

POTENTIAL
ENERGY

(The Return on Responsibility)

Reframing corporate climate messaging around
materiality, not morality.

September 2024

In partnership with:



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Executive summary

In a polarized political environment, communicating about climate can feel risky for a publicly-traded company. But it doesn't have to.

Across multiple audiences and waves of research, both in the U.S. and abroad, we see strong support for companies reducing carbon pollution, investing in clean energy, and communicating about their efforts to do so. In fact, consumers report being more likely to buy from, admire, speak well of, and even work for brands that take these actions.

Where there is potential for pushback from a skeptical minority, businesses can avoid these pitfalls with the right message.

The key to appealing to the broadest set of stakeholders is to frame climate action around materiality— not morality. In other words, businesses invest in climate-related efforts not just because they're *good*, but because they're *good for business*.

Investors and consumers alike believe clean energy technology will shape the future of the economy. They believe climate change is creating new physical and financial risks across industries. They view companies that account for these factors as leaders. And they believe responsible businesses will address these risks, seize these opportunities, and succeed over the long term as a result.

With the right story, there's a clear return on responsible climate action. This guide is designed to give corporate communicators the language to tell that story with confidence.

We have one note to add on our discussion of "morality" and "materiality" throughout this report: there is no question that climate change, and its associated inequities, are among the foremost moral issues of our time.

The question we're exploring isn't whether or not climate change is a moral issue. The question is "what is the best, most impactful way for businesses to message on climate issues in a way that benefits both them as a business— and the world as a whole?"

Past research shows framing climate change as a moral issue, rooted in love and the desire to protect the planet for future generations, is incredibly effective in many situations. See another of our reports, [Later is Too Late](#), for a prime example.

For businesses, the context is different, and, therefore, so are the messages that are most credible and compelling.

The best way for businesses to broaden support without antagonizing skeptics is to frame corporate action through the financial materiality of climate-related risks and opportunities.

In the end, a responsible business is a successful business.

Emphasizing the highly effective "materiality" message will speed the way to our shared goal.

Methodology

This report is based on rigorous, quantitative and qualitative research conducted with nearly 15,000 combined respondents between June 2023 and July 2024.

We conducted in-depth focus groups and online surveys to better understand how consumers view the relationship between ESG, climate action, and business success.

Each wave explored different dimensions of this relationship, including testing messages, attitudes, and behaviors. Together, they offer a robust picture of how consumers and investors feel about the role of business when it comes to climate.

Importantly, the majority of this research was conducted in the U.S., where companies are often the most cautious about navigating the political environment.

However, a round of research was conducted in five additional countries. We've tried to carefully indicate which geographies we're discussing wherever applicable.

ESG Focus Groups

Date: June 2023 **Scale:** 76 U.S. skeptics

Objective: Test messages with skeptics and non-supporters of ESG practices.

Climate Investing Randomized Control Trial (RCT)

Date: July 2023 **Scale:** 4,816 U.S. consumers

Objective: Test potential investment firm positions on climate investing.

Phase 1 U.S. Consumer Survey

Date: August 2023 **Scale:** 1,597 U.S. consumers

Objective: Understand public perceptions of ESG and ESG communications.

Phase 2 U.S. Consumer Survey

Date: August 2023 **Scale:** 1,524 U.S. consumers

Objective: Dive deeper on public perceptions of ESG and the effectiveness of potential alternative approaches to ESG messaging in a second wave survey.

Investor Survey

Date: April 2024 **Scale:** 1,000 U.S. investors

Objective: Test retail investor perceptions (those with USD \$150k to \$1M+ in assets) about the relationship between climate, clean energy, and performance.

Global Consumer Survey

Date: July 2024 **Scale:** 4,509 consumers in US, UK, DE, JP, BR, and FR

Objective: Understand consumer expectations about the role of businesses in climate action and uncover language that helps talking about climate action.

SECTION 1

Starting on common ground.

The global climate conversation is less divided than it feels.

- Consumers believe businesses have a *responsibility* to act on climate
- Consumers believe companies face *significant clean energy* opportunities and climate risks
- Consumers say they are *more likely to buy from, work for, and speak well of* companies that take action on climate
- Investors *encourage* and *expect* financial services firms to evaluate factors related to climate
- Investors feel companies that take advantage of clean energy opportunities and mitigate climate risks are more likely to succeed financially

Consumers believe companies have a *responsibility* to act on climate.

As we have seen with past work, consumers see climate change as a major issue across countries.

As Figure 1 demonstrates, 8 of 10 consumers across 6 countries view climate as a moderate or serious problem.

