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School of Economics and Management

**Charitable foundations and Corporate Communication:**  
A study of how and why charitable foundations communicate and what  
challenges they face

Authors: Louise Eriksson & Gustav Klingberg

Supervisor: Mats Urde

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## **ABSTRACT**

**TITLE** Charitable foundations and Corporate Communication: a study of how and why charitable foundations communicate and what challenges they face

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**KEYWORDS** Charitable foundations, Corporate Communication, Competitive advantage

**PURPOSE** Our purpose is to increase the understanding of how and why charitable foundations communicate and what challenges they face in their communication efforts. We aim to develop two communication models that takes into account the special circumstances that surrounds communication of charitable foundations. Our ambition is that the models will contribute to both the managerial and the academic understanding of charitable foundations communication efforts.

**METHOD** We have conducted semi-structured interviews with representatives from four charitable foundations as well as document studies regarding the foundations home pages and other important documents. We have used a qualitative research approach in order to better understand motives behind the actions of the charitable foundations.

**THEORETICAL FRAMEWORK** The theoretical framework for this thesis is based on Balmer & Greyser's (2003) extended version of Bernsteins (1984) Wheel of Corporate Communication and four key constructs that can create competitive advantage for the charitable foundations, the key constructs are the corporate identity, the corporate image, the corporate reputation and the corporate brand.

**RESULTS** We have identified the main corporate communication channels used by charitable foundation to be products/services, direct marketing and correspondence, corporate and marketing PR, personal presentation, literature and new media. We have also identified the most important stakeholder groups to be customers, general public, influential groups, government, business partners, the trade and the media. Further, we argue that charitable foundation use corporate communication because they want to fulfill the purpose of the foundation. The challenges regarding communication that we mean that charitable foundations commonly face regard the individual's impact on the foundation, the reluctance towards communication, the perception that communication is not part of the directive, and the built-in positive perception of the foundations.

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## 1. INTRODUCTION

*In this first chapter we will introduce and present the background to our choice of research topic, the problem discussion, the research question and the purpose. Furthermore we will also present previous academic research that we believe to be relevant to our research and that our research might contribute to. Finally, we will give a short introduction to the disposition of our thesis.*

### 1.1. BACKGROUND

There are about 50.000 foundations in Sweden and almost all of them are charitable foundations. The Swedish foundations possess several billion Swedish crowns and every year the charitable foundations distribute very large sums to benefit the public good. (The Information Unit at Lund University, 1996) Scientific research being performed in Sweden is to a large extent financed by private donors such as charitable foundations. In 2009, Sweden was number two in the European Union when it came to the extent of non government funding of research and researcher education in learning institutions, second only to Great Britain, with 9,4 % versus 13,9 % of total income. (The Swedish National Agency for Higher Education, 2011a)

Diagram 1 below, extracted from a County Administrative Board (CAB) statistic publication (The Swedish National Agency for Higher Education, 2011a), clearly illustrates the importance of the non-government funding, even though the public sector (including EU funding) stands for about three quarters of the funding, the private funding still stands for a significant part. We can also see that within this quarter, the main contributors are the private foundations, trusts and nonprofit organizations, corporations in Sweden and the European Union.

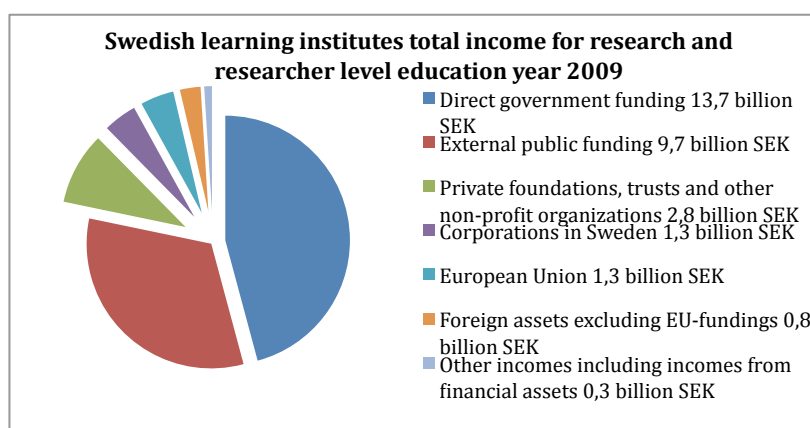


Diagram 1. "Total Income for research and researcher level education, 2009"

The fact that charitable foundations finance such a large extent of the scientific research being performed in Sweden was something that was unknown to us. And foundations are not only providing means to scientific research but to all kinds of public well. Several of the Swedish foundations are very influential in the financial market in Sweden, functioning both as allocators and owners. Also, the foundations play an important role, taking a heavy financial burden of the shoulders of the Swedish government. (The Information Unit at Lund University, 1996) We found it very interesting when we realized the important role that charitable foundations play in our society. Also, we got the impression that we were not the only ones with an inadequate knowledge regarding charitable foundations and what they do.

So why is it that we know so little about the foundations that operate within our society? Is it because they do not communicate in an adequate way or are there other reason for why charitable foundations and their activities are so anonymous to us? More questions arose during the progress of the thesis; is it any different to communicate from a charitable foundations point of view compared to a corporate point of view? Charitable foundations does not sell anything, they are not trying to persuade you that their product or service is the most superior or the least expensive, instead the foundations main function is to support or donate money to causes that are in line with the founders wishes. This is a very unique situation, leading us to think that the communication performed by charitable foundations is of interest to investigate.

## **1.2. COMMUNICATION**

In today's fast moving society communication is more important than ever before and players on various markets are increasingly realizing the importance of interaction with various stakeholder groups. Organizational communication efforts are of vital importance to the publics' perception of the organization. (Heide *et al*, 2008:169) According to Grönroos (2007) many organizations have not understood that most business processes are based on interactions and relationships, and they are not involving themselves in a dialogue with their stakeholders. Holtz & Havens (2009) argue that the symmetrical two-way communication with stakeholders is an important strategic tool for organizations. Further, they argue that organizations with well-developed and controlled communication programs will be more attractive than those with more traditional communication programs. Also, increased visibility will increase the organization's credibility with its stakeholders. (Holtz & Havens, 2009)

Communication can be many things, and not all organizations use all communication tools available to them. Also, organizational communication can be directed both internally and externally. When looking into the research field of communication from a foundations point of view the lack of research performed is clear. To be able to fully examine the communication efforts performed by charitable foundations it is important to understand what a foundation is, what legal criterions foundations must fulfill and what types of foundations that the Swedish law governs. These essentials will be presented in the section below.

### 1.3. FOUNDATIONS

In this thesis the word 'foundation' will be used, instead of the closely related word 'trust'. Only when sources dictate that the proper word is 'trust' will we use this term. We will use the CAB and the Swedish Tax Agency's definitions to describe what the legal definition of what a foundation is. Since there is no coherent legal international framework and different countries use different definitions of what a foundation is, (Katarina Olsson, 2011, personal communication) the definitions used in this thesis will only be valid in Sweden. Although, since we will only study Swedish foundations, this will probably not be an issue. The CAB defines a foundation from a legal perspective as an:

*Independent capital sum which is administered permanently to satisfy a specific purpose. A board or administrator must have assumed responsibility for administering the capital. The foundation or trust is formed by means of a deed of gift, a will, the minutes of a board meeting or another document. (The County Administrative Board, 2010)*

From this definition we can conclude that to be defined as a foundation, the foundation must fulfill the following criterions: a) Independent capital sum, b) Permanently administered by a board or administrator, c) Board or administrator must have assumed responsibility, d) Specific purpose, e) Formed from a deed of gift, will, minutes of a board meeting or other document. Furthermore, it is the CAB: s responsibility to register foundations within its county. The CAB is also the supervising authority for foundations in Sweden. (The County Administrative Board, 2010) For a foundation to receive exemption from taxation, it has to donate means to various charitable causes. These causes are listed in the Swedish taxation law in six bullets. These bullets states that the foundation have to: 1) promote care and the raising of children, 2) give contribution to teaching or education, 3) practice aid activity, 4) promote scientific research, 5) promote Nordic cooperation, or 6) strengthening the



Swedish defense in cooperation with the military or with other government agencies to be exempted from tax or receive a favorable tax treatment. (The Swedish Tax Agency, 2011a)

The Swedish taxation law governs four different types of foundations or trusts.

1) *Normal foundations and trusts*, which are formed when one or several founders commit property to an independent and continuous administration. The operations of a foundation or trust can be administrated by a board or by an administrator, physical person. There are primarily two types of normal foundations and trusts; yield foundations and management foundations, legal entity. (The Stockholm County Administrative Board, 2010) The charitable foundations studied in this thesis are all normal foundations.

2) *Fund-raising foundations and trusts*, which are formed when one or several founders call out to the public to raise funds. In order to fulfill the definition of a fund-raising foundation or trust they have to strive to collect hard cash. (The Swedish Tax Agency, 2011b)

3) *Collective agreement foundations and trust*, which are not established in the way that most other foundations and trusts are, by an independent capital sum, but rather by an agreement between an employer organization and a central worker-union organization. This form of foundation or trust does not fulfill the Swedish taxation laws definition of what a foundation is. (The Swedish Tax Agency, 2011b)

4) *Pension trust and personnel funds*, the purpose of this form of trusts are to promote welfare for employees or the employees surviving spouses, beyond regular pension. (The Swedish Tax Agency, 2011b)

#### **1.4. LITERATURE REVIEW**

When looking into the area of foundations and charitable foundations it becomes clear that there is very little research performed regarding charitable foundations in general and the link between foundations and marketing, positioning and communication in particular. When searching in databases such as LibHub and Google Scholar not much were to be found concerning these topics. When searching for scientific articles regarding Swedish foundations in general, the number of hits was also limited. Although when we searched for scientific articles regarding specific American foundations such as The Bill & Melinda Gates Foundation and The Rockefeller Foundation, a small number of articles appeared (e.g., McGoy et al, 2009; Okie, 2006; Gordon et al, 2003; Lele &

Goldsmith, 1989). The articles studies various aspects of the operations performed by the foundations, although none of them touches upon the aspects of communication.

In the research area of law there is also material published regarding foundations. One of our interviewees, Professor Katarina Olsson has for example written a doctoral dissertation regarding foundations that run companies. (Olsson, 1996) In the research area of non-profit organizations, which have several similarities with charitable foundations, some research regarding communication is to be found. Kotler (1979) writes about communication in the article "Strategies for introducing marketing into non-profit organizations". Also, a few researchers whom have written about how to strategically manage non-profit organizations touches upon the field of communication (e.g. Hatten, 1982; Allison & Kaye, 2005).

A charitable foundation is not a non-profit organization and not a corporation and neither is the monarchy. Although both the monarchy and the charitable foundation have several brand-like characteristics. Hereby, we found the research regarding monarchies performed by Balmer *et al* (2006) relevant. Balmer *et al* (2006) have examined monarchies with the concept of corporate branding in mind, demonstrating many similarities between the monarchy and a corporate brand. The authors' stress that communication is an essential part of managing a monarchy as a brand, still the communication cannot be performed in the same way as when managing a corporate brand. (Balmer *et al*, 2006)

Further, a quantity of research regarding corporate and organizational communication has been performed (e.g. Palm, 2006; Yates & Orlikowski, 1992; Eisenberg & Witten, 1987; Miller, 2006). Although none of the research that we have found, regarding organizational communication, have treated the specific area of communication performed by foundations.

### **1.5. PROBLEM DISCUSSION**

There are a number of reasons for establishing a charitable foundation. It can secure the transfer of property between generations, it can function as a stabile owner of a company, it can be established for philanthropic reasons, or it can be founded because someone wants to assure that he or she is not forgotten after passing on. And as demonstrated earlier, the charitable foundations play an important role in supporting science, research, education, and infrastructure etc. The charitable foundations are a vital part of our society. (Katarina Olsson, 2011, personal communication) We believe that studying the communication aspects of charitable foundation would be especially

interesting to research. This since we saw a gap in the common knowledge regarding charitable foundations and what they do. We believe that an inadequate communication might be one of the reasons for this gap. Also, we could not find any academic research done on this specific topic, which in itself can be interesting and perhaps tell us something about this field of research.

As also mentioned earlier, there are many legal ramifications regarding foundations and to be able to understand this field of research a number of limitations had to be done. We decided to examine charitable foundations that fulfilled some pre-decided criterions. These criterions can be found in the section 'Case selection' in the methodology chapter.

### 1.6. RESEARCH QUESTION

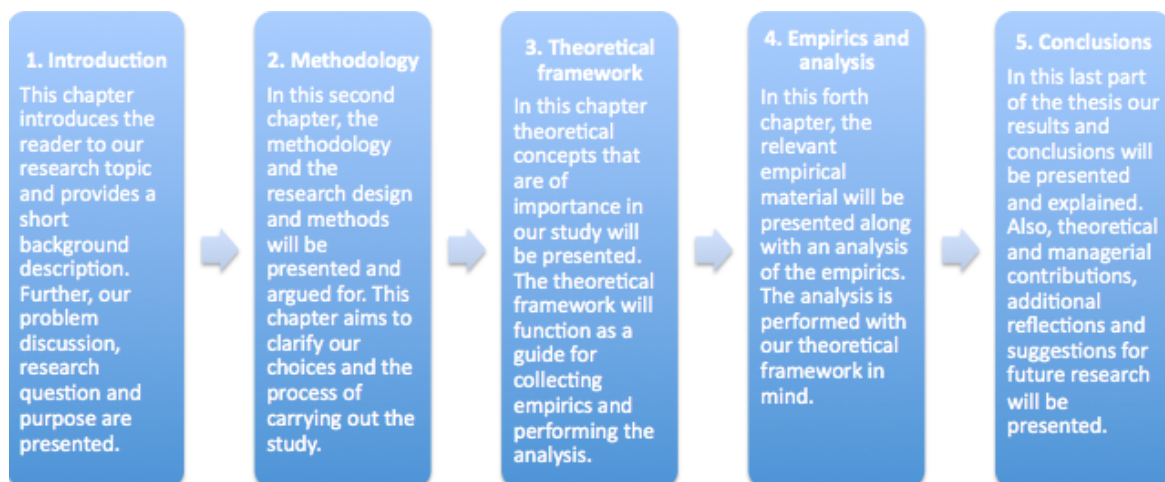
Our main research question is:

*How and why do charitable foundations communicate and what challenges do they face in their communication efforts?*

### 1.7. PURPOSE

Our purpose is to increase the understanding of how and why charitable foundations communicate and what challenges they face in their communication efforts. We aim to develop two communication models that takes into account the special circumstances that surrounds communication of charitable foundations. Our ambition is that the models will contribute to both the managerial and the academic understanding of charitable foundations communication efforts.

