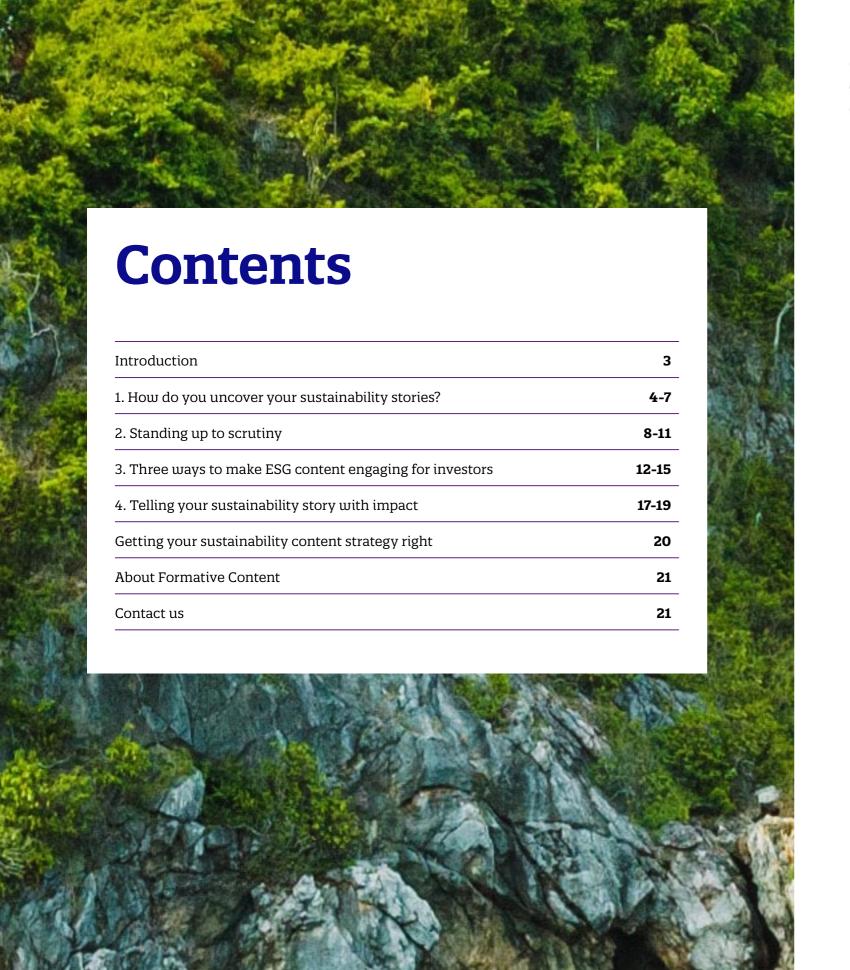


On purpose: telling sustainability stories with impact.

KEY STEPS FOR BUILDING A SOLID ESG CONTENT STRATEGY





Page 2 | Formative Content sustainability stories | Aug 2021



Introduction

Gone are the times when sustainability was a 'nice to have'.

A recent survey has shown that nearly two-thirds of consumers expect the brands they purchase from to abide by clear sustainability practices.

Likewise, for investors, ESG (environmental, social, governance) criteria have ceased to be just a tick box exercise. They are now using them actively to guide their portfolio choices - from impact investing in emerging economies to stopping any funding of fossil-fuel projects.

This means businesses now need to be laserfocused on their sustainability strategies.

For business communicators and marketers, the question is how to overcome the extremely high noise levels around sustainability we are currently experiencing and capture their audiences' imagination

They have to do so against a background of declining trust in both our information sources and our leaders and repeated instances of companies making over-optimistic or even dubious environmental claims ('greenwashing').

In this atmosphere, merely paying lip service to sustainability or 'spinning a yarn' can be fatal for a company's reputation. It's critical not only for the corporate strategy to make an honest commitment, but to support it with strong real-world evidence of doing the 'right things'.

Authenticity on the part of the organisation is fundamental to winning over customers, partners, investors and other stakeholders. In this eBook we look at four focus areas for communicators, content creators and marketers as they put in place sustainability campaigns.