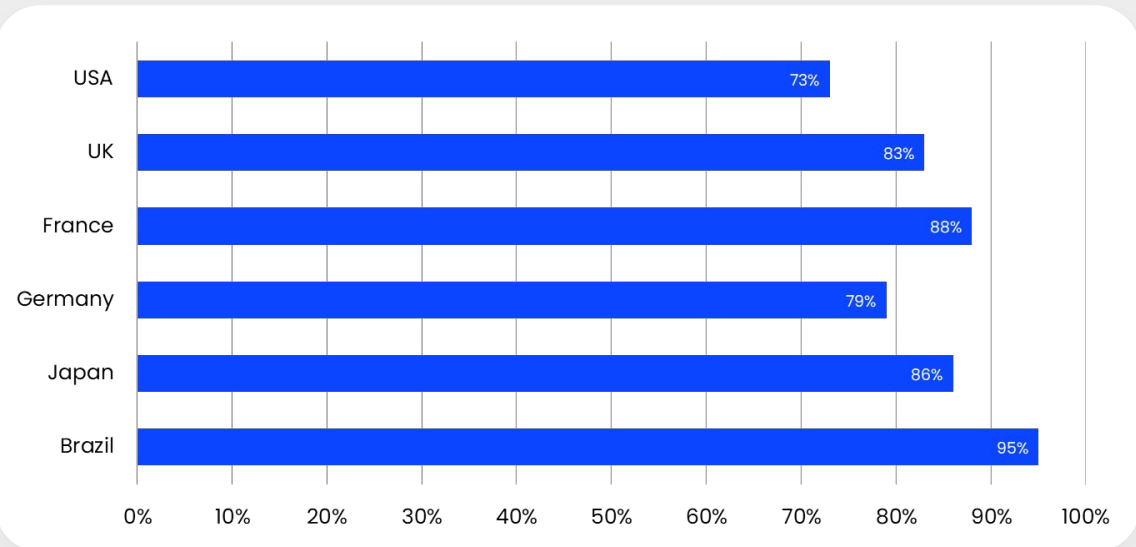
Even in the U.S. where polarization is much higher, the percentage of Republicans who see it as a problem outnumber those who do not, 43% to 20%.

Across countries surveyed, consumers believe companies should be doing more than simply making as much money as possible. They think corporations have a responsibility to make a positive impact on the world.

In fact, agreement with this idea that companies have a “responsibility” increases in many countries, including France, the UK, and Brazil, when you narrow the statement down to specifically “a responsibility on climate” (see Figure 2).

Figure 1. Concern for climate is high across countries

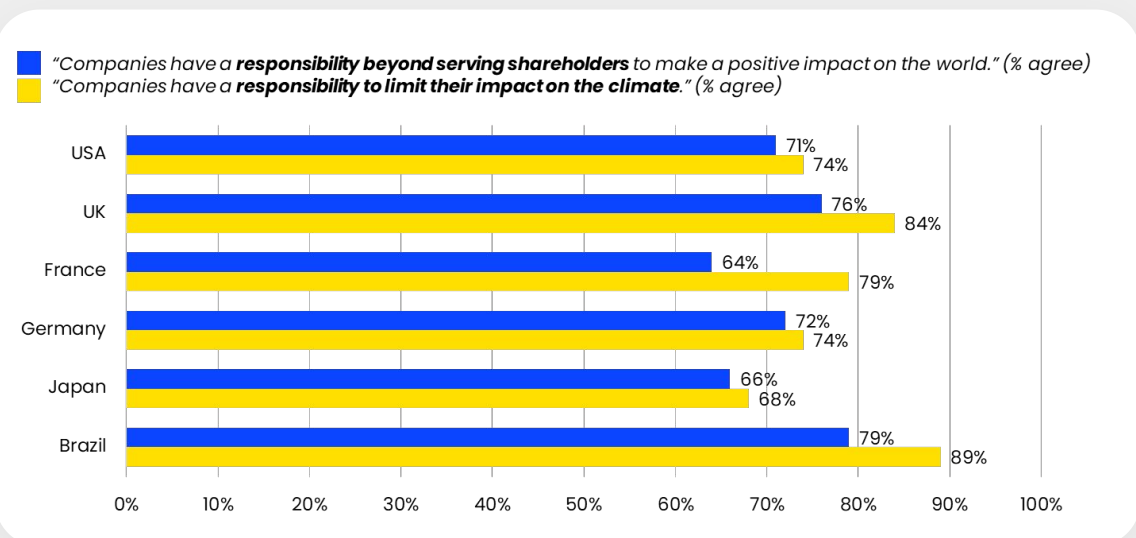
% who think climate change is a moderate or serious problem



Source: Global Consumer Survey | n=4,509; U.S. consumer base: n=2,003; DEM: n=759; IND: n=532; REP: n=714

Figure 2. Consumers believe corporations should act

A strong majority of people in every country tested agree that...