### 1.8. DISPOSITION



## 2. METHODOLOGY

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*This second chapter aims to present and discuss what methodological deliberations and decisions that have been made during the process of writing the thesis. The different methodological choices will be motivated and explained in order to enhance the readers understanding. First, the methodological considerations will be taken into account. Second, our research design, selection of cases and research methods will be presented. Third, the process of analyzing the empirics and the validity and reliability aspects of the study will be described.*

*The purpose of this thesis is to increase the understanding of how and why charitable foundations communicate and what challenges they face in their communication efforts. When formulating our research design and in our methodological decisions the purpose and research question of our thesis have served as a base.*

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### 2.1. METHODOLOGICAL CONSIDERATIONS

#### 2.1.1. Methodological approach

The relationship between research and theory, the methodological approach, needs to be taken into consideration when designing a research. There are two main methodological approaches available, the deductive and the inductive approach. When a researcher decides on using a deductive approach a hypothesis is deduced, on the basis of known theory. Data is then collected and used in order to confirm or reject the hypothesis. Further, if needed, the theory is revised. The inductive perspective can be seen as the opposite to the deductive perspective. An inductive researcher collects empirical data and uses it as a base for developing new theories. (Bryman & Bell, 2007:11-14) Further, a third methodological approach is also available, the abductive approach. This approach includes elements of both the deductive and the inductive perspective. (Patel & Davidsson, 2003:24) When using an abductive approach a starting point is taken in empirical data. Then the researcher tries to generate synergy effects by letting empirics and theory influence each other throughout the research process. (Alvesson & Sköldberg, 2009:36)

Since a very limited amount of research has been carried out regarding our specific topic we believe it would be difficult to start by formulating a hypothesis based on existing theory, according to the deductive approach. Instead, to work in an open-ended way continuously reinterpreting the empirics and the existing theory appears more suitable for answering our research question. Therefore, we believe an abductive approach is most appropriate for this study.

### **2.1.2. Research strategy**

There are two research strategies to choose between, the qualitative and the quantitative. The most significant difference between the qualitative and quantitative approach is that the qualitative approach emphasizes words while the quantitative approach focuses on numerical data. (Bryman & Bell, 2007:28) The qualitative research strategy focuses on the individual's interpretation of the reality. (Bryman & Bell, 2007: 402) The key word for the qualitative study is to understand, the qualitative researcher wants to understand social action and how it is produced and reproduced (Travers, 2001:6-7), and since we aim to investigate how and why foundations communicate and what challenges they face we find a qualitative approach most suitable to answer the research question. To be able to answer the research question it is crucial for us as researchers to understand the social actions, thoughts and reflections of the respondents.

### **2.1.3. Epistemology and ontology**

Epistemological and ontological issues also need to be taken into consideration when designing a research. The epistemological issues concern what is to be regarded as acceptable knowledge in a certain discipline. The key concern is if the social world should be studied according to the same principles as in natural science or not. (Bryman & Bell, 2007:16) The epistemological position known as interpretivism argues that researchers cannot rely only on the methods of natural science but needs to apply methods that contributes to the understanding of the subjective meaning of social action. While as the contrasting epistemology, known as positivism, argues that the methods of natural science should be used when studying the social reality. (Bryman & Bell, 2007:16-19) In qualitative studies, the researchers typically try to analyze how members of the society understand their own actions, undertaking an interpretivism position. (Travers, 2001:8-9) Our study will be carried out according to the interpretive research tradition. We strive to put focus on understanding the subjective meaning of the communication and how and why it is being carried out.

When it comes to the ontological orientation there are two main positions, objectivism and constructionism. Objectivism refers to social phenomena as external facts that are beyond our reach or influence, while constructionism asserts that social phenomena are continually constructed, reconstructed and given meaning by the social actors. (Bryman & Bell, 2007:22-23) We have accepted the constructionism research position. We find that it is hard to choose one ontological standpoint; it seems rather as if they choose us, and then we can choose to accept this or not. Constructionism suggests that the researcher should put focus on how people construct, experience and place meaning regarding certain phenomena. (Bryman & Bell, 2007:24) Focus is put on how

people think, feel and communicate with each other. (Easterby-Smith et al, 2002:59) To be able to increase the understanding of how and why charitable foundations communicate and what challenges they face in their communications efforts, we find this ontological position to be the most suitable.

## **2.2. RESEARCH DESIGN**

After taking methodological considerations into account, the research design needs to be chosen. A common way of carrying out qualitative research is through case studies. (Merriam, 1994:34) A case study can contain either single or multiple cases and focuses on comprehending the dynamics within the individual settings. (Eisenhardt, 1989) A multiple-case study can be defined as an investigation involving several cases, emphasizing the unique context of each case. (Bryman & Bell, 2007:64-65)

This research will be designed as a multiple-case study and will be of a comparative character. By using a comparative research design we can compare similarities and differences between the foundations but still put focus on the unique context of each case. Eisenhardt (1989) argue that when a research is carried out with the aim to gain understanding of the dynamics of a certain phenomenon within an organizational setting the case study is especially useful.

When using a case study several qualitative methods can be combined and the researcher is not obliged to rely on one single method for collecting data. Commonly used methods are interviews, observations and document studies. (Merriam, 1994:84-85) We have chosen to perform interviews and document studies. The choice of research methods will be further described and explained in the section "Research Methods" following below. First our sampling choices and selection of cases will be presented.

## **2.3. CASE SELECTION**

### **2.3.1. Sampling and criterions**

When, deciding on what cases that we were going to use in our study we first needed to take into consideration which type of sampling that we were going to undertake. There are two main sampling categories, probability sampling and non-probability sampling. In probability sampling the samples are being selected using random selection techniques. Probability sampling is usually seen as more likely to generate a representative sample since each unit in the population has a known chance of

being selected. Researchers that aim to generalize their conclusions, primarily quantitative researchers, are likely to use this type of sampling. (Bryman & Bell, 2007:182-184)

We decided on performing a non-probability sampling. This type of sampling is designed so that some units in the population are more likely to be examined than others. (Bryman & Bell, 2007:182) Non-probability sampling is common within qualitative research (Merriam, 1994:61) and since we want to understand the unique context of each case we believe it to be the most appropriate method for us to use.

There is also another reason for not choosing a probability sampling method when performing qualitative research. With a non-probability sampling method we can maximize the variation and the spread of the study. This enables us to perform an as rich and as broad study as possible. Qualitative studies often tries to describe the complexity and the variation within the research area, and to be able to do so it can be crucial to have control over who or whom you include in the study; this control is impossible when performing a probability sampling method. (Peter Svensson, 2011, personal communication)

After deciding on method of sampling we started to formulate relevant criterions for our cases. We then searched for foundations matching these criterions. This type of non-probability sampling is called criteria related sampling. (Merriam, 1994:62-63) Our criterions can be summarized as follows:

*The foundations should be major shareholders of a joint stock company, and the foundations founding purpose should be to improve public welfare by granting means to various projects such as research, education and culture. Also, the grants distributed by the foundations should be derived from the dividend from the joint stock.*

Eisehardt (1989) state that a case study should include four to ten cases, to assure a trustworthy and thorough analysis and findings. We selected four cases, which will be presented in short below. A few other foundations were also considered, but due to lack of time or availability from their behalf or that they did not meet our criterions they are not part of the study.

### 2.3.2. The Savings Bank Foundation



The foundation was established in 2010 when The Savings Bank Gripen and The Savings Bank Finn merged to The Savings Bank Öresund. The Savings Bank Foundation Öresund owns 78 percent of the joint stock of The Savings Bank Öresund and operates in the same geographic area as the bank. (Lars-Olof Svensson, 2011, personal communication)

The donations made by The Savings Bank Foundation Öresund are primarily given project with the purpose of improving public welfare. The grants are made from the dividend from the joint stock of The Savings Bank Öresund and the return from various investments made by the foundation. (The Savings Bank Foundation Öresund, 2011)

### 2.3.3. The Knut and Alice Wallenberg Foundation



Knut and Alice Wallenberg established the foundation in 1917. The main purpose of the foundation is to improve scientific research and education. This purpose is fulfilled by direct grants and grants distributed to institutes operating within the appropriate areas. Since the foundation was founded grants of almost SEK 13.5 billion crowns have been distributed, almost four billion of them during the last five years. The Knut and Alice Wallenberg foundation is one of the largest financiers of research in Sweden. (The Knut and Alice Wallenberg foundation, 2011)

The Knut and Alice Wallenberg Foundation is one of the major shareholders of Investor AB. The grants are made from the dividend from the joint stock and the return from various investments made by the foundation. (Göran Sandberg, 2011, personal communication)

### 2.3.4. ÅForsk



ÅForsk was founded in 1983. The foundation aims to contribute to research within the areas of energy, environment, safety, materials, and forest industry. (ÅForsk, 2011) ÅForsk is the largest shareholder of ÅF AB with 16 % of the shares and 40 % of the votes. (Hans G Forsberg, 2011, personal communication) The foundation distributes both research grants and scholarships, and



prizes for the successful dissemination of technology or good teaching in technical science. The grants, scholarships and prizes are derived from the dividend of ÅF AB. (ÅForsk, 2011)

### 2.3.5. The Anders Wall Foundations

*Anders Walls Stiftelse*

The Anders Wall Foundation was established in 1981, in connection to the 50th birthday of the famous businessman Anders Wall. The foundation was created to foster purposes that were close to heart to Anders Wall, such as creative thinking and young entrepreneurs. In 1982, a defined research and education foundation was founded. (The Anders Wall Foundations, 2011) The foundations total shareholders' equity amount to SEK 50 million crowns and the foundations owns approximately 13 percent of the joint stock of Beijer Alma AB. (PG Traung, 2011, personal communication) The main purpose of the foundations is to foster Swedish industrial life mainly concerning the areas of commerce, industry, agriculture, environmental management and culture. Also, the foundations aim to foster scientific research in the mentioned areas as well as other research areas. The grants and scholarships are derived from the dividend of the joint stock owned by the foundations. (The Anders Wall Foundations, 2011)

## 2.4. RESEARCH METHODS

We had several qualitative methods to choose between for collecting our empirical data and, as earlier stated, we decided to perform both interviews and document studies. When deciding upon what research methods to use, it is important to reflect upon the research question. And on what kind of empirical material that needs to be collected. (Bryman & Bell, 2007:39-40) Our research question is formed by three sub-questions; how charitable foundations communicate, why charitable foundations communicate, and what challenges the charitable foundations face in their communication. The question regarding *how* could probably be answered by just observing the foundations communication. But we want to investigate how the charitable foundations perceive their communication, and interviews are probably the most effective way to achieve this. Further, the question regarding *why* deals with the motives for communicating, and therefore we need to gain a deeper understanding on what goes on within the foundations. Interviews are most probably the most appropriate way to achieve this. The last part of the research question deals with what challenges that the foundations face in their communication. Here again, we want to put ourselves in

the place of the charitable foundation to see what they see, something that can be done by performing interviews.

Furthermore, the document studies performed have helped us to get a first understanding of the activities performed by the foundations and also contributed to our understanding of how and why charitable foundations communicate. In the following sections our interviews and document studies will be further described and explained.

#### **2.4.1. Interviews**

The interview is a flexible and commonly used way of collecting qualitative data. (Bryman & Bell, 2007:472) According to Merriam (1994:87) the interview process is time consuming but it is a good way of gathering data about phenomena that cannot be directly observed, something that we mean makes it applicable to our research area. The interview is the best way of finding out "*what someone knows or thinks about*" (Patton, 1980:196), whereas we find it suitable for our study.

The two main types of qualitative interviews are the unstructured and the semi-structured. The unstructured interview has the characteristics of a conversation while as in the semi-structured interview the interviewer uses an interview guide covering certain topics and themes. (Bryman & Bell, 2007:474-475) Since we want to cover a fairly specific topic we think that the semi-structured interview is the most suitable type of interview to perform. Our research question is of such kind that we believe that it is most easily answered by directing questions towards representatives from the various cases.

When performing a multiple-case study it is important to provide a certain degree of structure to ensure cross-case comparability (Bryman & Bell, 2007:475-480) and by performing semi-structured interviews we believe that this structure is achieved. Although an interview guide is being used the semi-structured interview is still very flexible and the researcher can rearrange the questions and add new questions while performing the interview. The semi-structured interview is also very flexible in terms of giving the respondent ability to answer the questions in several different ways. (Bryman & Bell, 2007:475-480)

Our interviews were performed with one representative from each case: Lars-Olof Svensson, general manager at the Savings Bank Foundation Öresund, Göran Sandberg, executive board member at the Knut and Alice Wallenberg Foundation, Hans G Forsberg executive board member at ÅForsk, and Cari

Hildebrand, press officer at the Anders Wall Foundations. In the case of the Anders Wall Foundations some questions were forwarded to Per-Göran Traung, lawyer at the Anders Wall Foundations. Further, we have also performed interviews with Professor Katarina Olsson at Lund University, and with Christina Elwing, at The Savings Bank Öresund. The interviews were conducted between March 31 and April 20, 2011, and lasted about 40 minutes each. The interviews were conducted in Swedish since both the respondents and we have Swedish as our mother tongue. Because of logistic reasons only three of the interviews were conducted face-to-face, while four were conducted via speakerphone. There are some disadvantages with not performing face-to-face interviews. When performing telephone interviews the respondents' faces will not be visible and a lot of information can be missed when interacting without seeing the other person's body language or face expressions. There are also some advantages such as that the person performing the interview are not affected or biased by the respondent's clothes, physical appearance or social class. (Bryman & Bell, 2007:215) This can be exemplified by that we were touched by the nice in-door environment both when performing the interview with Lars-Olof Svensson at The Savings Bank Foundation Öresund, and with Christina Elwing at The Savings Bank Öresund.