We'll explain how to unearth story angles that will resonate with the target audiences. We will also cover how to develop content that cuts through the background noise and stands up to intense public scrutiny.



"With COP26 rapidly approaching, and at a time when companies' sustainability credentials are coming under scrutiny by investors and customers alike, your narrative really matters. It's crucial to ensure your message or the story you are telling is authentic and embedded in the strategic vision of the company."

Gay Flashman, founder and CEO, Formative Content

How do you uncover your sustainability stories?

Sustainability and reining in climate change are more topical than ever. The question is how corporate marketers and communicators can best field compelling, authentic story angles from within their organisations that overcome the underlying noise and stand out.

Scroll through your LinkedIn feed. How many of the posts are telling a story about sustainability?

Chances are, quite a lot of them. According to research from consultancy firm BCG, two-thirds of us feel that post-pandemic economic recovery plans should make environmental issues a priority.

McKinsey, meanwhile, suggests that sustainability measures also make good business sense, with 40% of the companies it surveyed anticipating that their sustainability programmes will generate value within the next five years.

With COP26 rapidly approaching, and at a time when companies' environmental, social, and governance (ESG) credentials are coming under ever-greater scrutiny by investors and customers, your organisation's sustainability narrative really matters.

But what should that narrative be? Whether it's your decarbonisation targets or the ground-level impact of your ESG activity, how do you work out the best sustainability stories for your organisation to tell?

Who is your target audience, and what matters most to them?

The first thing to do is to understand your customers' needs. If you're going to develop stories that resonate with people, you need to understand their personal drivers, beliefs and challenges.

Then, map these against your own business aspirations – whether that means building trust, driving reputation, or reducing time to sale. This will determine which type of content you should prioritise.

Consider, also, the links between customer objectives and their own alignment to overarching global goals, like decarbonisation and an equitable transition to net zero.

Any audience following the COP26 narrative will undoubtedly be interested in the event's key themes, so try to map your own content to those goals.

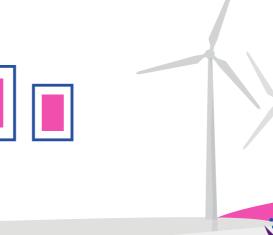
These include:

- how to build climate resilience
- how to mobilise finance
- creating multilateral partnerships to overcome regulatory hurdles.

We can already see a number of companies producing story-driven content with net-zero targets in mind. This short video from Shell puts a human face on the move to electric vehicles, introducing audiences to a team member directly involved in the energy transition.

Using a different presentation style, insurance giant Swiss Re has produced reports linking climate change to devastating economic impacts, leveraging their specific expertise in data analysis to show the real-world implications of failing to hit net zero.







How do you uncover your sustainability stories?

What are you trying to say - and why?

At the back of your mind, with any piece of content, you should always ask: 'What do I want my audience to think, feel and do?' or 'Why will our target audiences be interested in what we have to say?'.

Answering that 'why' is how you'll be able to differentiate yourself in a crowded conversation space and really demonstrate your corporate purpose.

Some companies may simply want their audiences to be aware of their short and long-range sustainability targets.

Others, like those in the financial sector, may want to illustrate the direct link between sustainable investing and empowered economies.

A simple messaging framework can guide and support your content if you are not clear what you should be talking about, or which subjects should form the core of your content.

It will also help you clarify your messages – and how you should talk about your organisation.

What are the stories that will really resonate?

At its heart, storytelling is about human connection. That means digging in to find the people in your organisation whose work is really making a difference – and show the impact on the ground wherever possible.

One example is an animation from Microsoft about a sustainable aviation fuel partnership they were building with Alaska Airlines to reduce the company's overall carbon footprint. At just over a minute long, it has had thousands of views of its clear, simple message: here's what we're doing, why we're doing it and how we're calculating the benefits.

For another of our clients, Mitsubishi Heavy Industries (MHI) Group, a key consideration is showing the benefits of the company's products and services in more than just pure customer terms.

This piece on MHI's content platform, Spectra, looks at how hydrogen could transform former industrial landscapes and make them fit for a greener future, in line with government decarbonisation strategies.