Source: Global Consumer Survey | n=4,509; US: 2,003; UK: n=500; FR: n=504; DE: n=501; JP: n=501; BR: n=500

Brands that act on climate stand to win consumers.

Consumers want to see evidence that companies are acting on their climate responsibilities.

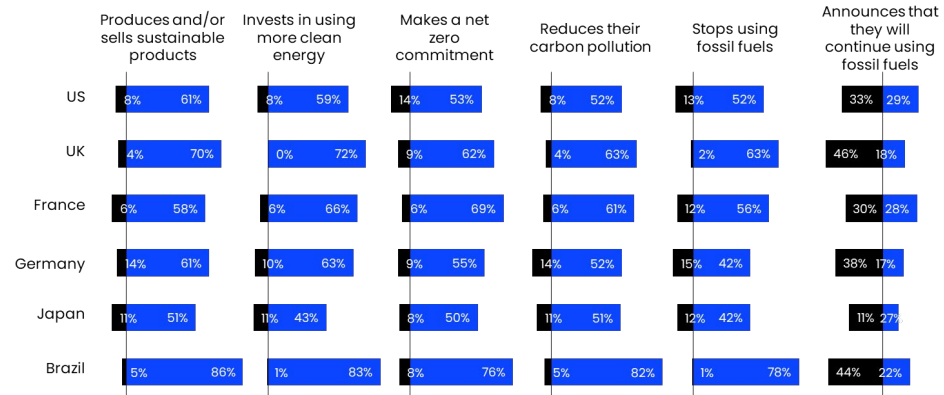
In fact, consumer will reward the companies that demonstrate meaningful progress. This presents the possibility of a real, tangible return on companies' investments in reducing pollution (see Figure 3).

In particular, a majority of consumers also say they're more likely to *buy from, work for, and speak well of* companies that take climate action, such as reducing carbon pollution or investing in clean energy. In contrast, fewer consumers are deterred by brands engaging in these same actions.

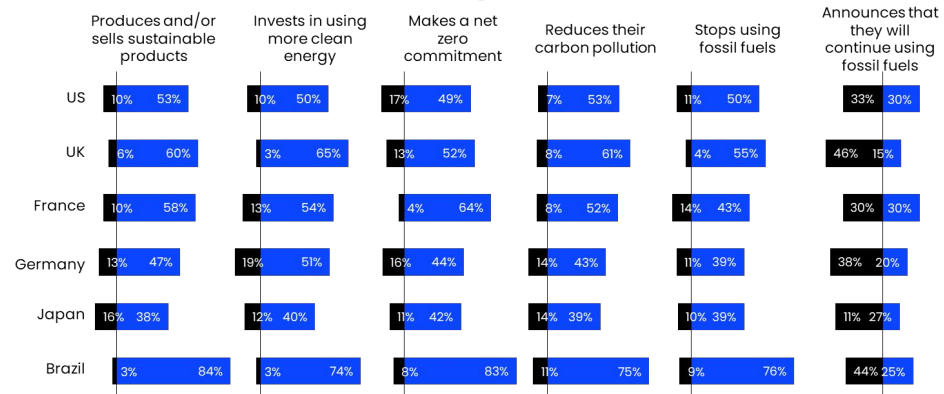
Notably, the only action that negatively impacted consumer perception was announcing an intention to "continue using fossil fuels."

Figure 3. Reputational benefits of acting on climate

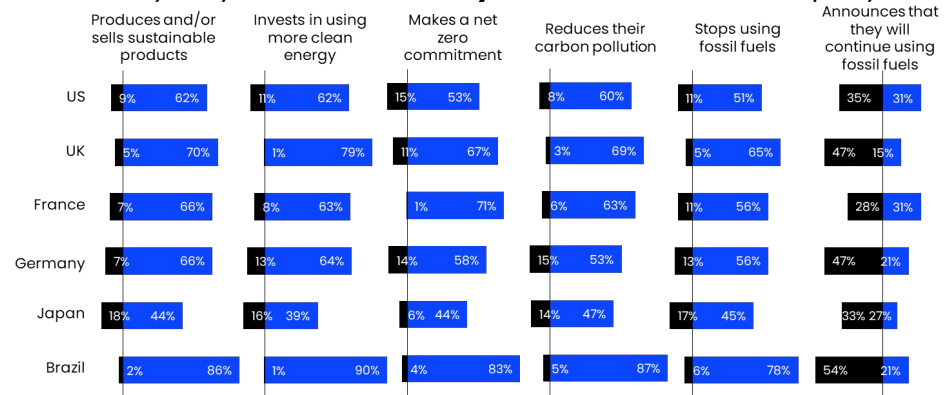
Consumers who say they're **more/less likely** to **BUY** from a company if the company...