All interviews were digitally recorded and stored. The face-to-face interviews were performed at the respondent's office or in another room where we would not get interrupted. The telephone interviews were conducted in a similar fashion; we isolated ourselves from disturbing noises. The interviews were transcribed within a relatively narrow time frame from when the interviews were conducted. According to Bryman & Bell (2007:489) by recording and transcribing the interview material the researcher does not have to make notes simultaneously but can focus on being reflexive and responsive in the interaction with the respondent, something that we find consistent with our experiences. For our interview questions please see the interview guides in Appendix A, B and C.

All the interviews went very smooth, with only a minimum of technical difficulties. Although in some cases the respondents did not have answers to all our questions or did not want to answer all questions due to secrecy reasons. Further, we were given the opportunity to ask the respondents follow-up questions. This enabled us to extract more information, which we did not know we needed during the first interview. We performed the follow-up interviews primarily via telephone, but also in a few cases, via email. The follow-up questions are to be found in Appendix D.

The interviews were transcribed in Swedish and then translated into English. Because of our knowledge in the English language we did not perceive the translation as a problematic issue. Still,

there is an inherited problem when translating from one language to another. It lies in the nature of this matter that some aspects of what have been said are altered. Hereby, the term 'interpret' is perhaps more appropriate than the term 'translate'. It captures the essence of what is being done and it highlights that a translation always is an interpretation and a content determination.

#### **2.4.2. Document studies**

As earlier described qualitative document studies are a suitable compliment to qualitative interviews. (Merriam, 1994:84-85) Bryman & Bell (2007:554) argues that it can be both frustrating and complicated to find the documents that are relevant for a specific study. They also stress that considerable interpretive skills are required by the researcher to be able to find the meaning in the material. But, if 'the right' documents are found and analyzed, document studies can be a very providing method and a rich source of information for the researcher. (Merriam, 1994:117) Merriam (1994:120) also argues that by using document studies in a case study the researcher can more easily construct an empiric base of the context being studied.

We believe that the bylaws of the foundations as well as the homepages of the foundations are 'the right' documents for us to study and can provide us with a useful empirical base regarding the understanding of how and why charitable foundations communicate.

When performing a qualitative document analysis the prime goal is to find knowledge where situations, environments, styles, pictures, meanings and nuances are key concepts. We have decided to perform ethnographic content analysis since we believe this type of analysis will provide us with a greater understanding of the material we are studying. Altheide (1987) argue that by performing ethnographic content analysis the expression of meaning can be understood and theoretical relationships can be verified.

Since we are examining the communication performed by the foundations the homepages will function as reliable sources for information. Merriam (1994:129) argue that since these documents are products of the context in which they were created they also have a very clear connection to the reality in which they operate. Before performing the document studies we formulated six categories or topics, which we aimed to focus on when studying the homepages. The categories were: 1) target audience, 2) history, 3) purpose and aim, 4) application process, 5) statistics and figures, and 6) general information. When studying the homepages we used the different categories in order to analyze the content of the documents.

In document studies the quality evaluation of the documents should be performed based on the following criteria: 1) authenticity, 2) credibility, 3) representativeness, and 4) meaning. (Bryman & Bell, 2007:555; Scott, 1990:6) In our selection of documents these criterions have served as base for the quality evaluation, only documents that we believe meet the criterions have been studied and analyzed.

## **2.5. THEORY**

Our main channel for searching for theoretical material have been LibHub, the Lund University search engine for scientific articles, Google Scholar and Lovisa, the Lund University search motor for written sources. Furthermore, our supervisor Mats Urde recommended scientific articles and other published sources that could be of relevance for us.

## **2.6. VALIDITY AND RELIABILITY**

Since we are undertaking an interpretive epistemological position and have accepted an ontological position highly influenced by constructionism, we argue that scientific models should not be relayed on when studying the social world. Hence, we also argue that the concepts of validity and reliability, deriving from quantitative research, are less applicable in our qualitative research. Reliability is defined as to what extent the study is possible to replicate, something that is difficult to apply to qualitative research since the qualitative research is examining the ever-changing social world. (Bryman & Bell, 2007:410) Validity is about to what extent the study measures what it aims to measure. To evaluate validity in a qualitative study is difficult since the qualitative study puts emphasis on understanding words instead of numbers. (Bryman & Bell, 2007:40-41) Some qualitative researchers will completely ignore reliability and validity aspects, arguing that these aspects are not appropriate for evaluation of case studies. Instead, other criterions such as credibility, transferability, dependability and confirmability are argued to be more applicable when evaluating qualitative research. (Bryman & Bell, 2007:63) In the following sections these criterions will be shortly described and we will show what problems related to the criterions that we have faced and what we have done to limit these problems.

### **2.6.1. Credibility**

There is a multitude of ways to understand and explain the social world. The concept of credibility concerns to what extent the findings, the description of the social world, provided by the researcher can be considered believable and trustworthy. (Bryman & Bell, 2007:411) For us as researchers, this means that we have to ensure that what the respondents said corresponds with our interpretation of it.

To ensure that our interpretation of the statements provided by the respondents were accurate, we offered them to possibility to read the quotations presented in the thesis and declare whether or not the content was accurately interpreted by us. When asking the respondents whether or not the interpretation of the interviews were in line what they intended to express, none of the participants wanted to withdraw any statements.

One weakness regarding our choice of research objects, is that the cases that we have studied are the ones that were positive towards participating in our study. Some of the foundations that we tried to get in touch with were very difficult to reach and did not have the recourses and/or the willingness to participate in our study, which can be seen as a disadvantage. It could be argued that the foundations that we have been studying hereby have a certain degree of 'communication thinking'.

### **2.6.2. Transferability**

Transferability concerns to what extent the findings apply to other contexts. The nature of the qualitative case study provides it with a low level of generalization. Hence, it is difficult to compare the results from one study with the results from another. (Bryman & Bell 2007:413) One limitation regarding our study is that the results will only be applicable to other charitable foundations. Another limitation is that our findings will only be transferable to other foundations that are similar to the foundations we have studied. This means that our study probably has a very low transferability due to our very specified and defined area of study.

### **2.6.3. Dependability**

As earlier described the concept of reliability is difficult to apply to the qualitative study. Hence, the concept of dependability has been introduced as a qualitative equal to the quantitative concept of

reliability, and refers to the likelihood of being able to apply the findings at other times. (Bryman & Bell 2007:414)

If someone were to perform exactly the same study as we did, they would probably not get the same results as us. This is due to the very nature of the interpretative approach to research. We interpret all of our empirics, whether we intend to or not. The bias of the researcher can lower the dependability of the study. However, we have kept good record of how we conducted the study. All of our interviews have been stored both digitally and as transcriptions, something that we hope will enable other researchers to track our work-progress, and, if desired, perform a resembling study at another time with a similar outcome.

#### **2.6.4. Confirmability**

The concept of confirmability concerns objectivity and critical thinking. In order to obtain a high degree of confirmability throughout the study, objectivity needs to be taken into consideration in all areas of the research process. (Bryman & Bell 2007:414) We believe that we have taken sufficient precautions to ensure that we are as objective as possible. Thou as mentioned earlier we recognize that there is a possibility that we have become bias e.g. in the case with the interviews with the representatives from The Savings Bank Öresund and The Savings Bank Foundation Öresund, since we actually meet these persons, sat down and had coffee with them in their facilities.

One criticism that is worth to put forward is that when we as researchers interact with the research subjects, in this case the representatives from the foundations, we are influencing them, which might lead to that they change their behavior, that could also have affects on the transferability and dependability. This could be described as a form of 'going native'. (Bryman & Bell 2007:455-457) We are of course not active participants in their everyday operations, but when we ask them something, they might start to reflect upon it, and this might lead to a change of behavior from their part.

### 3. THEORETICAL FRAMEWORK

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*In this third chapter the theoretical framework will be presented. The framework functions as a tool for our analysis but also as a guide for our empirical data collection. We will first present the concept of corporate communication as well as the wheel of corporate communication that will function as one foundation pillar in our further analysis. Further four key constructs that we believe are applicable to our area of research will be presented.*

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#### 3.1. CORPORATE COMMUNICATION

Gray & Balmer (1998) define corporate communication as *“the aggregate of messages from both official and informal sources, through a variety of media, by which the company conveys its identity to its multiple audiences or stakeholders.”*

Argenti (1996) argue that an organization must decide what responses that it is trying to obtain from a particular stakeholder, and what resources it will put forth, before deciding what to communicate. When the organization has encapsulated a set of objectives for the communication and decided on how to fund the communication objectives the question of credibility also needs to be taken into consideration. The organization needs to analyze and determine what kind of credibility it has with the stakeholder in order to be able to communicate in an appropriate way, both message-wise and channel-wise. (Argenti, 1996)

An extended view of corporate communication is provided by Gray & Balmer (1998, 1999), they describe the concept of total corporate communication emphasizing that all actions made by the organization will in some way communicate. Further, they divide the corporate communication concept into three parts:

Primary communication – *the communications effects of products, services, management, staff, and corporate behavior*

Secondary communication – *the communications effects of controlled forms of communications*

Tertiary communication - *the communications effects relating to the corporation existing among third parties, such as media, competitors, and interest groups* (Balmer & Greyser, 2003:144-145)



### 3.2. THE WHEEL OF CORPORATE COMMUNICATION

Bernstein (1984:117-118) has developed a figure called “The Wheel of Corporate Communication”. This wheel can be seen as an introduction to corporate communication and provides one explanation of what communication on a corporate level is and what issues it deals with.

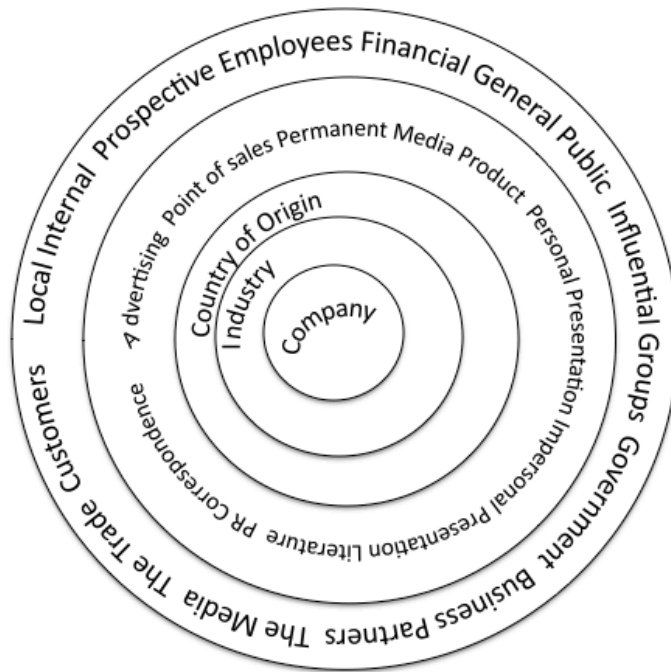


Figure 1. “The Wheel of Corporate Communication”

The wheel functions as a checklist to help management to remember all the aspects of corporate communication. The wheel is built up in a way so that each layer can spin separately from the inner layer. In that way all the forms of communication (inner wheel) can be combined with all stakeholder groups (outer wheel). In that way 81 (9x9) different combinations are available, some of them are perhaps not relevant at all, but it provides decision-makers with a helpful tool to challenge themselves to think in new ways. (Bernstein, 1984:118)

According to Bernstein (1984:120) all organizations should create their own versions of the wheel, engage in reducing the elements of the wheel and use the wheel in its own ways. Further, Balmer & Greyser (2003:139-141) stress that the wheel is not applicable on all organizations. Instead, depending on whether the organization is a holding corporation, a non-profit organization or another type of organization adaptations needs to be made. Bernstein (1984:122-124) suggests a process for creating an adaption of the wheel suitable to the specific organization. The process is divided into five steps.

- 1) Identify the main stakeholder groups. This list forms the outer circle of the communication wheel
- 2) Create a list of communication channels that are available to the organization, the list forms the inner circle in the communication wheel
- 3) Prioritize the stakeholder groups according to their importance to the organization.
- 4) Identify the most appropriate communication channels for each stakeholder group.
- 5) Take into account the effect of country of origin and industry image.

Balmer & Greyser (2003:139-141) have made some modifications to “The Wheel of Corporate Communication” and given it the name “The New Corporate Communications Wheel”, this in order to make it more applicable to the twenty-first century competitive business environment. Figure 2.

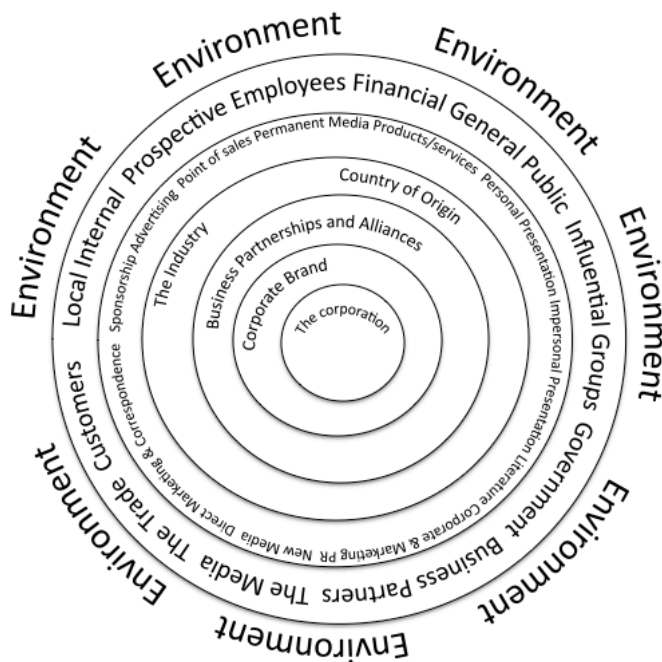


Figure 2. “The New Corporate Communications Wheel”

Further, Balmer & Greyser (2003:140) suggests a sixth step that is added to Bernstein's process of developing a suitable wheel for each organization. This sixth step includes incorporating other factors that requires consideration; corporate branding covenant, partnerships and alliances and the effects of environmental factors.