"We use our technology as a hook, and then try and elevate the story to talk more in general about big tectonic plates – big issues that are shifting."

Dan Bogler, co-editor, "Spectra" (Mitsubishi Heavy Industries)

Ultimately, the stories that will connect with your audience are the ones they are interested in

Getting your message to the world

As well as having the right message, you will also need to decide on the format that works best. Where is your target audience most likely to look for information? Are they more likely to respond to an in-depth article or an infographic? And how should you present it in a way that drives the most traffic?



"It's essential to engage your audience directly on social channels, rather than just using the platforms as a signpost to your website."

Richard Wellings, Digital Content Strategist, Formative Content

Wellings adds: "Breaking down a complex concept into a five-slide carousel post on LinkedIn, or sharing a surprising stat in GIF format on Twitter, are the types of posts that consistently drive success for our clients."

Ultimately, the stories that will connect with your audience are the ones they are interested in – and the ones that make sense coming from you.



Standing up to scrutiny

However engaging your content is, it also has to check out. Weeding out any trace of greenwashing and coming across authentically throughout is vital. Adopting the following principles can help strengthen your content and vision.



Aside from the very obvious moral and ethical obligations, the business case for sustainability content is also increasingly persuasive. By 2025, the value of global Environmental, Social and Governance (ESG) assets could exceed \$53 trillion – more than a third of the total under management. There is also increasing evidence that companies that prioritise sustainability can enhance value creation and attract consumers willing to pay extra.

But while the business case has grown, so have marketing dilemmas. Some marcoms leaders rightly worry about their companies' sustainability credentials, or a lack of full supply chain visibility. How can their sustainability content breakthrough in an increasingly congested marketplace?

At the same time, regulators are increasing scrutiny amid concerns about corporate 'greenwashing'. The most recent Edelman Trust Barometer cautions companies against post-pandemic overpromising. The task ahead for marcoms leaders, therefore, is to make their corporate sustainability messaging as authentic and meaningful as possible. Here's how to make a start.

Step 1: Guard against greenwashing



"Businesses who are really in it for the long term, and who want to develop a sustainable business model, have to do more than greenwashing.

You're opening up your business not just to reputational risk – you could lose customers"

Patrick Reichenmiller, Global Communications Lead in Climate Risk, Swiss Re

Greenwashing – where a misleading positive impression is created about a company's environmental credentials – is nothing new. But as more companies talk about their sustainability track records, accusations of bad practice also become more likely.

How can marketers avoid this trap?

A good starting point is to ground sustainability claims in legitimate corporate social responsibility (CSR) reporting methodologies.

Measures like Global Reporting Institute (GRI) environmental reporting standards can help companies benchmark their achievements.

But how much do you need to have achieved to tell the world about it? Not every business can be like Patagonia, the American outdoor clothing company that has supported grassroots environmental groups for almost 40 years.

Gay Flashman, Founder and CEO of Formative Content, says companies should instead take a step back. "It may well be that a company hasn't fulfilled its complete potential in terms of supporting sustainability and reaching its net zero goals," she says. "But it may well be that it's starting the journey."

BP has set out its objective of reaching net zero by 2050, or sooner, in a clear and bold way. "The best way to stave off any accusations of greenwashing is to make sure that your activity is meaningful and is tied to the long term strategy of the company," says Flashman. "Perhaps it's also an acknowledgement of misguided decisions in the past, and a change of position for the future."

Standing up to scrutiny

Step 2: Act with authenticity

"Fulfilled. It makes me fulfilled," explains Nykeesha Griffin of her work with Microsoft's Employee Giving Campaign.

Nykeesha is a human resources manager at Microsoft and one of many staff voices it features in its richly-sourced, On the Issues blogs. By showcasing authentic employee stories, Microsoft projects its values in a way that many audiences might find more relatable than a purpose statement.

"Authenticity is probably the gel that holds a community of like-minded employees together," says Patrick Reichenmiller, Global Communications Lead in Climate Risk at Swiss Re. "I think this is such an important aspect of communication, and a company."