Consumers who say they're **more/less likely** to **WORK** for a company if the company...



Consumers who say they're **more/less likely** to **SPEAK WELL** of a company if the company...



Source: Global Consumer Survey | n=4,509; US: 2,003; UK: n=500; FR: n=504; DE: n=501; JP: n=501; BR: n=500

US investors believe financial firms should act on and evaluate climate factors.

Shifting from a global consumer audience to a U.S. retail investor audience, we consistently found pro-climate preference.

On a survey focused on active retail investors in the U.S. with minimum investable assets of USD \$150,000+ and 28% of the sample having USD \$1 million or more in assets.

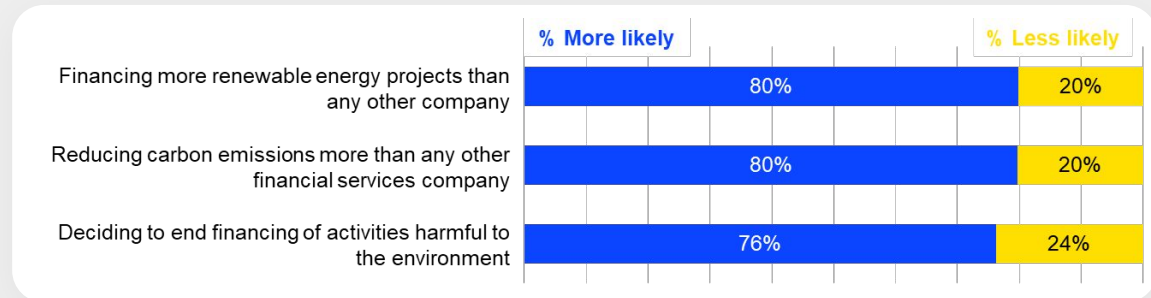
With this audience, we tested over 30 different actions a financial services firm could take around climate and climate-related factors, such as reducing their carbon pollution, starting sustainable funds, disclosing climate impact data, and investing in clean energy (see Figure 4).

We found a political divide, with an average gap in support of about 30 percentage points between investors who identified as Democrat (liberal) and Republican (conservative). Despite this predictable disparity, however, investors were still four times as likely to be in favor of the pro-climate position than against it. This margin was lower among Republican investors, but still about 5:3 in favor of the pro-climate position. Overall, every single action tested had more in favor than against (see Figure 5).

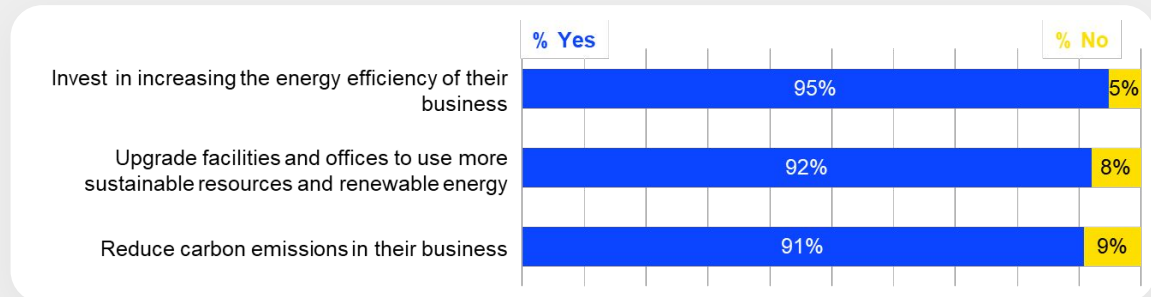
It's clear that for most U.S. investors, effective investing and climate action can coexist and, in fact, often go hand-in-hand.

Figure 4. Example investor perspectives

Are investors more/less likely to invest with financial services companies that are...



Do investors believe there should be encouragement, expectation, or requirement for financial services companies to...



How important do investors think it is for financial services companies to prepare for risks like...