By adding this sixth step "The New Corporate Communications Wheel" is created. As figure 2 shows, the attributes included in step six are added to the original wheel and a more precise model is developed. Furthermore, the new model includes two more stakeholder groups and two more communication channels which results in 121 (11x11) combinations of stakeholders versus communication channels that has to be taken into consideration. (Balmer & Greyser, 2003:140) In the following section a brief introduction to the different stakeholder groups of "The New Corporate Communication Wheel" will be put forward and defined.

### **3.2.1. Defining the stakeholder groups**

*Local* is described as the public who is in contact with the company on a daily basis. The local stakeholders can be described as a neighborhood, which in itself can be a micro cosmos with most of the other stakeholder groups represented. The local community or the people living in 'the neighborhood' are an important source of capital for many companies. Hence, it is of immense importance for companies to consider their local stakeholders. (Bernstein, 1984:100)

*Business partners* are external partners with whom the organization is conducting some form of activity with. This activity can e.g. be a joint venture or other forms of joint activities.

*Influential groups* are the stakeholders that have a greater influence on the organization's performance than other groups. It is important for organizations to influence groups that are influential on areas relevant to the organization. (Bernstein, 1984:100)

*The trade* is all other organizations operating in the same sector as the company. It can be important for an organization to communicate with this stakeholder group in order to pick up new trends. (Bernstein, 1984:102)

*The government* is a very important stakeholder group for most organizations. (Bernstein, 1984:103) It is the government that regulates the environment in which the organization operates. Except from

normal communication from the organization, there are also some legal duties concerning communication towards government that organizations need to fulfill.

*The media* is both a tool and a stakeholder group. It is a stakeholder in that sense that it is a target for communication from various organizations, but it is also a communication tool since it is communicated to in order for the media to pass on the sender's information. (Bernstein, 1984:103)

*Financial* stakeholders are a large and diverse group, reaching from those with a very limited number of stocks in a company to those with huge holdings. They can be all from stockbrokers, bankers, investors and insurance companies. (Bernstein, 1984:104)

*The customers* are a stakeholder group of very high significance to almost every organization. Without customers it is impossible to conduct business, whether the customers are other companies or consumers, it is important for organizations to communicate with this group to inform them about the existence of the organization. (Bernstein, 1984:105)

*General public* are all the individuals in society. It is hard to define exactly what is included, but in general, it is a very inclusive group. The danger when communication to this group is that the organization is trying to reach everyone, but fail to do so and thereby reaches no one. (Bernstein, 1984:106)

*Internal* is a stakeholder group that includes people that are in some way dependent on the organization. The most common is that they are employees of the organization, and thereby a very important group to communicate towards.

*Prospective employees* are an important target group for some organizations since they are very much depending on how well they can recruit high-quality employees. Further, a brief presentation of the various communication channels of "The New Corporate Communications Wheel" (Balmer & Grayser, 2003:141) will be introduced and defined.

### **3.2.2. Defining the communication channels**

*Products/services* will send out an important message to the consumer. The way the customer perceives the products/services will affect the way the customer perceives the organization in itself. (Bernstein, 1984:109)

*Direct marketing and correspondence* includes letters, emails, telephone and other types of written communication that is addressed to a certain group or person. Used wisely this type of personally commissioned communication is very effective. (Bernstein, 1984:109-110)

*Corporate and Marketing PR* is here referred to as press relations. Namely, to get the organization known to the media and to measure its success in positive attitude shifts. PR can offer the company much 'free' publicity. Sending out press releases and press communiqués is one example of communication efforts in the area of PR. (Bernstein, 1984:110-111)

*Personal Presentation* is pretty much what it sounds like, namely all kinds of face-to-face communication. Conferences, meetings, speeches and other face-to-face performances are included in the concept of personal presentation. This type of communication is one of the most important channels and in times of crisis it is the most appropriate channel to use. (Bernstein, 1984:111-112)

*Impersonal Presentation* includes e.g. videotapes, films, slide shows, exhibitions and notice boards. In this type of communication the non-human factor is superior to the human factor. The impersonal presentation is as the name suggests a very impersonal medium, and in order for it to be successful it needs to be humanized by the organization. (Bernstein, 1984:112-113)

*Literature* is the most common public communication channel. It includes annual reports, additional forms of reports, handbooks and other literature and written material. (Bernstein, 1984:113-115)

*Point of sales* is a normal channel for a company's products, although this channel is seldom used to communicate the corporate message. Point of sales can include e.g. displays, banded offers, trial offers, and give away products. (Bernstein, 1984:115)

*Permanent Media* is in reality all items that communicate the corporate identity such as uniforms, notepapers, environmental design, cars, and signboards. When using permanent media is clearly the organization and not its products or services that are trying to communicate. (Bernstein, 1984:115-116)

*New Media* includes all types of social media channels as well as the organizations' homepages.

*Sponsorship* is basically an impersonal presentation where the organization's identity is connected to various events or suchlike. Representatives from the organization are rarely included in the events but the sponsorship can provide other opportunities for face-to-face communication and publicity. (Bernstein, 1984:115)

*Advertising* is the only communication channel created just to carry out the organization's communication concerning itself. Advertising does in this sense concern the communication of the organization and its identity. The aim is not to enhance the sales of a certain product but to sell the organization's personality. The goal of the advertising is to impress the chosen stakeholder groups and create a positive attitude towards the organization, something that will ultimately result in a purchase decision. (Bernstein, 1984:116) Further, a short presentation of the additional aspects of "The New Corporate Communications Wheel" (Balmer & Grayser, 2003:141) will be described and defined.

### **3.2.3. Defining additional aspects of the wheel**

Furthermore, "The New Corporate Communications Wheel" also includes the concepts of *the industry/country of origin* and *business partnerships and alliances*. These are concepts that will affect the corporate communication in various ways. Also, *the corporate brand* is included in the wheel. (Balmer & Grayser, 2003:141) According to Gray & Balmer (2003) the corporate brand covenant is an agreement between the organization and its stakeholders. Often, the corporate brand covenant is a promise made by an organization's senior management, and is expressed as a stated corporate branding proposition. A corporate brand covenant is the core of the corporate brand, such as 'safety' in the case of Volvo and 'fun, family entertainment' in the case of Disney. The covenant is communicated through various communication channels and experienced through the organization's services and products but also significantly, by the behavior of the company's employees. (Gray & Balmer, 2003) In the core of "The New Corporate Communications Wheel" is *the corporation*. (Balmer & Grayser, 2003:141)

### **3.3. COMPETITIVE ADVANTAGE CREATORS**

Gray & Balmer (1998) argue that the corporate communication is what connects the company's identity and its corporate image and reputation and it can be managed through a very broad set of channels and methods. Further, corporate communication, corporate identity, corporate image and corporate reputation are inseparable when it comes to assuring a corporate advantage. (Gray &

Balmer, 1999) Also, corporate branding is another tool for achieving a long-term competitive advantage. (Balmer, 2001) In the following section we will shortly describe these concepts.

### **3.3.1. Corporate identity**

For several decades corporate identity has been regarded a strategic tool and a way of achieving competitive advantages. However, although corporate identity has been a subject of research for more than 30 years there is no universal definition of the concept of corporate identity. (Melewar, 2003) The concept has a multidisciplinary character and research on corporate identity is being performed within several different research areas.

Corporate identity can be described as *“the reality and uniqueness of an organization which is integrally related to its external and internal image and corporate reputation through corporate communication”*. (Gray & Balmer, 1998) It can also be defined as *“the set of meanings by which a company allows itself to be known and through which it allows people to describe, remember and relate to it”*. (Melewar, 2003; Markwick & Fill, 1997; Melewar & Saunders, 1999)

According to Gray & Balmer (1999), managers of today are required to think strategically about the corporate identity and how it is being communicated. According to Melewar (2003) corporate identity is driven by organizational culture, values and principles. To be able to build a positive corporate reputation and competitive advantages corporate identity needs to be managed consistently, but managers are commonly focusing on tangible factors of the identity construct, such as the corporate communication, instead of giving emphasis to all aspects of the corporate identity. (Melewar, 2003) To create the desired corporate identity the management needs to work with positioning the whole company. (Van Riel & Balmer, 1997)

### **3.3.2. Corporate image**

The term corporate image can be quite fuzzy and unclear. According to Gruning (1993) image can have as many meanings as there are people using the term. Grahame R. Dowling (1986) defines image as:

*An image is the set of meanings by which an object is known and through which people describe, remember and relate to it. That is, it is the net result of the interaction of a person's beliefs, ideas, feelings and impressions about an object.* (Dowling, 1986)

By this quote we understand that image is something that a company cannot fully own. It lies in the eye of the beholder; the corporate image is filtered through a personal and subjective lens, made up by past experiences and attitudes. (Martineau, 1958) This is further emphasized by Grey & Balmer (1999) who defines corporate image as *“the immediate mental picture that individuals or individual stakeholder groups have of an organization”*.

Furthermore, corporate image is highly intertwined with corporate reputation, and are often confused of being one and the same. (Martineau, 1958) There are several important differences between corporate image and reputation. E.g. a corporation’s reputation is built over time, whereas the image of a corporation can be created instantly by exposure to e.g. the corporations advertising. The inseparability of corporate reputation and corporate image is also emphasized by Grey & Balmer (1999) stating that it is both the reputation and the image of a corporation that is needed to create a sustained competitive advantage. (Grey & Balmer, 1999)

40 years before Grey & Balmer (1999), Martineau (1958) also stressed the importance of a liked corporate image. He argues that all the functional attributes and all price attributes of a product are filtered through an emotional lens. Depending on the customers’ image of the corporation he is considering to make a purchase from he will be more or less tolerant towards the product attributes. (Martineau, 1958)

Corporate image can, according to Grey & Balmer (1999), be created in two ways. The first one occurs when an individual forms his opinion from what he believes is true about the company, he is colored by past experiences or opinions. The second one is formed by what the corporation in itself communicates. And if the corporate communication is grounded in facts, rather than beliefs, the ways of creating a corporate image complements each other. (Grey & Balmer, 1999)

It is also important to remember that there is no one corporate personality, different publics will view a company differently; they will see different aspects of the corporate image. (Martineau, 1958) Further, competitive advantages can be achieved by having a favorable corporate image. Dowling (1993) is of the meaning that a positive corporate image can help a company to recover from e.g. bad publicity. On the other hand he argues that an unfavorable corporate image can enhance the effects of bad publicity. (Dowling, 1993)



### 3.3.3. Corporate reputation

According to Gray & Balmer (1998) corporate reputation is a relatively new concept, which can be used by top management to understand some of the strategic issues they are facing. Organizations desire to have a positive reputation and image in the mind of its stakeholders. The stakeholders with whom the corporation is typically concerned with are: customers, distributors and retailers, suppliers, joint venture partners, financial institutions and analysts, shareholders, government regulatory agencies, social action organizations, the general public, and employees. (Gray & Balmer, 1998)

Gotsi & Wilson (2001) state that there is no uniformity in the marketing literature when it comes to the definition of corporate reputation. According to their study, different schools link the concept of corporate reputation and corporate image to each other in various ways. Gotsi & Wilson (2001) have formulated a definition of corporate reputation based on the existing literature they state that:

*A corporate reputation is a stakeholder's overall evaluation of a company over time. This evaluation is based on the stakeholder's direct experiences with the company, any other form of communication and symbolism that provides information about the firm's actions and/or a comparison with the actions of other leading rivals. (Gotsi & Wilson, 2001)*

There is a widely acknowledged link between reputation and sustained competitive advantage, and organizational performance. (Walker, 2010) According to Gibson et al (2006:15) "*reputation is arguably the single most valued organizational asset*". Hall (1993:616) state that reputation "*should receive constant management attention*" since CEO's rank it as the most important key intangible resource.

Walker (2010) refers to a number of researchers (Deephouse, 2000; Fombrun, 1996; Turban and Greening, 1997; Rhee and Haunschild, 2006) when describing how a good reputation can lead to a number of strategic benefits such as lowering costs, enabling premium prices, attracting applicants, investors and customers, result in an increased profitability, create competitive barriers, and increase the likelihood of stakeholders contracting the company. (Walker, 2010)

Gray & Balmer (1998) state that to achieve a favorable reputation a commendable identity is required, something that is usually created by consistent performance over many years. An effective communication strategy is commonly not enough to gain a good reputation, however, a co-ordinated communication program can reinforce and promote a positive reputation. While the

corporate reputations commonly evolve over time as a result of consistent performance reinforced by effective communication, the corporate image can be created more quickly by successful communication. (Gray & Balmer, 1998) Argenti & Druckenmiller (2004) argue that if the corporate brand promise is kept, the reputation will be positively increased. In other words, the corporate reputation will be strengthened when the customers get what they expect from the organization over and over again.