So how can marketers leverage this powerful force?

"The way to surface stories is to go to your teams," advises Flashman. "Make sure that everybody is on the same page and understands the aspiration.

"Then – just as in a news environment – you need to go and do interviews, find out what people are actually doing in tangible terms. Talk to the people on the ground, delivering real solutions or creating client products, actually working directly with clients."

Step 3: Evidence everything

Every good journalist knows the 5Ws: Who, What, When, Where and Why.

Proof points are essential – if not on social posts, where space can be limited, then certainly via a hyperlink to a campaign website.

Google's fact-packed guide to its climate commitments is both digestible and detailed.

Companies also need to use facts sparingly. Dense statistics will fail to connect with most readers.

Reichenmiller advises marcoms leaders to play to their companies' strengths, grounding claims in their products and services. "In the insurance industry we talk about risk all the time – it's our core business," he explains. "But I think it's equally important, if not even more [important], to talk about inspiring opportunities – the new technologies and new industries we provide solutions for, like renewable energy, or electric vehicles."

Step 4: Don't be dull

The issues are certainly serious: the UN has warned that the world is not on track to meet the Paris Climate Agreement goals. The risks of marketing missteps are also serious. But it would be a mistake to play it safe. "Don't forget you're still fighting for attention for your content," cautions Flashman.

The question is how to stop the scroll.

Not everyone can be like Ben & Jerry's, which regularly makes headlines with its cause-based marketing. However, McKinsey's sustainability content speaks confidently to B2B and broader audiences through the quality of its analysis and highly engaging visualisations.

If creative visuals can seem like an arms race, marketers should lean into their traditional strength of telling the audience information of value. The World Economic Forum's sustainability pages brief readers on its values, and inform them about the latest developments.

Step 5: Always align

"Data shows no correlation between official values and corporate culture," was the dispiriting verdict of an MIT Sloan Management Review of corporate culture statements in 2020.

A survey of c-suite marcoms and sustainability leaders has also found problems: just 25% say they work well together. Misaligned messages risk charges of hypocrisy.

The solution is a coordinated approach to dissemination – not just externally, but internally too. But sustainability cannot begin and end with a communications exercise. It must also be at the heart of decision-making, and everyone must live the message.

"Marketers need to make sure that everyone recognises the relevance of this to the wellbeing of the company going forward," advises Flashman.

Properly engaged employees can be powerful allies in spreading the word. But alignment doesn't need to end with staff. Many companies are also aligning their sustainability claims with a bigger global purpose: for example, both Swiss Re and Standard Chartered have aligned their sustainability strategies with the UN's Sustainable Development Goals (SDGs). Joined-up thinking can have an impact beyond boardrooms.

A broader purpose

At its best, a robust sustainability content strategy can be a flywheel for positive change, not just in the organisation, but across societies. It's also fine to start small.

"Not every company is involved with multimillion pound hands-on projects that are demonstrably impacting the world's sustainability footprint," says Flashman. "But we can all still make some impact. Whether it is through their actions or words, every organisation and the individuals within them can play a part in a wider sustainability vision."

As COP26 approaches, marcoms teams have an opportunity. But first, they need a meaningful message.



"Whether it is through their actions or words, every organisation and the individuals within them can play a part in a wider sustainability vision."

Gay Flashman, founder and CEO, Formative Content

Three ways to make ESG content engaging for investors

Top down pressure from institutional and private investors is now a major factor in pushing companies to focus on their ESG credentials. If making your stories appeal to eagle-eyed, wary audiences is already tough, then winning over financial stakeholders takes the stakes even higher.

At first sight, the marketing task looks clear: more Environmental, Social and Governance (ESG) content – and fast. After all, more than 80 CEOs were ousted by activist shareholder campaigns in 2020, in many cases driven by investors impatient at the pace of progress on sustainability and the battle against climate change.

At the same time, the world's biggest asset manager, BlackRock, is pushing companies to disclose how they plan to reach net zero by 2050. Appetites for sustainable assets are also surging, and companies that miss out may struggle.