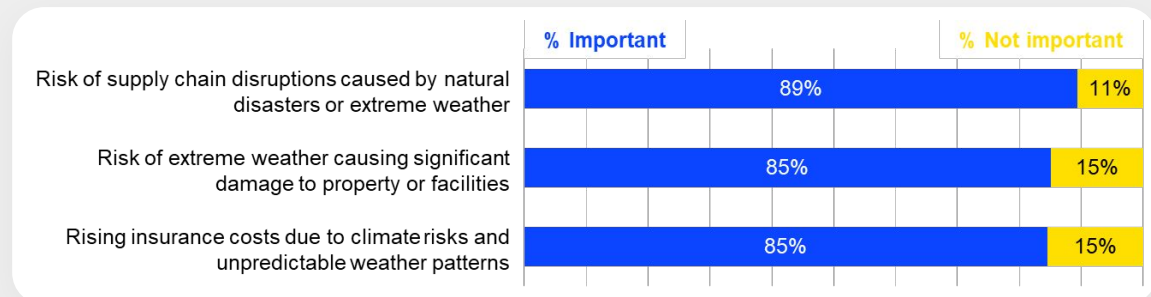
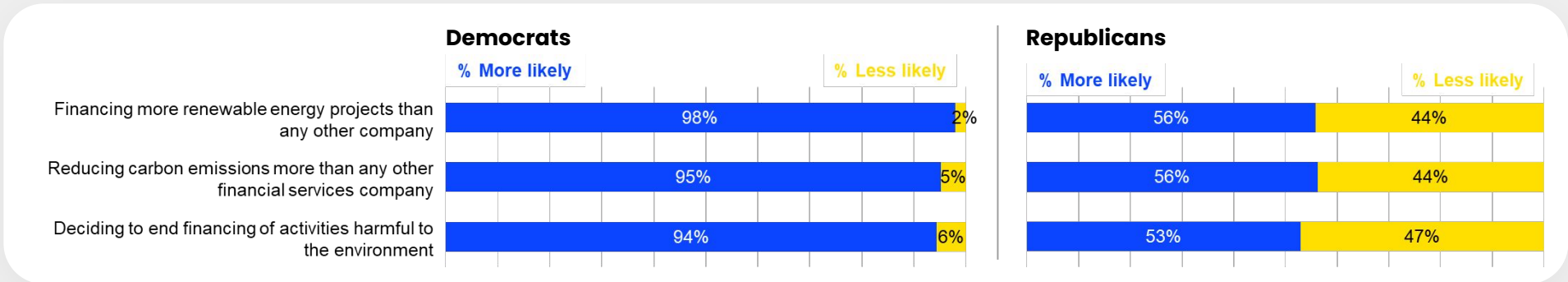
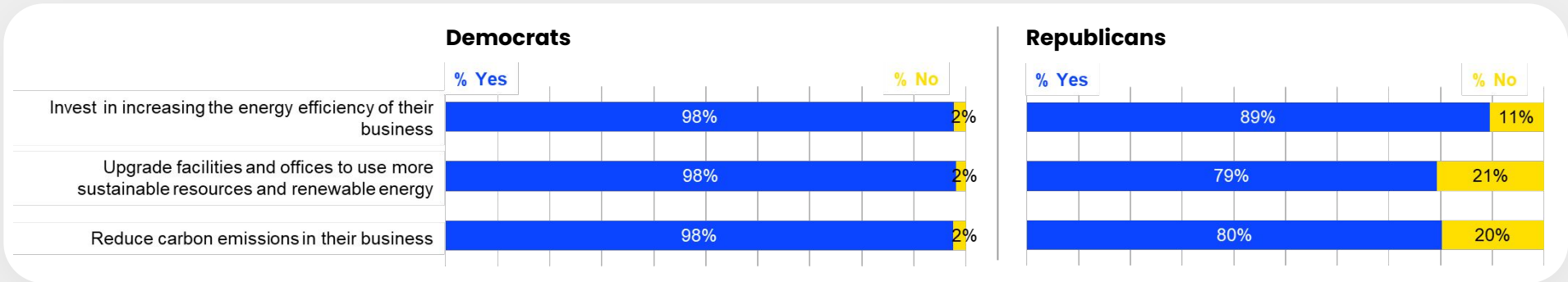


Figure 5. Investor perspectives by party affiliation

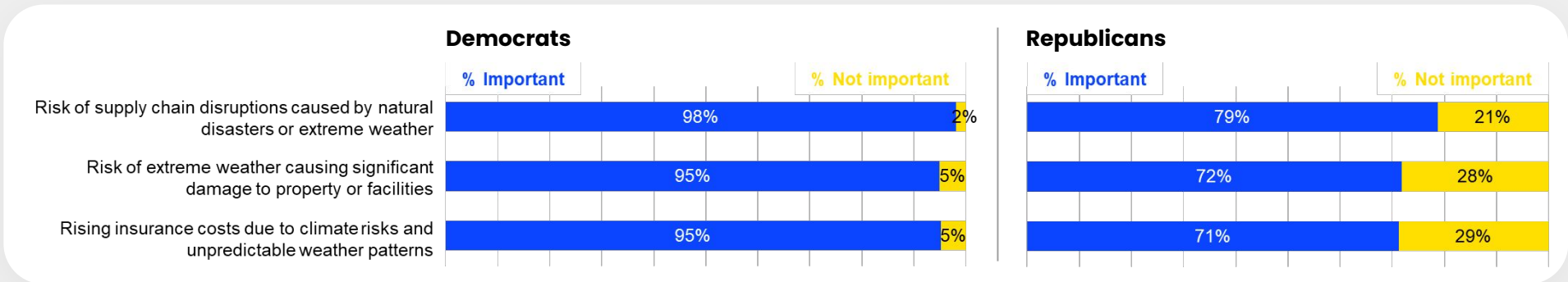
Are investors more/less likely to invest with financial services companies that are...