CSR programs and other to the public beneficial projects are possible ways of trying to increase a positive reputation. Argenti & Druckenmiller (2004) argue that if CSR programs are not connected to the corporate vision and the corporate brand they are likely to be met by distrust and charged with being self-serving and commercially driven. However, if the efforts are connected to the corporate vision and the corporate brand they are likely to have a positive effect on the reputation. (Argenti & Druckenmiller, 2004)

#### **3.3.4. Corporate branding**

Brands are seen as important corporate assets and the corporate brand is known to be significant profile builders for the corporations. (Balmer *et al*, 2006) A strong corporate brand is a very sought after attribute of many companies. A strong corporate brand can deliver a long-term competitive position to an organization in its market. (Balmer, 2001)

A corporate brand is not something tangible. The corporation's brand value only exists in the minds of people. (Balmer & Greyser 2003:249) A corporate brand is not only the name and logo of the corporation; it is the promise of the corporation to its various stakeholders. (Balmer & Greyser 2003:250) The promise is made by the corporation's communication efforts. The brand is communicated by the behavior of the corporation in itself, as well as by the behavior of the employees together with the products or services delivered or performed by them. (Balmer & Greyser 2003:246) The core of the corporate brand is the corporate brand covenant (Gray & Balmer, 2003) further described in the section "Additional aspects of the wheel".

Balmer *et al* (2006) presents and summarizes their views on what a brand is and how to create a brand in their article *The Crown as a corporate brand: Insights from monarchies* as:

*Corporate brand building in all settings is a matter of mindset. To be a brand the organization must start by thinking of itself as a brand. It must communicate as a brand; it must live up to its*

*core values and promises as a brand; it must have culturally-rooted values as a brand; it must find a positioning as a brand; and it must be managed as a brand. In sum, it must 'live' the brand by behaving in ways that fulfill its brand promise to its stakeholders. (Balmer et al, 2006)*

## 4. ANALYSIS AND EMPIRICS

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*In this chapter our empirics will be presented and analyzed. We will use the theoretical framework presented in the previous chapter and apply it to the empirical material in order to increase the understanding of how and why the studied foundations communicate.*

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### 4.1. ANALYZING THE CORPORATE COMMUNICATION

In order to investigate how charitable foundations communicate we will start by analyzing our empirics based on the earlier presented theories regarding corporate communication.

As stated by Argenti (1996) when deciding on how the corporate communication will be performed it is important to first decide on what responses that are desired from the stakeholders and what resources that will be used for the communication efforts. Still, it is only one of the four cases that have a certain marketing or communication budget.

*We have a marketing budget, but we never tell about budget figures. Göran Sandberg, The Knut and Alice Wallenberg Foundation*

For the other studied foundations the marketing and communication costs are not handled in a deliberate way.

*The few things we do when it comes to communication lies within the administration budget and it is pretty much working hours and some consultants that help us with the homepage and Jajja Communication and things like that. Hans G Forsberg, ÅForsk*

*There is no marketing budget. If I have suggestions on things that are important then I have to go to the board of directors, or to the chairman of the board, and suggest it and adduce and argue for this cost and then it will get approved or not. Cari Hildebrand, The Anders Wall Foundations*

Even though it is only one of the studied foundations that have a marketing budget, the empirics show that there is a need and a desire for a budget within some of the other foundations as well.

*But if you are going to work more long-term then it would be very good to have a budget and some kind of strategy. Yes it is desirable. Cari Hildebrand, The Anders Wall Foundations*

Argenti (1996) also put forward the importance of understanding what kind of credibility the organization has with its stakeholders. In our cases the issue of credibility does not seem to be a very critical question. The respondents seem convinced that the stakeholders perceive the foundations in a positive way.

*But I do believe that the foundation is perceived in a positive way... I find it hard to believe that anyone pictures the foundation in a negative way.* Cari Hildebrand, The Anders Wall Foundations

*I do believe that we are perceived in a positive way. There are only positive things about this... I believe our stakeholders perceive us as credible.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

Although it was also put forward that the foundations are not equally well known to its stakeholders, or have the same credibility with all its stakeholders.

*When it comes to the universities, researchers in Sweden and researchers abroad I believe we are perceived as one of the most respected financiers. Both because of that we are one of the largest but also due to our long-term perspective. But when it comes to the general public I believe we are surprisingly unknown.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

When looking into the concept of total corporate communication described by Gray & Balmer (1998, 1999) several important observations can be made regarding the foundations corporate communication.

#### **4.1.1. Analyzing the total corporate communication**

*The primary communication* are in all cases studied here consisting of the communication effects of the different projects that the foundations provide grants to. Since the foundations do not sell products or provide services in a regular sense the communication effects of the projects will be the primary communication pathway.

*We want that our message shall be the research that is carried out by the scientists that we support.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*We have a project that we always promote and it is the 'Cash guide'... It is a good project and it involves both banking and public welfare.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

Further, the communication effects of the founder of the foundations and the people working within the foundations are also part of the primary communication.

*Well, this foundation is very connected to Anders (Wall) as a person, it is his foundation and the things that are important to him. And we got very much media space concerning his eightieth birthday, so we do notice that the best way to reach out in media is through him and his name.*  
Cari Hildebrand, The Anders Wall Foundations

*The secondary communication* consists of the effects of the planned communication performed by the foundations. These communication efforts are for example press releases and other correspondence, the communication carried out through the homepages, research reports, and personal interaction.

*We have the homepage... It is of course an important channel for us because there you can gather everything. Then we work a lot with press releases and we try to influence what media writes, especially in connection to the hand out of the scholarships in March. And then it is the hand out of the scholarships, it is of course a communication opportunity in itself as well.*  
Cari Hildebrand, The Anders Wall Foundations

*At first hand we communicate information concerning our existence and that it is possible to apply for grants from us, and this we do with a annual writing addressed to the headmasters of the universities and we also publish it on our homepage... Then we have another communication channel that I might mention as well, and that is that we publish all research reports from all our research grants on the homepage.*  
Hans G Forsberg, ÅForsk

*Our homepage is mainly directed towards scientists that apply for grants from us and scientists that have received support. It is not designed to function as a broad communication device.*  
Göran Sandberg, The Knut and Alice Wallenberg Foundation

*The tertiary communication* consists of the effects of communication carried out by other parties such as universities, media, and specific interest groups connected to the different foundations. The tertiary communication effects are obviously important to the foundations but since we have undertaken a sender perspective in our research we have only looked at the tertiary communication from the foundations perspective. Still, some findings regarding the tertiary communication can be found in the empirics. Such as what other parties that are involved in carrying out the tertiary communication and in what ways they are encouraged to carry out the communication.

*Well, we are pretty careful in our communication... We send out press communiqués regarding the grants supported by us but usually the research universities communicate that they have been given money from us.*  
Göran Sandberg, The Knut and Alice Wallenberg Foundation

*Then we encourage them (the scholarship holders) to communicate that they have received the scholarship, in different contexts. And they are of course fantastic ambassadors for the foundation.* Cari Hildebrand, The Anders Wall Foundations

*We communicate a lot through the scientists that have received grants from us, they spread our message.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

Another way of analyzing corporate communication is through “The New Corporate Communications Wheel” (Balmer & Greyser, 2003:141) presented in the following section.

#### **4.2. APPLYING THE NEW CORPORATE COMMUNICATIONS WHEEL**

We will take starting point in Bernsteins (1984) suggested approach on how to design a corporate communication wheel for an organization. Further, the modified corporate communication wheel designed by Balmer & Greyser (2003) will form the basis of the analysis. In this section the effects of the total corporate communication and the different communication channels will also be analyzed more thoroughly.

##### **4.2.1. Analyzing the stakeholder groups**

The first step is to identify the main stakeholder groups listed by Balmer & Greyser (2003:141) in “The New Corporate Communications Wheel”.

*Influential Groups* appear to be an important stakeholder for all the examined cases. Influential groups can in this context include the steering committees of universities, influential people from the business world and other creators of public opinion.

*We direct our communication primary towards the universities and seats of learning.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*And then it is the hand out of the scholarships, it is of course a communication opportunity in itself, since so many people are invited and there are many people from the business world attending. Top leaders from the business world and others that have participated and contributed to the foundations...* Cari Hildebrand, The Anders Wall Foundations

*I scanned through this some time ago and I realized that all Swedish collages and universities and several companies was among those who had visited and looked at our homepage.* Hans G Forsberg, ÅForsk

Since all foundations are obliged to fulfill some legal duties we believe *The Government* to be an important stakeholders to all foundations.

*We are obligated to communicate with them (the CAB) since we need to send them our annual reports. So, from that perspective they are that (a main stakeholder group).* Lars-Olof Svensson, The Savings Bank Foundation Öresund

Hans G Forsberg from ÅForsk describes, in an email to us, that the foundation report to the authorities but only in a formal way. Further, Göran Sandberg from The Knut and Alice Wallenberg Foundation states, in an email, that the foundation considers politicians as a main stakeholder.

*The Media* is considered to be an important stakeholder since it is also an indirect communication channel, providing the foundations with marketing and corporate PR. All the studied foundations send out press releases through media and three out of four recognize the media to be a main stakeholder group.

In this context scholarship holders, researchers and other recipients of grants are referred to as *Customers*, this because the foundations do not provide any products or services and hereby do not have any customers in a traditional meaning. The customers are regarded as a main stakeholder group in all cases in this study.

*It is to the researchers who are active within the areas that we are interested in. We want them to know that we exist, are able to apply for grants and also read the reports that we publish.* Hans G Forsberg, ÅForsk

*We want to tell what we do and that here you can apply (for grants) if you feel that you fit the profile.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

*Yes, we direct the communication foremost towards the existing universities and seats of learning, and towards the researchers that can apply for money and other researchers whom shall have the possibility to see what research that have been performed.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*But we have an enormous communication apparatus directed towards the researchers.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*General Public* is argued to be a main stakeholder group for several of the studied foundations.



*In our internal strategy document we put very much emphasis on that the science we support shall be communicated to the general public by the scientists performing the research. Göran Sandberg, The Knut and Alice Wallenberg Foundation*

*It is the general public so to say... To reach out as broad as possible, to put forward entrepreneurial spirit and young talents and how important it actually is for Sweden that we encourage the talents that we have. Cari Hildebrand, The Anders Wall Foundations*

But not all foundations agree upon that the general public is an important stakeholder.

*We have not seen the general public as a receiver of what we have to tell. Hans G Forsberg, ÅForsk*

*Business Partners* are highlighted as an important stakeholder group to some of the foundations. Business partners could for example be organizations that the foundations continuously cooperate with and organizations that are involved in nominating scholarship holders and research projects.

*The business partners that we have are those who work with our investments and those who perform other jobs for us, and I mean it is the bank but it can also be others. So seen from that aspect, yes (they are important). Lars-Olof Svensson, The Savings Bank Foundation Öresund*

Cari Hildebrand from The Anders Wall Foundations argues in an email to us that business partners are an important stakeholder group for the foundation. She mentions for example the Junior Achievement Young Enterprise Sweden, Uppsala University, Entrepreneurs Academy, and University Collage of Opera.

When referring to *The Trade* other research financiers and charitable foundations are intended, the trade is mentioned as important by two out of four respondents.

*Although, within the research community (including other research financiers) you get enormous credibility and within the scientific community you get credibility when you are able to say that we have reviewers with experience from the Nobel Prize Committees. Göran Sandberg, The Knut and Alice Wallenberg Foundation*

Since most foundations have a very limited number of employees neither the *Internal* stakeholder group nor the *Prospective Employees* stakeholder group are considered to be particularly important to the studied foundations. It could be argued that the employees of the companies that the foundations are major owners in could be seen as part of the internal stakeholders group, although this is not the standpoint that we will undertake.

The stakeholder group *Financial* is difficult to apply to the charitable foundations that we are studying since the foundations are not financed by any external parties. Instead, they get their capital from the return of their holdings. Also, the stakeholder group *Local* is difficult to apply to the foundations. This, since the charitable foundation normally does not run any business operations on their own but rather act through the projects that they fund.

#### 4.2.2. Analyzing the communication channels

The second step of the analysis is to list the communication channels available to our foundations. The list will be based on the communication channels described by Balmer & Greyser (2003:141).

*Products/Services* will in this context be the scholarships and grants that are distributed. We make this assumption since we believe that grants and scholarships are the equivalent of products/services in the case of charitable foundations. This is a main communication channel for all our cases.

*We have a project that we always promote and it is the 'Cash guide'... It is a good project and it involves both banking and public welfare.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

*To build the brand through the research that we finance, press releases from this type of foundations will not get any penetration.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*Then we encourage them (the scholarship holders) to communicate that they have received the scholarship, in different contexts.* Cari Hildebrand, The Anders Wall Foundations

*We publish all reports from all research grants at the homepage. We hope that these will be read by other researchers that will take interest in what we have done with the money. What interesting research results that have come out of it.* Hans G Forsberg, ÅForsk

*Direct marketing and correspondence* includes for example the written information sent out to universities and other research institutions, correspondence including phone calls, with government institutions, with former and current scholarship holders and with researchers receiving grants. This is an important communication channel for the studied foundations.

*At first hand we communicate information concerning our existence and that it is possible to apply for grants from us, and this we do with a annual writing addressed to the headmasters of the universities and we also publish it on our homepage.* Hans G Forsberg, ÅForsk

*I feel that availability is a problem in this type of foundations, I never turn of my phone or the foundations phone. So, I will almost always answer. Lars-Olof Svensson, The Savings Bank Foundation Öresund*

Since media is considered a main stakeholder group to most of our studied foundations, *Corporate and marketing PR* should be regarded as an important communication channel. The foundations wish to receive attention in media, to be presented in a positive fashion is mentioned by the respondents as attractive and desirable.

*Then we work a lot with press releases and media processing, above all, in connection to the hand out ceremony in March. Cari Hildebrand, The Anders Wall Foundations*

*I think you should create a joint press release (with the receiver of the grants) so that you really get attention. Our regional and local newspapers are pretty hard to charm, they do not like free advertising. Lars-Olof Svensson, The Savings Bank Foundation Öresund*

It is our impression that all of the respondents perceive it as difficult to receive positive attention and to get media space concerning the activities performed by the foundations.