Yet on closer inspection, new problems are emerging. As marcoms leaders have scheduled a dozen ESG video conferences, the firehose of content has also grown. So as COP26 approaches, the urgent need is for B2B content on ESG topics that truly stands out.

To help find answers, we reached out to Eugenia Koh, Head of Sustainable Investing at Standard Chartered Bank. She has spent much of her career working across sustainable and impact investing, and was keen to give us her top three ways companies can make their ESG communications engaging for investors.

1. Get specific and give numbers

"A lot of companies are now making 'motherhood and apple pie' sustainability statements," says Koh, and risk falling into the trap of 'greenwashing', while much of the ESG thought leadership Koh sees "all sounds the same".

Investors want companies to get specific, with measurement a big priority. They are far more likely to engage with ESG content if it includes data that can inform decisions.

"Investors are also focused on additionality can a company demonstrate that if they hadn't done it, then it wouldn't have happened? So it's very important for companies to have a clear and simple story about how they are managing some of their core metrics."

One technique companies are increasingly using to achieve this is to demonstrate their alignment with the United Nations' Sustainable Development Goals (SDGs).



"There's a huge piece around materiality right now - the

At Formative Content we work with Microsoft, which regularly evidences its stated commitment to SDG values through its social media channels. The company was also recently named as a Principal Partner for COP26. The UK government noted that its selection was due, in part, to its "ambitious commitment and detailed plan" on climate goals and for "advocating for policies that benefit the environment".

The benefits of detail and clarity are also seen in Google search data, which shows a faster growth in specific search terms such as "zero waste" compared to "sustainability". Plain speaking is also prized. Formative Content's Social & Insights team has observed that keywords such as "green finance" can outperform "sustainable finance" in Google searches; to get investors' attention for ESG content, they must first be able to find it.

"The more detail companies can provide in a simple, clear way to say how they are really progressing on sustainability, the more they will engage their investor audience," says Koh.

Yet if evidence is provided, Koh warns it must always be robust. "If you're doing market research about this, is there a strong enough sample size? Do the holdings of your ESG fund stand up to scrutiny?"

This is critical at a time when hollow climate pledges are under the microscope and regulators are tightening-up on greenwashing.



Three ways to make ESG content engaging for investors

2. Speak to the heart and the head

One key way marketers can cut through the noise is with compelling, human stories that are also grounded in journalistic rigour.

"When it comes to sustainable investing, I think the best content brings the heart and the head together."

Eugenia Koh, Head of Sustainable Investing, Standard Chartered

For example, see Standard Chartered's profile of Roger, an engineer-turned-banker working to improve standards in ship recycling. With colour, humour and behind-the-scenes insights, the video and article bring to life the story of the bank's linking of finance to improved health and safety.

However, "it's not only about a heart-warming story", adds Koh. "From an investor perspective, it's also about the business opportunity, the potential for the market in certain kinds of areas," she says.

"Companies looking to attract investor interest should combine that business opportunity with the more heart-tugging narratives around the needs of these emerging markets. They should link this to a very tangible story of how their business is enabling this impact in communities."

It's no accident that Standard Chartered's human piece also reminds readers of the size of the ship recycling market – one employing around a million workers directly or indirectly in Bangladesh alone.

Elsewhere, at Formative Content we enjoyed this short but informative LinkedIn video showing Shell's first electric-vehicle-only charging station, which has been watched more than a quarter of a million times - this may be related to the way it is told by Will, who designed the station.