Do investors believe there should be encouragement, expectation, or requirement for financial services companies to...



How important do investors think it is for financial services companies to prepare for risks like...



Source: Investor Survey | n=1,000 U.S. investor base; DEM: n=373; IND: n=298; REP: n=329



SECTION 2

Finding the right frame.

For corporate climate messaging, shifting frame drives better reputational outcomes.

- U.S. consumers surveyed are wary of businesses taking “political stands”
- U.S. skeptics of climate action worry brands “push their beliefs” on people
- Some of these skeptics react negatively to messages that take a moral tone or frame actions in an ideological way
- Messages that frame climate action as a common sense business strategy reduce the chance of this pushback

In the U.S., today, businesses are understandably hesitant to get political.

U.S. consumers' appetite for companies to wade into the political arena is limited.

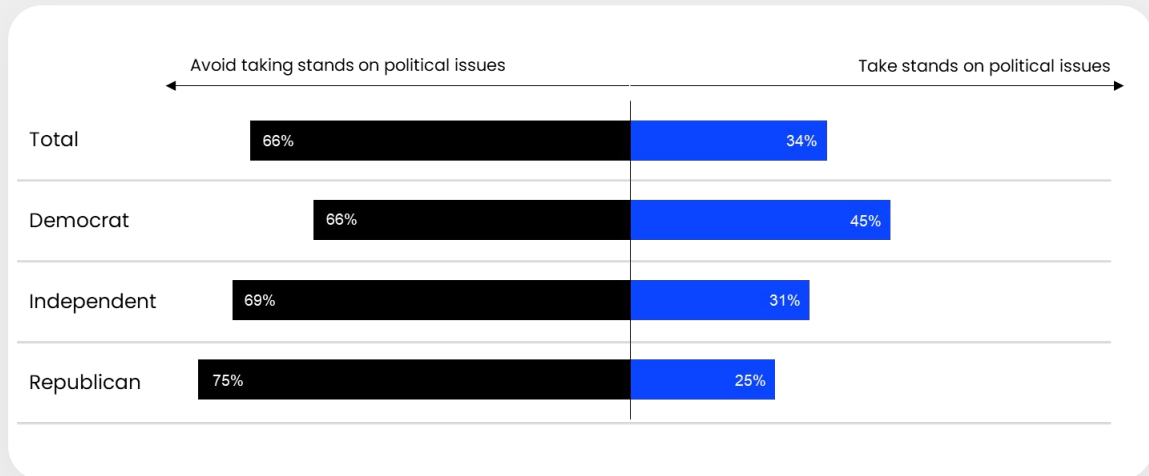
In fact, only around 1 in 3 U.S. consumers want companies to "take stands on political issues" (see Figure 6).

If companies do engage on political issues, the risks are real. In late 2023, the beer brand Bud Light faced heavy criticism, boycotts, and ultimately hits to the stock price of its parent company. The controversy originated from their use of a trans social media influencer as part of an advertising campaign, and their responses to the initial pushback.

Many companies interpreted this backlash as a cause for hesitation— and they're not entirely wrong to worry. In fact, today, 1 in 2 U.S. consumers claim they've stopped doing business with a brand due to a political stance they disagreed with (see Figure 7).

