data</b>	<b>Outcome</b>

## Appendix 12 Empirical Data Analysis: Corporate Identity

Theory 'Key Word' or 'Key Term'	Primary Data	Secondary data	Outcome
<b>Number of elements</b>	<ul style="list-style-type: none"> <li>Describe a number of elements</li> </ul>		<ul style="list-style-type: none"> <li>'Aware of...'</li> </ul>
<b>Uniqueness</b>	<ul style="list-style-type: none"> <li>Does not make a company unique maintains a unique imagine</li> </ul>		<ul style="list-style-type: none"> <li>Different opinions but connected</li> </ul>
<b>Corporate design</b>	<ul style="list-style-type: none"> <li>Strength and image</li> </ul>		<ul style="list-style-type: none"> <li>Support Corporate identity</li> </ul>
<b>Corporate culture</b>	<ul style="list-style-type: none"> <li>Company's values</li> </ul>	<ul style="list-style-type: none"> <li>Code of Business Conduct</li> <li>Synonymous of return on investment and productivity</li> </ul>	<ul style="list-style-type: none"> <li>Company's Transparency to investors</li> </ul>
<b>Behavior</b>	<ul style="list-style-type: none"> <li>Analyze not only financial</li> <li>Sustainable development</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable development</li> <li>Clear policy regarding governing relationships</li> </ul>	<ul style="list-style-type: none"> <li>Policies in action, uses as a communication channel</li> </ul>
<b>Corporate Structure</b>		<ul style="list-style-type: none"> <li>Branding</li> <li>Organizational structure</li> </ul>	<ul style="list-style-type: none"> <li>Communication of transparency and experiences, created confidence on investor</li> </ul>
<b>Industrial Identity</b>		<ul style="list-style-type: none"> <li>Highest market share</li> <li>Worldwide fertilizer industry</li> </ul>	<ul style="list-style-type: none"> <li>Transmit leadership on the market, confidence with investors</li> </ul>
<b>Corporate Strategy</b>	<ul style="list-style-type: none"> <li>Strategy as one of the main factors</li> <li>Differentiate</li> <li>Competitive advantage</li> </ul>	<ul style="list-style-type: none"> <li>Leadership position</li> <li>Shareholders and strategy</li> </ul>	<ul style="list-style-type: none"> <li>Shows, growth, stability and leadership, confident is transmit to investors</li> </ul>

## Appendix 13 Empirical Data Analysis: Corporate Communication

Theory 'Key Word' or 'Key Terms'	Primary Data	Secondary data	Outcome
<b>Instrument</b>	<ul style="list-style-type: none"> <li>Necessary tool</li> <li>Support for the business</li> </ul>	<ul style="list-style-type: none"> <li>Bank of New York</li> </ul>	<ul style="list-style-type: none"> <li>Understand corporate identity</li> <li>Instrument to communicate</li> </ul>
<b>Term</b>	<ul style="list-style-type: none"> <li>To create</li> <li>Global company</li> <li>Lower or higher levels</li> </ul>	<ul style="list-style-type: none"> <li>Webcast conference</li> <li>Language (English)</li> </ul>	<ul style="list-style-type: none"> <li>This encompasses</li> <li>Covers information</li> </ul>
<b>Nexus</b>	<ul style="list-style-type: none"> <li>Create a single, unified</li> <li>The image and identity</li> <li>Coherent message</li> <li>It can be difficult</li> </ul>		<ul style="list-style-type: none"> <li>Remark nexus between corporate identity and image</li> </ul>
<b>Process</b>	<ul style="list-style-type: none"> <li>Deliver a coherent message</li> </ul>	<ul style="list-style-type: none"> <li>Logotype</li> <li>Slogan</li> <li>Website</li> <li>Webcast</li> </ul>	<ul style="list-style-type: none"> <li>How is corporate identity perceived?</li> </ul>
<b>Uncontrolled communication</b>	<ul style="list-style-type: none"> <li>Opposite reaction</li> </ul>	<ul style="list-style-type: none"> <li>Websites</li> <li>Open forums</li> </ul>	<ul style="list-style-type: none"> <li>Communicate a message in the wrong way</li> </ul>
<b>Controlled Communication</b>	<ul style="list-style-type: none"> <li>If we or don't inform</li> <li>Time and efficient</li> <li>Coherent message</li> <li>Improve relationship</li> <li>Homogenous</li> <li>Marketing strategy</li> <li>Relevant</li> </ul>	<ul style="list-style-type: none"> <li>Webcast</li> <li>Annual report</li> <li>Financial report</li> </ul>	<ul style="list-style-type: none"> <li>Clear example of the importance of control communication</li> </ul>
<b>Behavior</b>	<ul style="list-style-type: none"> <li>Analyze not only financial and strategic fundamentals</li> </ul>	<ul style="list-style-type: none"> <li>Developed different projects</li> <li>Started important projects</li> <li>Corporate governance for the Board of Directors</li> <li>Board of Directors code of business</li> </ul>	<ul style="list-style-type: none"> <li>Shows awareness and actions of communication</li> </ul>
<b>Symbolism</b>		<ul style="list-style-type: none"> <li>Logotype</li> </ul>	<ul style="list-style-type: none"> <li>Communication to create confidence and growth</li> </ul>
<b>Communication</b>		<ul style="list-style-type: none"> <li>Webcasts</li> <li>Annual reports</li> </ul>	<ul style="list-style-type: none"> <li>Confident of the company</li> </ul>