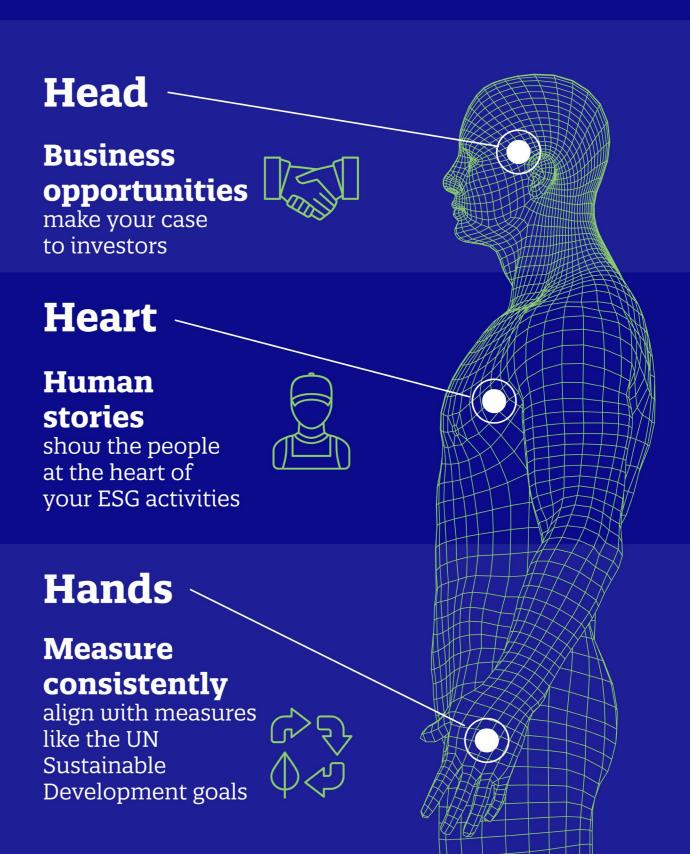
3. Deliver clarity amid confusion

In some ways sustainability content is handicapped by terminology – there is little in the way of a common ESG language.

Despite millions of pages of reports, and billions invested, there remains no commonly agreed definition of ESG. Environmental, social and governance reporting is still not typically mandatory in financial reporting, and even developed economies are on different trajectories. From ESG to SRI, "values-based" to "conscious investing", marketers can easily slip into and heighten this language barrier through a deluge of unexplained and assumed acronyms.

3 ways to make ESG content engaging

How do you make your content stand out and engage investors focussed on Environmental, Social and Governance (ESG) criteria? It comes down to the three Hs:





Eugenia Koh, Head of Sustainable Investing, Standard Chartered



Shaping sustainability communications

This last point suggests that standout ESG content should actually do more than engage investors on social media or via search – it also needs to educate. In an arena where many professionals are still feeling their way, an accessible, infographic-based ESG guide, like Standard Chartered's, could be a powerful asset.

Marcoms leaders have a bigger role still, to build trust in their brands, and to galvanise support at a time of huge change.

"There's such a big potential that capital markets can play in helping unlock some of the gaps in financing sustainable development," enthuses Koh. "It's also exciting that the space is still relatively uncharted, so you have a potential to really shape the discourse."

However, communicating the sustainability messaging and activity of a company can prove a challenge, for two reasons. Firstly, there is a lot of noise being generated by every sector around sustainability; somehow, you have to stand out. Secondly, audiences are becoming ever more questioning and cautious - and that applies to your customers, partners and investors.

Telling your sustainability story with impact

So, you have your sustainability strategy in place and strong proof points that you're executing on it, making an impact in the real world. But how can you communicate your actions and roadmap with impact?

Sustainability is more important to business success than ever before.



It has become today's defining concern for both customers and investors. In a recent survey, nearly two-thirds (61%) of consumers said they expect brands to have clear sustainability practices. Similarly, investors are prioritising sustainability and ESG (environmental, social, governance) criteria when awarding finance.

Businesses are recognising just how critical sustainability is to their future growth.

"Our own sustainability positioning is intertwined with our ambition to be a trusted strategic partner to our customers," says Ashish Babu, CMO – Europe & UK at Tata Consultancy Services (TCS).

However, communicating the sustainability messaging and activity of a company can prove a challenge, for two reasons. Firstly, there is a lot of noise being generated by every sector around sustainability; somehow, you have to stand out. Secondly, audiences are becoming ever more questioning and cautious - and that applies to your customers, partners and investors.

How do you overcome these hurdles and tell sustainability stories that will make an impact with your target audiences?