*If you do good things then you want to tell about it. At the same time it is always more difficult to reach out in media with positive things than with negative things. Cari Hildebrand, The Anders Wall Foundations*

*Press releases from this type of foundations will not get any penetration. Göran Sandberg, The Knut and Alice Wallenberg Foundation*

*Personal presentation* will in this context include for example seminars, presentations and hand out ceremonies. All of our cases use this channel in their communication.

*Participation in a long row of popular scientific research presentations from our researchers and us, meetings and presentations. There we represent ourselves, we do. Göran Sandberg, The Knut and Alice Wallenberg Foundation*

*We have a meeting now the on the 3 of May and that is also a kind of marketing event because then you get the chance to tell the representatives from the communes that we are active in and work in, that this is what we do and this is what we have done. Lars-Olof Svensson, The Savings Bank Foundation Öresund*

*Then it is the Wall lecture in Uppsala... There we invite students and it is usually several hundreds that participate every year. Cari Hildebrand, The Anders Wall Foundations*

*And they (the former and current scholarship holders) have an enormous need to meet, physical. That is something that we will work more with, maybe some kind of mini conferences.* Cari Hildebrand, The Anders Wall Foundations

*Literature* is for example the foundations annual reports, research reports and other material published by the foundations and communicating information regarding the foundations. This is a communication channel used by all our studied foundations.

*The history (of the foundation) in itself is described in the writing that I gave you.* Hans G Forsberg, ÅForsk

*I use Christina Elwing who is the communication manager at the bank, she has helped with our homepage and she does the annual reports and we always talk.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

In the concept of *New media* we will include both the foundations homepages and social media such as YouTube and LinkedIn. All of the foundations studied use their homepage as a main communication channel. The homepage is mentioned as very important in the communication with different stakeholder groups.

*Our homepage is primary directed towards those who are going to apply for grants from us or have received money. It is not designed to function as a broad communication device.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*We have build a homepage with an integrated system for applying for grants.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

*If we look at how we communicate we have the homepage... and we have recently created a new homepage.* Cari Hildebrand, The Anders Wall Foundations

*We publish all research reports from all our research grants on the homepage.* Hans G Forsberg, ÅForsk

*We do know how many people that visit our homepage and from where they are and that means that our target group or main representatives from the target group is keeping there selves up to date on what we do and also about the content (of the homepage)"* Hans G Forsberg, ÅForsk

Further, two of the foundations studied mention social media as important in their communication efforts.

*But we do seriously consider to change over and only use web-based media.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*We are going to communicate the research that we finance and we are primarily going to do to it through new media.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*As an internal communication channel directed towards Wallumni, we nowadays use LinkedIn. To have a channel where we can speak more freely and be a little bit more private.* Cari Hildebrand, The Anders Wall Foundations

The remaining communication channels listed in the wheel are not regarded as important ways for communication by the studied foundations. *Advertising* is not a channel used directly by any of the foundations even though two of the respondents from the foundations mention that their business partners and the joint stock companies they are connected to use advertising in order to draw attention to the activities performed by the foundations e.g. The Chamber of Commerce (The Anders Wall Foundations) and the Savings Bank Öresund (The Savings Bank Foundation Öresund). Nor *Point of sale*, *Sponsorship*, *Impersonal presentation* or *Permanent media* are mentioned by the respondents as important communication channels.

#### **4.2.3. Prioritizing the stakeholder groups**

The next step in designing the corporate communication wheel for the foundations is to prioritize the stakeholder groups according to their importance. To make a general prioritization is a challenge, since our foundations are very different in nature from each other. Still we can list the stakeholder groups that were most frequently mentioned by the respondents as important, these are: *Customers*, *General public*, *Influential groups*, *Government*, *Business partners*, *The Media* and *The Trade*.

#### **4.2.4. Identifying the appropriate communication channels**

The fourth step in this process is to identify the most appropriate communication channels for each stakeholder group. It is hard to make a definite distinction between all stakeholder groups and all communication channels, since the borders between these categories in some cases are very vague. An example of this difficulty can be found in one of the cases where a lot of emphasis is put on communicating to former scholarship holders.

*There is a need to work more with the communication and information and perhaps to invest more in the internal communication... The Wallumni-group is so important and when it grows you have to be able to handle it some how. And then the communication is of immense importance. Cari Hildebrand, The Anders Wall Foundations*

The former scholarship holders can be considered as customers but can also be considered internal stakeholders depending on the perspective of the analysis. In this case we have decided to refer to the former scholarship holders as customers mainly since none of the other studied foundations communicate towards an internal stakeholder group. By making this distinction the analysis of the most appropriate communication channels for each stakeholder is facilitated. In order to create an analysis that is as clear and trustworthy as possible only the six most important stakeholder groups (Customers, General public, Influential groups, Government, Business partners, The Media and The Trade) will be considered in this analysis.

When communicating with the customers, the media, influential groups and business partners the most appropriate communication channels for the foundations to use appear to be products/services, direct marketing and correspondence, corporate and marketing PR, personal presentation, literature and new media (e.g. the foundations homepage).

In the communication with the general public almost all of the previously listed communication channels are used, although direct marketing and correspondence does not seem to be an applied communication channel when addressing this stakeholder group. The government is addressed using primary correspondence and literature.

#### **4.2.5. Country of origin and industry image**

The fifth step is to consider the effects of the country of origin and the industry image. This step regards the effects that the country of origin and the industry image has on the communication efforts made by the studied foundations. Even though these concepts might have some impact on the corporate communication performed by the foundations we have not found any empirical material that verifies that the country of origin and industry image is of such significant importance that they require circles of their own in the wheel of corporate communication adapted to fit charitable foundations.

#### 4.2.6. Analyzing other factors

The last step in creating a corporate communications wheel for the charitable foundations is to incorporate other factors that require consideration. One factor to take into consideration is the environmental effects. A environmental effect that we have identified is that there appear to be a common belief that foundations should not be explicitly linked to commercial interests.

*Foundations in Sweden are something that should be charitable and it is supposed to be good, and hand out money to people that is in need for different reasons. Because they need the money for research or education or because they are disabled or sick... There is a psychological resistance in Sweden towards connecting foundations to business operations, I think. Professor Katarina Olsson, Faculty of Law, University of Lund*

Further another environmental effect is the Swedish legislation concerning charitable foundations. The legislation is mentioned as outdated and will naturally have an impact on the operations performed by the charitable foundations.

*If we get a more modern tax legislation (in Sweden) then it will be much more easier to work within charitable foundations. So, it is wished for. Professor Katarina Olsson, Faculty of Law, University of Lund*

Another factor to take into consideration, in this step of the process, is the corporate brand covenant. As described by Gray & Balmer (2003) this agreement is the core of the corporate brand and can be seen as a brand mantra and a promise made to the stakeholders. When applying this concept to the studied foundations the purpose of the foundations can be seen as a type of corporate brand covenant. The purpose of the foundations can be considered a promise between the foundations and the key stakeholder groups. The purposes of the studied foundations can be found in Appendix E.

Further, since all of the studied foundations are major shareholders of joint stock companies, we also deemed it appropriate to consider the connection between the foundations and their joint stock companies in this final step.

In three out of four cases the link between the foundation and the joint stock company is not emphasized. The joint stock company is not involved in communicating the existence of the foundation and there is no explicit link between the foundations and the joint stock company known to the general public.

*No (there is no connection between us and the joint stock company), there are completely waterproof barriers between our research foundation and Investor. Göran Sandberg, The Knut and Alice Wallenberg Foundation*

*Actually no, not more than in one exception. ÅF started only a year ago a little writing series. I think it is called 'Green Advisor Report'. Where they tell about interesting projects that they have. And this we are a part of and we are funding some of it. Hans G Forsberg, ÅForsk*

Although, in one of the cases the connection between the joint stock company and the charitable foundation is very clear. In this case the joint stock company is very much involved in communicating the activities carried out by the foundation. Both parties refer to each other in their communication and the name of the joint stock company and the foundation is also very similar, aiming to create a connection between the two.

*You might have seen the campaign that we have been running, about that we give back (to the community). It connects entirely to this (the connection between the *foundation and the bank*) and I use Christina Elwing who is the communication manager at the bank, she has helped with our homepage and she does the annual reports and we always talk. Lars-Olof Svensson, The Savings Bank Foundation Öresund*

In a phone conversation with PG Traung at The Anders Wall Foundations, Traung states that the connection between the joint stock company Beijer Alma and the foundation is Anders Wall.

Another factor that can require consideration is, as mentioned by Balmer & Grayser (2003:140), business partnerships and alliances. However, we have not found any empirical material that indicates that the corporate communication performed by the foundations is effected by the alliances and partnerships that the foundations are involved in. Hereby, we do not consider these factors to require a circle of its own in the corporate communications wheel designed to fit charitable foundations.



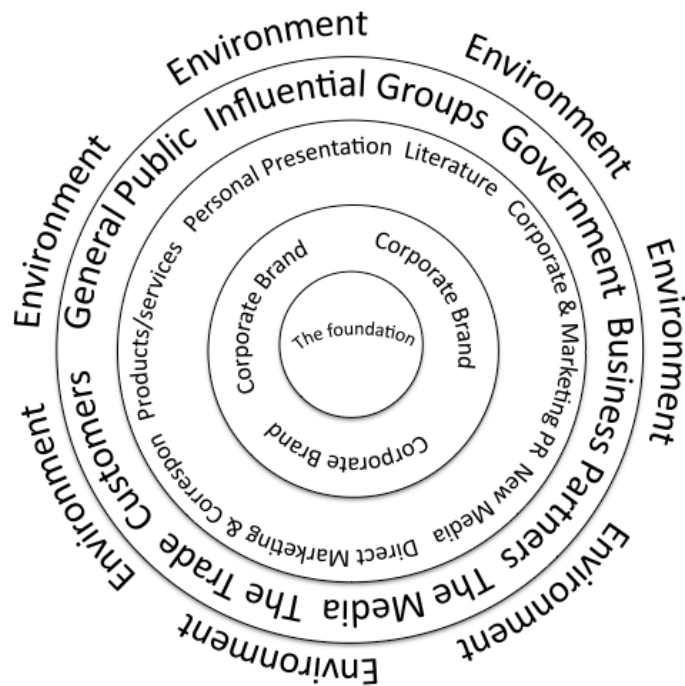


Figure 3. "The New Corporate Communications Wheel Adapted to fit Charitable Foundations"

#### 4.3. ANALYZING THE CORPORATE ADVANTAGE CREATORS

In the next sections we attempt to examine the communication of charitable foundations by analyzing our empirics based on the concepts of corporate identity, corporate image, corporate reputation and corporate branding. Further, emphasis will be put on the competitive advantages that can be established through the above-mentioned concepts.

When looking at corporate identity, corporate image, corporate reputation and corporate branding from a charitable foundations perspective the idea of competitive advantage will probably not be exactly the same as for a commercial business but it is our opinion that the concept of competitive advantage is still applicable when studying charitable foundations.

##### 4.3.1. Analyzing the corporate identities

As described by Melewar (2003), Markwick & Fill (1997) and Melewar & Saunders (1999) corporate identity concerns how the organization let itself be known and how it lets others describe, remember and relate to it and is also one of the strategic tools that can be used to achieve competitive advantages. Hence, the corporate identity of the foundation will affect the foundations corporate communication. Something that is also confirmed when applying the definition of corporate identity

used by Gray & Balmer (1998) where the identity is described as explicitly related to both the corporate image and the corporate reputation through the corporate communication.

As stated by Gray & Balmer (1999), strategic thinking is required when deciding on how to communicate the corporate identity. Since only one out of four studied foundations have a communication strategy it is clear that this is not something that is emphasized by the foundations in general. Still, all the foundations that answered the questions acknowledge corporate identity as something that is considered as important when communicating.

*Yes, I think we have it (the corporate identity) in mind. The foundations are very much connected to Anders Wall as a person since it is his foundations but I would probably say that we think about who we are and what we represent.* Cari Hildebrand, The Anders Wall Foundations

*Yes of course it (the corporate identity) is (kept in mind). When we talk about what we do we try to present the foundation and what it stands for, of course we do. But it is not something that is done in a systematic way.* Hans G Forsberg, ÅForsk

One of the respondents answering the questions argue that strategic thinking is applied when working with the communication and the identity, although this strategy is not set but in progress of being developed.

*It is work in progress (the strategic work with the corporate identity). The board took a decision in November last year, so we are not there yet. But it is a very important question for us... It is strategies that we are working with developing.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

When arguing that it is organizational culture, values and principles that drive the corporate identity Melewar (2003) state that corporate identity needs to be managed consistently in order to achieve competitive advantages. We can see that none of the foundations that answered the questions have a fully set strategy for how to handle their corporate identity. This even though the corporate identity is argued to be important by all of the respondents. The positioning of the foundation is also mentioned as significant by some of the respondents.

Melewar's (2003) argumentation regarding that managers commonly put focus only on the communication aspects of the corporate identity is confirmed by how the respondents describe the foundations relation to the corporate identity concept in general.

#### 4.3.2. Analyzing the corporate images

The foundations that answered the questions regarding the foundations corporate image all acknowledged the importance of a positive image for the foundations.

*Yes, of course it is (important to have a certain image).* Hans G Forsberg, ÅForsk

*Yes I think it (the image) is (important).* Cari Hildebrand, The Anders Wall Foundations

*Yes, you could say so (that the image is important), and then we are going to be perceived in a certain way together with the bank, and their image might be more important than our own image.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

Two of the answering respondents state that the foundations work with building the corporate image.

*It is like this, together with the communication agency and the bank we are seeking ways to go forward. How it is going to work when we hand out (scholarships) and so on. We are not done with this process (of building the image).* Lars-Olof Svensson, The Savings Bank Foundation Öresund

*Above all you want it (the image) to be serious. That it is going to be perceived as serious. Something else that we are trying to think of is how to reach out to young people. We try to reach students. Just because it (the foundation) is very much directed towards young talents.* Cari Hildebrand, The Anders Wall Foundations

While as one of the respondents state that the foundation is not working actively with this question.