Figure 6. Mixing politics and business

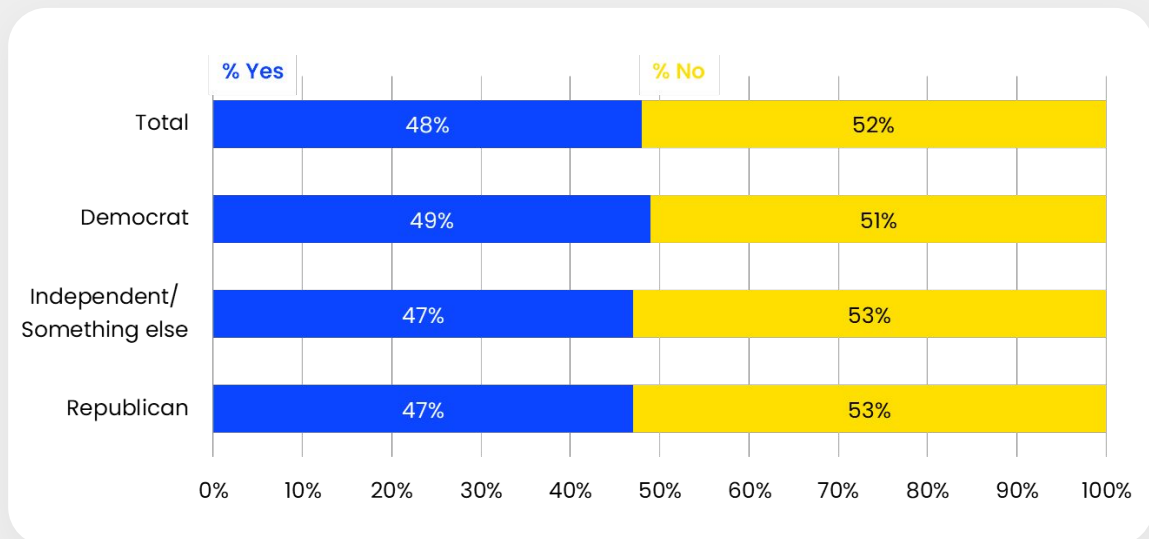
"Overall, I believe companies should..."



Source: Global Consumer Survey | n=4,509; U.S. consumer base: n=2,003; DEM: n=758; IND: n=532; REP: n=714

Figure 7. The risk of a miss

% of consumers who say they've stopped doing business with a company for supporting a political agenda they disagree with?



Source: Phase 2 U.S. Consumer Survey | n=1,524; DEM: n=512; IND: n=531; REP: n=481

Navigating the potential for political polarization on climate.

As discussed, about 6 in 10 consumers would be more likely to buy from or support brands that reduce their carbon pollution or invest in clean energy, while only 1 in 10 says they'd be less likely (see Figure 3). Clearly, these actions do not prompt major boycotts.

Further, 2 in 3 consumers say that reducing carbon pollution or investing in clean energy is NOT "taking a political stand" (see Figure 8).

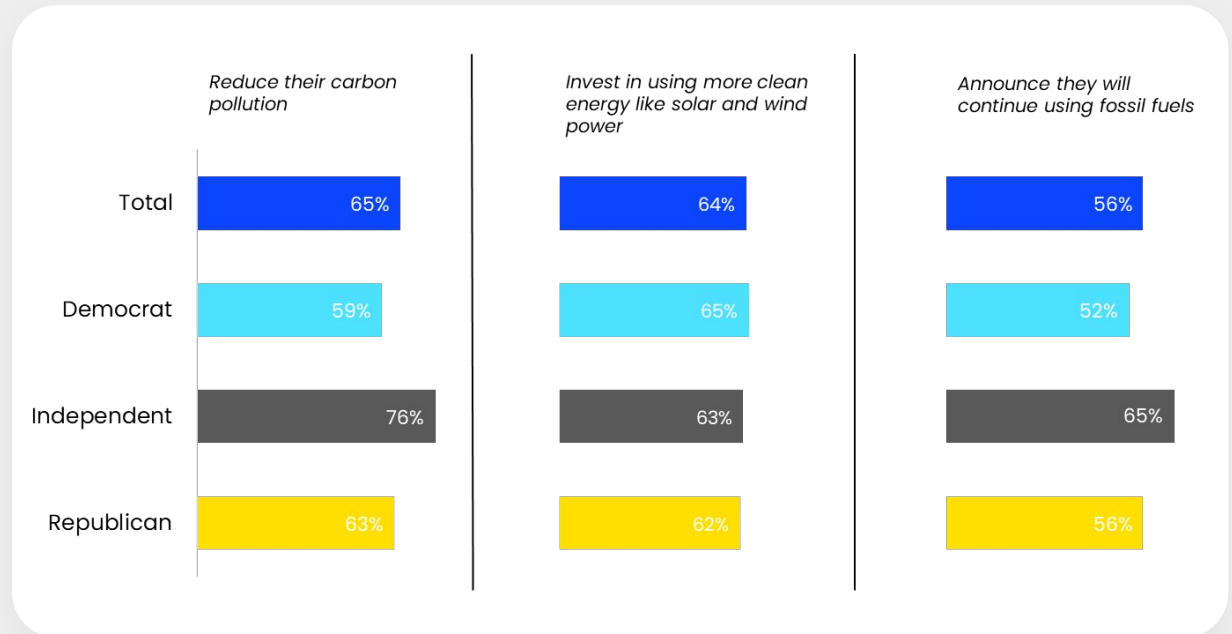
This leaves 1 in 3 who do perceive it as political.