The answer, in three steps, is:

- 1. show evidence
- 2. be honest and human
- 3. get social media-savvy

Telling your sustainability story *with impact*

1. Show don't tell

As companies build communication strategies, the challenge is bridging the gap between the stories they want to get across and what audiences will engage with. With internal pressure to promote announcements independent of their news value, it is easy to fall into the trap of selling rather than storytelling.

To avoid this slippery slope, it's important to put yourself in the shoes of your audiences. Would you avidly read the latest press release about a minor product enhancement or a technical certification? Very likely, the answer is no.

The key is identifying genuine stories and letting them speak for themselves.

With 'greenwashing' a big concern to the public, it is also critical that actions and communications always align.

"Sustainability should be an integral part of a brand's narrative."

Ashish Babu, CMO – Europe & UK at Tata Consultancy Services (TCS)

"Actions, however, speak louder than words. The sustainability messaging alone is not enough and could even have an adverse effect. That's why tactics such as thought leadership, personal viewpoints and case studies are so compelling – it prompts the audience to draw its own conclusions but to also engage and participate."

2. Be genuine

Crucial to winning your audiences' trust and attention is telling honest, genuine stories. This means not glossing over the ups and downs your company may have encountered and acknowledging gaps that you still need to fill. Few of your peers will have the 'entire package' at this point and being honest about your learning curve will only reinforce your authenticity and credibility.

Although some of your audiences are businesses or public agencies, they are made up of people. A person in a business setting is still a human and responds as such – emotionally rather than rationally.

Research from Google shows that B2B customers are even more emotionally connected to their vendors than consumers. That's likely because the impact of making a 'wrong' purchase is much greater, and B2B buyers need to trust suppliers implicitly.

Making stories relatable at a human level is therefore crucial.

Giving the company a human 'face' can also foster an emotional connection – for instance by selecting an in-house 'sustainability guru' to become the figurehead of your campaign.

3. Sweat the content and arrest the scroll

To extend the reach of your story, it's advisable to 'sweat the content' by adapting it to different platforms, reusing and repurposing it. Instead of just writing a blog, for example, create a range of assets for a range of digital channels – infographics, slide shares or podcasts are just a few examples.

Such an approach is proven to get results: adding images to Facebook posts gets 2.3 times more engagement, while tweets with videos get 10 times more engagement than those without.

A content 'package' such as this can also be used to go beyond digital channels, crossing into media, investor and other influencer relations.

Social amplification offers an opportunity not just to promote your story, but to open a conversation with your audiences, adding to your connection with them. However, given public sensitivity around 'greenwashing', a strategy should be in place for dealing with negative reactions.

And finally, stick with it: nothing is worse than a hive of activity one month and radio silence for the next three.





"The sustainability messaging alone is not enough and could even have an adverse effect. That's why tactics such as thought leadership, personal viewpoints and case studies are so compelling – it prompts the audience to draw its own conclusions but to also engage and participate."

Ashish Babu, CMO – Europe & UK at Tata Consultancy Services (TCS)



Getting your sustainability content strategy right [conclusion]

Getting sustainability and ESG-related content noticed will remain challenging. This is because of both high noise levels as more organisations ramp up their sustainability campaigns, and the wariness with which audiences view companies' environmental commitments.

Choose your sustainability stories based on their own strength, and let them tell themselves. A sustainability initiative that delivers proven results does not need to be over-egged or 'spun'.