*We do not do anything systematic (regarding the image).* Hans G Forsberg, ÅForsk

As described by Grey & Balmer (1999) image is created either by past experiences or believes, or by what the foundation actually communicates. When analyzing the empirics regarding how the studied foundations build their image we can see that all the respondents seem to be of the same opinion, that the main image creator is the projects that are performed, the results that are gained and the acts that are being carried out by the foundations. The projects, results and acts will in turn have influence on how the stakeholders experience the foundations. One of the foundations are very clear on this issue, that it is the results of the foundations research funding that the foundation should be associated with.

*Now we chose to work through communicating the research that we perform and that is why we hope that it will also be beneficiary for the foundation. Göran Sandberg, The Knut and Alice Wallenberg Foundation*

As described by Martineau (1958) depending on the past experiences and opinions of the stakeholders, the acts and results of the foundations will be interpreted in different ways by the various stakeholder groups. Hence, there is no “one” corporate image but rather different corporate images in all the charitable foundations stakeholder groups. This position is further highlighted by the fact that some of the foundations appear to have different messages to different stakeholders. This is natural, since different stakeholders have different needs for communication, but it still pinpoints that the stakeholders receive different information and due to this they will not form any uniform image of the foundations.

The other way to create a corporate image is, as described by Gray & Balmer (1999), by the way the charitable foundations communicate with their stakeholder groups. We can see from the responds from the interviews that actual communication efforts made by the foundations, or representatives of the foundations, can have a major impact on the corporate image. A corporate image can be created instantly and depending on what the charitable foundations do or say, the image can change rapidly. One of the respondents explicitly express that communication from the foundation has an impact on the foundations corporate image.

*It has been positive, then for a while it was negative. He (Anders Wall) was seen as “the big capitalist” and ‘the wheeler-dealer’. But now it is positive again. I would believe that most people have a positive image of him, especially after all the different appearances in the TV-couch and in the summer show (Sommar in P1). I find it hard to believe that someone should have a negative image of the foundations. Cari Hildebrand, The Anders Wall Foundations*

The quote above can also be used to illustrate the argumentation made by Dowling (1993) regarding competitive advantages. Depending on whether the corporate image is positive or negative, the image can be considered a competitive advantage or disadvantage for the charitable foundation.

#### **4.3.3. Analyzing the corporate reputations**

Gray & Balmer’s (1998) argumentation regarding the wish to have a positive corporate reputation in the mind of the stakeholders is acknowledged by all of the foundations that answered the questions.

*Yes, of course it (the corporate reputation) is (important). Hans G Forsberg, ÅForsk*

*The reputation of the foundation is very important.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

*Yes, it (the corporate reputation) is important.* Cari Hildebrand, The Anders Wall Foundations

Vital to elucidate is that the stakeholder groups mentioned by the respondents are those described in the section regarding the new corporate communication wheel and these are not exactly the same as those described by Gray & Balmer (1998).

When studying the definition of corporate reputation defined by Gotsi & Wilson (2001) it is not difficult to understand why the corporate reputation must be clearly connected to the corporate communication performed by the organization. Also, as argued by Walker (2010) the corporate reputation is one clearly identifiable way of creating competitive advantages and strategic benefits. Even though all of the responding foundations verify the importance of a positive reputation none of the respondents report to work in a strategic way with creating a positive reputation.

*Above all it is about assuring that we do not get a negative reputation, it is more about avoiding things. But, that is not directly something that we think about either.* Cari Hildebrand, The Anders Wall Foundations

As described by Gray & Balmer (1998) the process of creating a positive reputation is a long-term project and to be able to reinforce and promote a favorable reputation both a credible identity and an effective corporate communication strategy is required. As earlier stated only one of the studied foundations argue to have a complete communication strategy whereas difficulties in determining that a positive reputation is created are likely to occur within most of the studied foundations.

Further, if accepting the argumentation by Argenti & Druckenmiller (2004), regarding that the corporate reputation will be strengthened if the customers get what they expect from the organization repeatedly, one could argue that the foundations do work with creating a positive corporate reputation even if not being fully aware of it themselves.

As described in their argumentation regarding CSR programs by Argenti & Druckenmiller (2004) a positive reputation can also be increased if the organization indulges itself in projects that are beneficial to the public. Since, being beneficial to the public is part of the nature of the charitable foundation it can be argued that it lies in the characteristics of the charitable foundation to have a

good reputation. This aspect of the corporate reputation of foundations is also highlighted in the interviews.

*We work mostly with handing out scholarships and that is very good things. So, it is difficult to get a bad reputation I think.* Cari Hildebrand, The Anders Wall Foundations

#### **4.3.4. Analyzing the corporate branding**

As argued by Balmer (2001) and Balmer *et al* (2006) the corporate brand is important for building the corporate profile and can help deliver more long-term competitive advantages. Although this is not something that we find is emphasized by the studied foundations in general. One respondent mention that work has been put in to building the corporate brand. In order to achieve a competitive advantage the foundation have created a corporate brand that resembles the joint stock company that it is major shareholder in.

*We build a brand that resembles the banks. That is why we are called The Savings Bank Foundation Öresund. That is why we have a logo that is not entirely identical but that we think coincides with the banks in a way that is mutually beneficial.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

*Well, we have a logotype that we want you to recognize. That much we do. But this logotype it is probably just three years old. Before that we had none.* Hans G Forsberg, ÅForsk

As argued by Balmer & Greyser (2003) the corporate brand is not only concerning the name and the logo of the organization it involves the promise made to the stakeholders through the communication. Based on the empirics it can be argued that the objectives of the charitable foundations, found in the memorandum of the foundation, can also be considered as the promise to the stakeholders. This since the objectives is what is being communicated through the behavior of the foundations as well as through the grants and scholarships that are being handed out.

*It can sound trivial in today's society that we emphasize so heavily on such a word. But here it means everything, right. Everything we do shall be beneficial to the country.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

*Well, we want to be seen but we do not want to be seen in a wrong way... We have a pretty broad purpose paragraph, so theoretically we could take on the whole society. But I do not think that is the idea, instead it is a little bit larger projects that show and that are important.* Lars-Olof Svensson, The Savings Bank Foundation Öresund

As argued by Balmer *et al* (2006) the key to corporate branding is that an organization must see itself as a brand to actually be a brand, it is about the mindset and the whole corporation must embrace the concept and live it. The empirics show that the studied foundations in general do not perceive themselves as brands. Even if several of the respondents recognize the importance of a strong brand, the corporate brand is not something that the studied foundations in general work with in a strategic manner.

*I would not like to call the things we do a brand. It is not a concept that I reflect upon.* Hans G Forsberg, ÅForsk

*No, I would not say that we work actively and consciously with it (corporate branding).* Cari Hildebrand, The Anders Wall Foundations

*We are not going to communicate a brand, we are going to communicate the research that we finance and we are primarily going to do to it through new media.* Göran Sandberg, The Knut and Alice Wallenberg Foundation

## 5. CONCLUSION

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*In this chapter we will present the findings made in our study and a discussion regarding our conclusions, provide the reader with the contributions made, and answer the research question. Further, we will provide the reader with our thoughts and recommendations for future research.*

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### 5.1. FINDINGS AND CONTRIBUTIONS

In this section we will present the findings we have made when studying the charitable foundations corporate communication. Further, we will present the theoretical and managerial contributions that our research has made to the area of charitable foundations and corporate communication. We will introduce an evolved version of the corporate communications wheel as well as a typology that will serve as a way to classify charitable foundations according to their corporate communication positions.

#### 5.1.1. Corporate communication for charitable foundations

We have demonstrated that the primary communication of charitable foundations consists of the projects the foundations provide grants to and the effects of the founder and employees. The secondary communication is the effects of the foundations planned communication efforts such as homepages, press releases and correspondence. The tertiary communication consists of what external parties communicate regarding the charitable foundations. The total corporate communication aspects provide a basic introduction to the corporate communication of charitable foundations.

Further, we have shown that charitable foundations in general communicate through products/services, direct marketing and correspondence, corporate and marketing PR, personal presentation, literature and new media. The corporate communication is directed toward the following stakeholder groups: customers, general public, influential groups, government, business partners, the trade and the media.

#### 5.1.2. The New Corporate Communications Wheel for Charitable Foundations

During the process of gathering and analyzing the empirics we could see that the existing wheels of corporate communication (Bernstein, 1984; Balmer & Grayser, 2003) did not take into consideration



the unique aspects of charitable foundations corporate communication. We deemed it appropriate to adapt the corporate communications wheel so that it provided a better understanding of charitable foundations corporate communication.

The previously listed stakeholder groups and communication channels are all part of the corporate communications wheel that is adapted to suit charitable foundations. Further we have shown that the concepts of country of origin/ the industry image and business partners are not of such significant importance for the studied foundations that it requires its own circle in the corporate communications wheel that is adapted to suit charitable foundations. Instead, these factors are incorporated in the part of the corporate communication wheel that is referred to as *Environment*.

The criterions we established when choosing our cases included that the studied foundation had to be major shareholders of a joint stock company. Although this link revealed itself not to be of such significant importance when it came to the corporate communication of the charitable foundations in general. Hereby, we decided not to put any further emphasis on this matter. Still, the link between the foundations and the joint stock companies is of relevance in some cases whereas this aspect is also incorporated in the environment part of the corporate communication wheel.

It is clear that taking the corporate identity, corporate image, corporate reputation and corporate brand into consideration in the corporate communication creates competitive advantages. Still only corporate brand is taken into consideration in "The New Corporate Communications Wheel" (Balmer & Grayser, 2003:141). It is our opinion that in the context of charitable foundations the competitive advantages that are created through the corporate communication will facilitate the efforts of fulfilling the purpose of the foundation and the founders will, in the best way possible. Therefore we believe that the corporate identity, corporate image, and corporate reputation should be integrated in the adapted corporate communications wheel in the same circle as corporate brand.

Further, we argue that the purpose of the foundation can be seen as the corporate brand covenant since it can be considered the foundations promise to its stakeholders. Hereby, we believe it to be of significant importance to take it into consideration, when designing each foundations corporate communication. In "The New Corporate Communications Wheel" (Balmer & Grayser, 2003:141) the corporate brand covenant is taken into account in the concept of corporate brand, although we believe that the concept requires its own circle in the corporate communications wheel for charitable

foundations. This since the corporate brand covenant can be seen as the purpose of the foundation and in turn the purpose is the base for all the activities performed by the foundation.

By creating these further adoptions to the corporate communications wheel we believe that the model will be a more useful managerial tool for creating corporate communication strategies within charitable foundations. Further it will also be a more helpful tool when analyzing how the corporate communication performed by charitable foundations is carried out in the present situation. Furthermore, since this area of research is pretty much unexplored the wheel will also be a contribution to the theoretical understanding of how charitable foundations communicate.

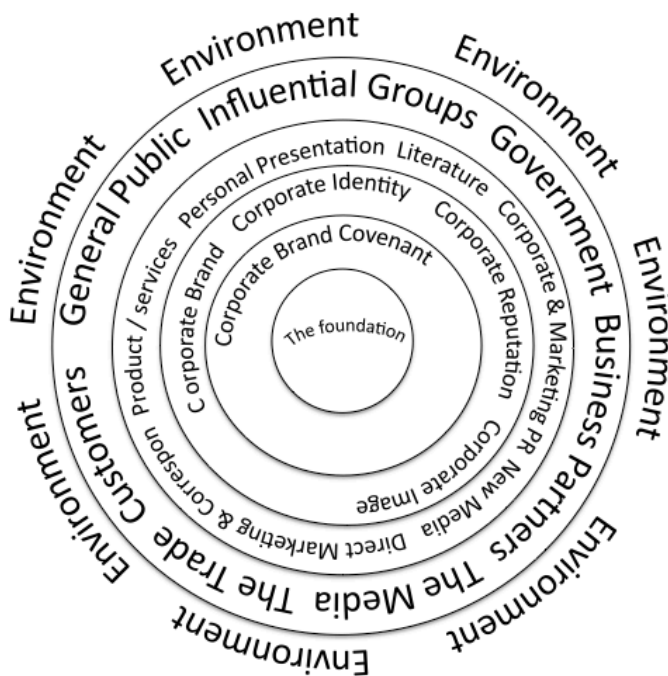


Figure 4. "The New Corporate Communications Wheel for Charitable Foundations"

### 5.1.3. Corporate Communication Positions

Even though we found general resemblances when it came to the communication channels used, the stakeholder groups and the foundations attitude towards corporate identity, corporate image, corporate reputation and corporate brand. We also realized that the various studied foundations all had different thoughts and explicit and implicit strategies regarding corporate communication. It appears as if all the studied cases recognize the importance of corporate identity, corporate image, corporate reputation and corporate brand. Still it is clear that the importance of working with

corporate communication in a strategic way is not emphasized within all foundations. We argue that this matter has to do with how the foundations chose to manage their visibility. For example, some of the foundations put a lot of emphasis on being known and communicating to the general public while others does not emphasize whether or not the general public is recognizing them. It is important for the foundations to communicate in a way that is consistent with the position regarding visibility that they want to undertake. This position in turn is strongly connected to the purpose of the foundation i.e. the corporate brand covenant.

We have created a typology describing four different corporate communication positions that charitable foundations can undertake when managing their visibility. The different categories in the typology are highly related to the purpose of the foundations. What category that a certain foundation belongs to, depends on if the fulfillment of the foundation's purpose is facilitated by letting the foundation be visible or not. In the sections below the different positions will be further explained.

<p><b>Acting without being visible</b></p> <p>ÅForsk</p>	<p><b>Acting by being visible</b></p> <p>The Anders Walls Foundation</p>
<p>The Knut &amp; Alice Wallenberg Foundation</p> <p><b>Being visible by acting</b></p>	<p>The Savings Bank Foundation Öresund</p> <p><b>Acting and being visible</b></p>

Figure 5. "The Corporate Communication Position Typology for Charitable Foundations"

#### *Acting without being visible*

In this category the foundation acts without emphasizing visibility to any large extent. The foundation perform its operations and tries to fulfill the purpose of the foundation and the founders will without putting focus on being visible in a broader context.