## Appendix 14 Empirical Data Analysis: Investor Relations

Theory 'Key Words' or 'Key Terms'	Primary Data	Secondary data	Outcome
<b>Communication</b>	<ul style="list-style-type: none"> <li>Publications from the market, specialized.</li> </ul>	<ul style="list-style-type: none"> <li>Website</li> <li>Corporate Governance Framework</li> </ul>	<ul style="list-style-type: none"> <li>Provide information</li> <li>Fast</li> <li>Slow</li> </ul>
<b>Credibility of communication</b>	<ul style="list-style-type: none"> <li>Internal communication well-focused</li> </ul>	<ul style="list-style-type: none"> <li>Structure</li> <li>Presentation</li> </ul>	<ul style="list-style-type: none"> <li>Complete information</li> </ul>
<b>Investor Relations activities</b>		<ul style="list-style-type: none"> <li>Corporate governance practices</li> <li>Quarterly <i>webcast</i> conferences</li> <li>Feedback form</li> </ul>	<ul style="list-style-type: none"> <li>Improvement</li> <li>Confidence</li> <li>Transparency</li> </ul>
<b>Investor Relations Objectives</b>	<ul style="list-style-type: none"> <li>Support</li> <li>Security</li> <li>Stability</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>The importance of clear messages</li> </ul>
<b>Investor Satisfaction</b>	<ul style="list-style-type: none"> <li>Financial results</li> <li>Future financial projects</li> <li>Attractive</li> </ul>	<ul style="list-style-type: none"> <li>Profitability</li> <li>Productivity</li> </ul>	<ul style="list-style-type: none"> <li>Influences decision process</li> </ul>

## Appendix 15 SQM's Corporate Identity

According to SQM's official website, their corporate identity was the result of a historic process. The origins of SQM are from 1968, in that time, the company was called 'Sociedad Quimica y Minera de Chile S.A.'. Its logotype indicated that SQM's orientation was the exploitation and production of natural fertilizer for the agricultural market.

Their market was limited, its target group was small producers, and no market for new products existed. However, their logotype included 'SQM' and the ear wheat crossing the central letter 'Q', with their complete name on the bottom (SQM, 2008b). Sociedad Quimica y Minera de Chile S.A. was sending a message to their customers, 'to produce better fruits and vegetables with their products'. (Figure 10.1 shows its first logotype)



**Figure 15.1 Sociedad Quimica y Minera de Chile S.A.**  
(<http://www.sqm.com/asp/en/Default.aspx>)

After many years, the market changed and so did the company's ownership structure. In the 90's, its logotype included the green color; helping the company to keep the relationship between nature and its products (SQM, 2008b). The company's name became shorter, and was recognized as 'Soquimich'. At this time, SQM was able to extend its market and develop new products not only for the agricultural sector, but also for industrial markets. (Figure 10.2 shows the 90's logotype)



**Figure 15.2 Soquimich**  
(<http://www.sqm.com/asp/en/Default.aspx>)

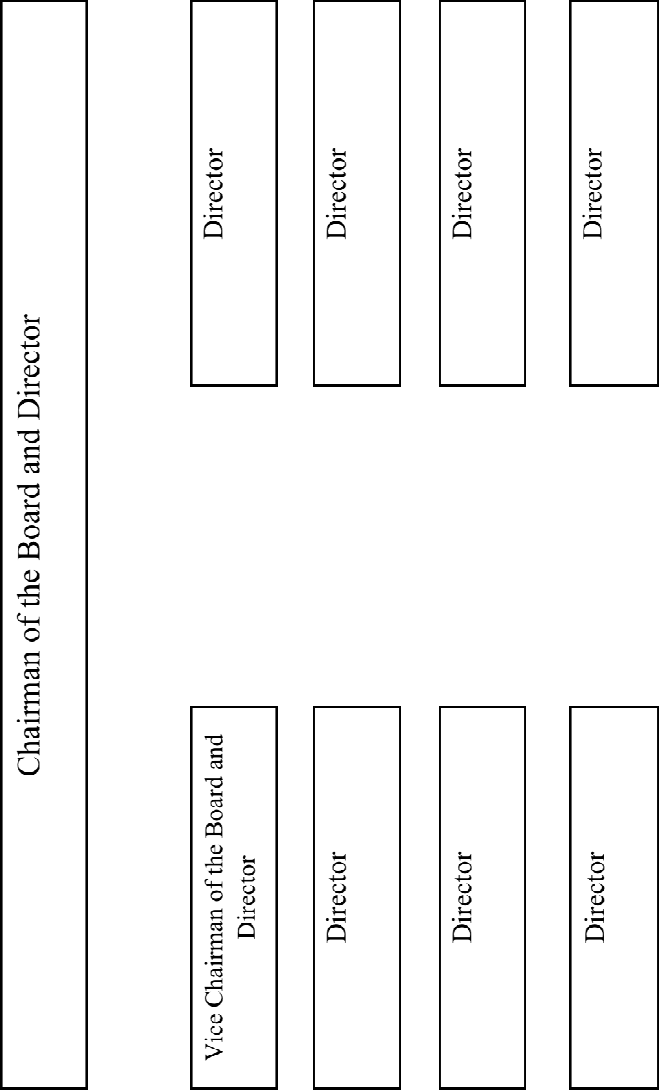
During 2004, SQM established a new corporate definition; its logotype was designed with curved elements, reflecting the evolution of the company and the green color