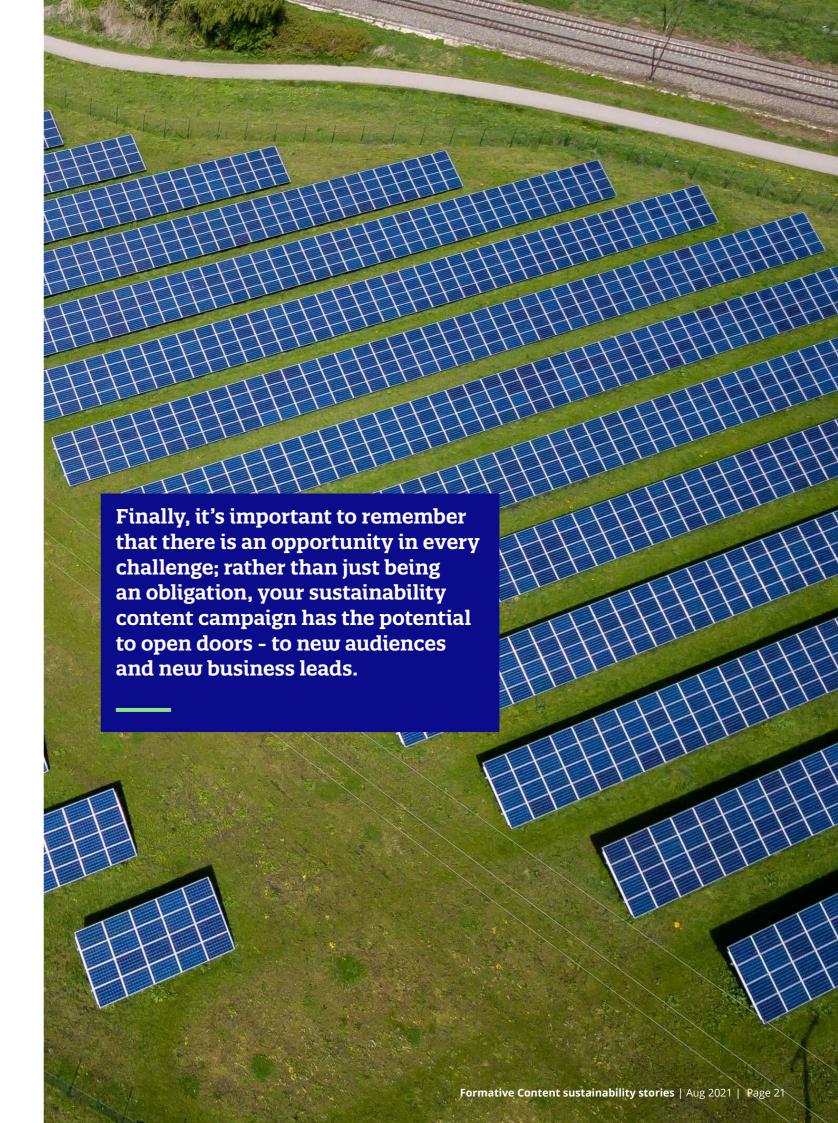
At Formative Content, one of the key elements of designing campaigns is storymining. This process starts with background research including social listening, website analytics and auditing the competitive content landscape to identify strategic content opportunities.

With this research as a guide, we hold regular storymining workshops to unearth a client's most compelling stories that align with their corporate strategy and exploit the opportunities we perceive in the content landscape. The workshops bring together our content strategists and representatives from the client side, including communicators, marketers and subject-matter experts.

We then turn our sights to developing the best of the story angles we've 'mined' to deliver the content in the most impactful format for the audiences clients are aiming to reach. This could be anything from a blog article on the client's website to a Facebook video or an Instagram story.

Our criteria for selecting the format and channel mean that the stories reach the right audiences and make your content relatable at a human level. Supporting paid social campaigns can give further impetus to this and make message delivery even more targeted.

What we often find in this process is that less is more: taking a qualitative approach to your sustainability content will not only help you focus on the most impactful stories, but will also ensure you are not spreading your resources too thinly. A slow but regular drip-feed of stories is easier to maintain and ensures continued campaign momentum.



Your company has a strong commitment to sustainability – and your actions prove it.

But how do you tell this story to your B2B audiences in a compelling way?

A lot of our clients face the same challenge. Our team has run many successful campaigns built around their thought leadership and practical sustainability initiatives.

We produce accurate, engaging content that will spotlight your environmental credentials to help you raise your profile as a trusted supplier, partner and employer in the transition to a more sustainable world.

Whether it is a blog post, video or social assets, our content promotes clients' transition strategies to policymakers, clients, partners and international organisations.

We keep our finger on the pulse of what your audiences are talking about – so that your content can tap right into these conversations.

How can we help you?

Find out more at www.formativecontent.com

Get in touch

T: +44 (0) 1494 424 595

E: gay@formativecontent.com