ÅForsk belongs in this category, since its purpose and corporate brand covenant are relatively narrow and industry specific, to be visible in a broad sense is therefore no concern for the foundation. Further, ÅForsk states not to direct its communication to the general public, which we regard as an indicator of that ÅForsk does not put a lot of emphasis on being visible as a foundation. In this case we can see a clear correlation between the purpose of the foundation "*to promote research primarily in the purpose areas: Energy, Environment, Safety, Materials, Forest Industrial processes and products*", and the corporate communication position that we mean that the foundation is undertaking.

#### *Acting by being visible*

In this category it is necessary to be visible in a broad sense, to be able to fulfill the foundations purpose. The foundation carries out its operations with openness and acts in order to be visible in different positive contexts.

The Anders Wall Foundations belongs in this category since the foundations purpose (see Appendix E) is to support, amongst other things, entrepreneurship and creative thinking, which we consider relatively broad goals. The foundations strive to reach out to the general public, it puts a lot of effort on highlighting the different lectures, events, and the annual hand out ceremony. Furthermore, the foundations receive a lot of attention through Anders Wall as a person.

#### *Being visible by acting*

In this category the primary goal of the foundation is to be visible through the activities that are being supported. To be seen is not a purpose of its own, rather a side effect.

The Knut & Alice Wallenberg Foundation fits in this category since the foundation explicitly states a willingness to be seen through the research and the scientists that the foundation supports. The link between the purpose of the foundation "*to promote scientific research, teaching and/or education beneficial to the Kingdom of Sweden*", and the corporate communication position is not entirely obvious in this case. Although there is a connection between the motto of the Wallenberg sphere, emphasizing the importance of operating in the background and letting the actions and operations performed speak for its own, and the corporate communication position undertaken by the foundation.

#### *Acting and being visible*

In this category both the operations performed by the foundation and the visibility of the foundation is of importance. This position is about promoting a certain ideal or idea. It is vital to communicate a certain message but also to communicate what the foundation does, it is considered a favorable side effect when the foundation receives attention.

The Savings Bank Foundation Öresund belongs in this category because the foundation wants to promote 'the savings bank idea'. Since the foundation distributes grants to promote public welfare it is important for the foundation to be seen in a broad sense. The Savings Bank Foundation Öresund wants to be seen in order to gain positive attention regarding the foundation but also regarding the Savings Bank Öresund. In this case the connection between the purpose of the foundation (see Appendix E) and its corporate communications position is clear.

It is thinkable that there are several ways for a foundation to fulfill its purpose. Hereby there are potentially more than one corporate communication position that a foundation can undertake in order to fulfill its purpose in the best way. This leads us to the conclusion that it is also possible for a foundation to change from one category in the typology to another, even though the purpose of the foundation is not changed. Still, it is important to underline that because of the character of the foundations purpose there will always be some positions that are not available for the foundation to undertake.

By creating "The Corporate Communication Position Typology for Charitable Foundations" we believe to have developed a managerial tool that will be helpful for charitable foundations when defining and evolving the strategic thinking concerning corporate communication and visibility management. The typology can also be helpful when determining what corporate communication position that the foundations have and wants to undertake. This is done, by taking the purpose of the foundation into consideration in order to understand what corporate communication position that is suitable for the specific foundation and what type of visibility management that should be undertaken. Further, since the model is taking into consideration the purpose of the foundations we believe it to be a tool that will be easy for managers to use and apply in a relevant context.

We also believe that this typology will contribute by facilitating the theoretical understanding of why it is important for charitable foundations to think in a strategic manner regarding corporate communication, in what ways charitable foundations can manage their visibility and how the corporate communication can be linked to the purpose of the foundations.

#### **5.1.4. Challenges in the corporate communication**

As earlier described we mean that there appears to be a lack of strategic thinking in terms of corporate communication, in general, within the charitable foundations we have studied. We are under the impression that corporate communication is not a prioritized question. It is our opinion that one reason for this is that the charitable foundations in general are small organizations, in terms of employees. This means that the individuals involved in the management of the foundations will have great impact on the corporate communication performed. If these persons have an interest in communication or not will greatly affect whether or not any strategic corporate communication efforts are put forward. Hereby, the challenge is to raise the issue of strategic thinking regarding the corporate communication.

We have observed that the charitable foundations in general seem to have reluctance towards corporate communication since they appear to be afraid of attracting too many applicants, and do not have the resources to handle them all. We perceive this reluctance as a possible challenge since it can limit the willingness to adapt to a corporate communication perspective. It is our opinion that by adapting a strategic thinking when it comes to corporate communication, more attractive and relevant applicants can be attracted and many irrelevant applications will never be submitted. Hereby, we believe the reluctance towards corporate communication within the foundations to be unwarranted.

We are under the impression that the charitable foundations do not regard communication as a part of their directive. Although if you look at corporate communication as a way to achieve competitive advantages, that in turn will facilitate the fulfillment of the purpose of the foundation and the founders will, then the corporate communication must be regarded as an important element of the foundations directive. Here, it is important for the foundations to understand that whether they communicate or not they will still have a reputation, and an image. The challenge lies within whether the foundations decides to manage the reputation and image in a strategic manner in order to create competitive advantages, or if they will just rely on chance when it comes to these aspects.

The question of credibility does not seem to be of any significant importance to the foundations since they appear convinced to be perceived in a positive way by the stakeholders. Also, since being beneficial to the public is part of the nature of charitable foundations it can be claimed that it is in the characteristics of the charitable foundation to be perceived in a positive manner. This is in many

ways a positive attribute, although it can be a challenge since the effects on the corporate communication might be negative. This given that the charitable foundation might not realize the necessity of working strategically with building competitive advantages through corporate communication, since they believe that they are already perceived in a positive manner.

By using the managerial tools, "The New Corporate Communications Wheel for Charitable Foundations" and "The Corporate Communication Position Typology for Charitable Foundations" presented in this thesis we mean that the process of developing a strategic corporate communication thinking in the charitable foundations will be facilitated. Since the field of corporate communication regarding charitable foundations is relatively uncharted we believe that our presented findings will contribute to the theoretical understanding of this research area.

## **5.2. ANSWERING THE RESEARCH QUESTION**

In this section we will provide the reader with a sum up of the answers to our research question:

*How and why do charitable foundations communicate and what challenges do they face in their communication efforts?*

Charitable foundations in general communicate through products/services, direct marketing and correspondence, corporate and marketing PR, personal presentation, literature and new media. The corporate communication is directed toward the following stakeholder groups: customers, general public, influential groups, government, business partners, the trade and the media. Further, the concepts of corporate identity, corporate image, corporate reputation, corporate brand and the corporate brand covenant are all part of the corporate communication even though the foundations in general do not manage these concepts in a strategic way. The models provided in this chapter, "The New Corporate Communications Wheel for Charitable Foundations" and "The Corporate Communication Position Typology for Charitable Foundations", explain various aspects of how charitable foundations use corporate communication.

The corporate communication is carried out with the goal to fulfill the purpose of the foundation i.e. the corporate brand covenant in the best way possible.

We have identified several challenges that charitable foundations might face in their communication efforts. One challenge is that since the organizations of the foundations are relatively small in terms

of human resources, the individuals' attitudes towards communication will have significant impact on the corporate communication efforts performed by the foundations. Further, reluctance towards corporate communication was found within the management of the charitable foundations, this in turn is a challenge since it can limit the communication effort performed by the foundations. The communication efforts might also be limited since the charitable foundations do not see the communication as a part of its directive, something that can also be seen as a challenge. Furthermore, the built-in attribute of the charitable foundations regarding positive perception is a challenge since it can diminish the communication efforts performed by the foundations. This, since the foundations do not see the need to create competitive advantages through their corporate communication.

### **5.3. FUTURE RESEARCH**

In this section the reader will be provided with our thoughts and recommendations for future research within the area of corporate communication performed by foundations.

Since we have only studied a limited number of charitable foundations we believe it would be of interest to examine a larger quantity of cases to confirm that our findings and contributions are still valid. Furthermore, since all the charitable foundations studied in this thesis are Swedish it would be of interest to look at the corporate communication of charitable foundations from an international perspective. In this study we have examined charitable foundations corporate communication from a sender perspective. To perform a study from a receiver point-of-view would also be valuable and contribute to the understanding of how and why charitable foundations communicate as well as to what challenges they face in their corporate communication.

Another interesting research aspect could be to investigate if charitable foundations can change the corporate communication position undertaken and if so, how this can be done. By using "The Corporate Communication Position Typology for Charitable Foundations" as a starting point in the research we believe that several interesting findings can be made regarding this matter.

Further, it would also be interesting to investigate foundations that do not fulfill the criterions established in this thesis. For example it would be interesting to look into the corporate communication of foundations that do not have any connections to joint stock companies, or fund-raising foundations such as the Cancer Foundation or the World Wildlife Fund.



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## **APPENDIX**

### **APPENDIX A**

#### **Interview guide -The charitable foundations**

Could you briefly tell about the foundation and its connection to the joint stock company?

What is the purpose of the foundation? To what purposes does the means of the foundation go to?

How does you (the foundation) look upon your future, development opportunities, growth and so on?

How do you in the foundation communicate? External communication and internal communication

How do you look upon your role as a communicator for a foundation?

How do you (the foundation) use the joint stock company as a tool in your communication? In what ways?

Do you (in the foundation) have a communication strategy? If yes, please elaborate.

Do you (in the foundation) have a marketing budget? If yes, please elaborate.

Is the communication mentioned in the memorandum of the foundation? Explain.

Does 'the common man' know that you (the foundation) exists? Is it important that 'the common man' know about your existence?

Who does you (the foundation) direct your communication towards?

Are there any difficulties associated with marketing a foundation?

What is the goal with your (the foundation) communication?

Do you believe that you (the foundation) market yourself (communicate) in an satisfying way? Explain.

How do you perceive the communication of foundations in general? Do you see any reason for foundations in general to evaluate their communication and of so, what should they evaluate?

What is your 'next step' in the work with your (the foundations) communication?

How do you think that you are perceived by different stakeholder groups (target-groups, general public and so on)?

Do you perceive that there is any type of competition between different foundations?

## **APPENDIX B**

### **Interview guide – Christina Elwing**

Could you briefly tell about the foundation and its connection to the joint stock company?

What is the purpose of the foundation? And how is the bank affected by being owned by a foundation?

In what ways do you function as a communication channel for the foundation? (W-O-M, traditional marketing etc.) Describe.

In what ways do you take your ownership aspects into consideration in your external communication? Explain.

What is unique when it comes to the communication of a foundation? What are the most difficult decisions/considerations?

What is your view on what in the board minutes (regarding the name change Finn – Öresund) is referred to as 'The Closed Circle'? How do you work in regard to this? (Do you do it?)

Does 'the common man' know that the foundation exists?

Is it relevant for you that 'the common man' is aware that you (the bank) is owned by a foundation?

Do you believe that the foundations communicate functions in a satisfying way? Explain.

Do you believe that the way that the foundation communicates/is communicated affects the bank as well?

In what ways are one part affected by the other parts communication? (foundation/joint stock company)

Would you like the communication to change in some way? Explain.



Are there any difficulties associated with marketing a foundation?

In your marketing you communicate to the market that the Savings Bank Öresund gives back a lot of its earnings to public goods, but really it is the foundations (Savings Bank Foundations Öresund and Gripen) that give away the grants. Do you see any problems with this?

## **APPENDIX C**

### **Interview guide – Katarina Olsson**

Can you tell us a little bit about yourself and your professorship?

What aims are there, that are connected to establishing a charitable foundation (connected to a joint stock company)?

What advantages and disadvantages are there when establishing such a foundation?

As you know we are looking into how and why charitable foundations communicate, do you have any general thoughts regarding this topic?

Do you think it is common for communication aspects to be mentioned in the byelaws of the foundations?

Do you see any value in that the general public has knowledge regarding that a joint stock company is owned by a charitable foundation?

How do you think the charitable foundations direct their communication towards? What stakeholder groups are there?

Why do you think charitable foundations communicate? What reason do they have to communicate?

Are there any difficulties connected to promoting and communicating a foundation?

Is there any (non-judicial) complex of problems to take into consideration?

Is there any general international legal framework when it comes to foundations?

## **APPENDIX D**

### **Follow up questions**

Do you work in any strategic way with the building the identity of the foundation? How?

Do you have the identity of the foundation in mind when communicating?

Is it important to you that the foundations have a certain image?

What do you do to build this image?

Is the reputation of the foundation of importance to you?

How do you do to create a positive reputation?

Do you work in any way to build a brand in relation to the foundation? Why, why not?

**APPENDIX E****The purpose of the foundations****The Savings Bank Foundation Öresund**

The Savings Bank Foundation Öresund is to promote thrift by being a shareholder of the Savings Bank Öresund, and where possible, work to ensure that the Swedish savings bank movement's basic ideas and values will be preserved and developed.

The foundation should also, through the dividend on the capital, distribute grants to physical persons or legal entities, in order to promote business, children and youth, infrastructure, research, education, sport or culture, preferably in the southwestern and central parts of Skåne.

**The Knut & Alice Wallenberg Foundation**

The purpose of the Foundation is to: "*promote scientific research, teaching and/or education beneficial to the Kingdom of Sweden*".

**ÅForsk**

ÅForsk has the objective to promote research primarily in its purpose areas: Energy, Environment, Safety, Materials, Forest Industrial processes and products.

**The Anders Wall Foundations**

*"The Foundation's main purpose is to promote Swedish business, primarily in commerce, industry and agriculture, but also to promote environmental conservation and cultural and scientific research in both of these as in other areas. Special means to promote and encourage the efforts made in a spirit of entrepreneurship and creative thinking."*