stayed with it, to keep in contact with nature (SQM, 2008b). They incorporated a slogan, *'The Worldwide Business Formula'*, which represented what SQM stands for, the letter 'Q' is the heart of SQM. It is 'the Element' that summarizes their business formula (SQM, 2008b). (Figure 10.3 shows the current recent logo)



**Figure 15.3 SQM**  
(<http://www.sqm.com/aspx/en/Default.aspx>)

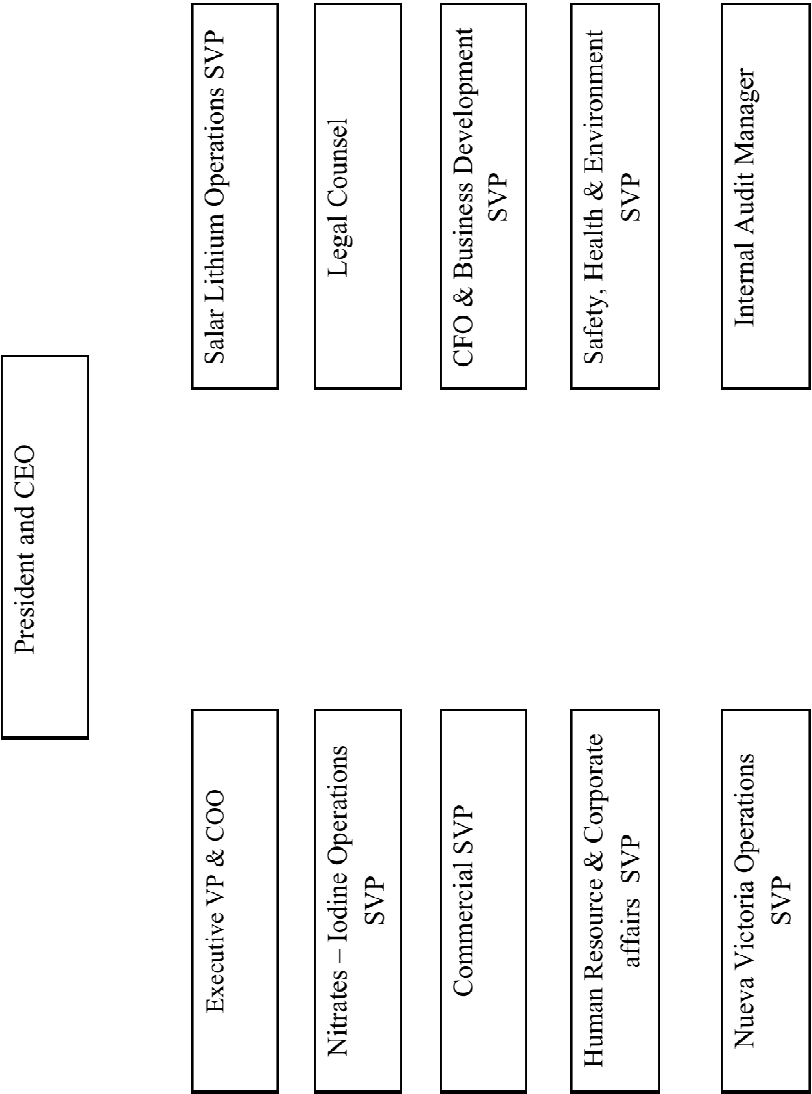
**Appendix 16 Actual structure Board of Directors of SQM (May, 2008)**



**Actual structure Board of Directors SQM (May, 2008)**

<http://www.sqm.cl/asp/About/BoardManagement.aspx?S=1>

**Appendix 17 Actual structure Management Team of SQM (May, 2008)**



**Actual Structure of the Management Team SQM (May, 2008)**

<http://www.sqm.cl/aspx/About/BoardManagement.aspx?S=1>