The question becomes, how do you thread this needle? How do you capture the clear reputational reward that comes with taking climate action, while minimizing any risk of pushback or making the conversation political? How do you satisfy the supportive majority without frustrating the skeptical minority?

The remainder of this report dissects how companies can achieve this with a single, simple shift in messaging: less about the morality of climate, and more about the materiality of climate.

Figure 8. Climate action seen as less political

In general, do you feel a company is or is not taking a political stand if they... (% No, not taking a political stand)



Source: Global Consumer Survey | n=4,509; U.S. consumer base: n=2,003; DEM: n=758; IND: n=532; REP: n=714

Less about the
MORALITY of
climate...

More about the
MATERIALITY of
climate.

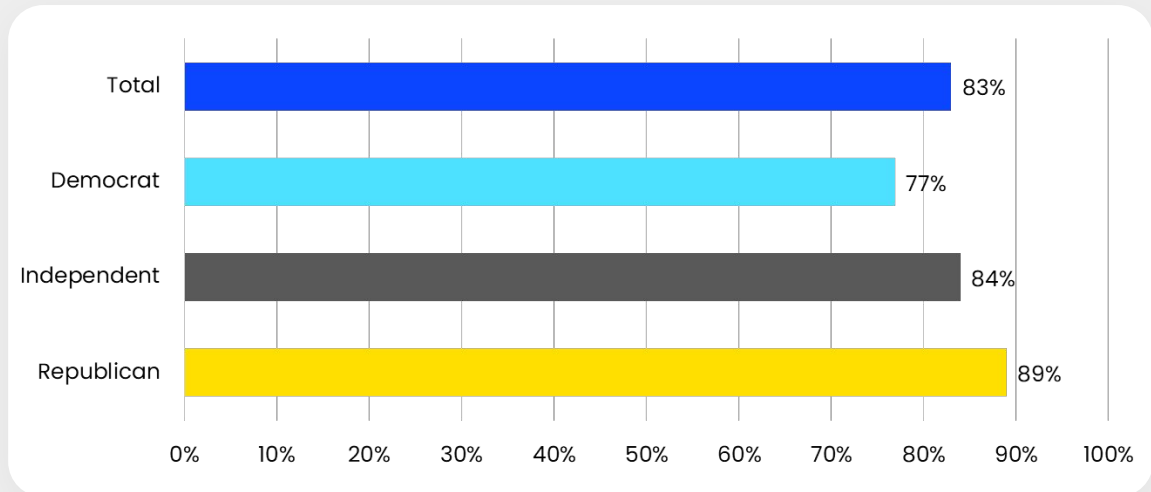
The key tripwire to avoid is the feeling of “forced morality.”

Today, more than 80% of U.S. consumers (including almost 90% of U.S. Republicans) agree that too many people are trying to impose their beliefs on others (see Figure 9).

This frustration is the heart of the “anti-ESG” backlash. It leads to outcries and boycotts against “woke” businesses using their platform to advance “ideological” agendas.

Figure 9. Frustrations with forced morality

“Too many people are trying to force their opinion down other people’s throats.” (% Agree)



Source: Phase 2 U.S. Consumer Survey | n=1,524; DEM: n=512; IND: n=531; REP: n=481



“Companies have been very in your face with a particular agenda lately– whether you agree or disagree.”

– U.S. Consumer

“If you have an agenda in a commercial or a product, it’s not going to make profits because people don’t agree with it. They feel like it’s forced on them.”

– U.S. Consumer

“I feel like there’s a hidden agenda– it’s not talking about money.”

– U.S. Consumer

Putting *morality* and *materiality* messages to the test.

We conducted a randomized controlled trial of climate messaging. In this U.S. test, each message was positioned as a simple statement from a financial services firm about their investing strategy.

We tested a range of climate messages in this trial, but two in particular stand out.

The first frames climate as part of a *moral* stance.

It includes subjective words like “right” and “good,” potentially ideologically coded words like “social injustice” and “natural capital,” and strong verbs like “fight,” “combat,” and “impact.”

The second focuses on climate exclusively as a *material* issue.

It explicitly disavows any political interest. It frames the message primarily around climate as a fiscally responsible factor to consider. It avoids politically coded language in favor of physical and financial language, like “wildfires,” “floods,” and “industry.”

We tested two distinct messages

Morality.

At Alpha Managers, Inc., our strategy is based on the principle that the most important thing to do is the **right** thing to do.

That means Alpha will invest in **combating** climate change and protecting **social** values in our workforce. Our world faces many challenges: **climate change, inequality, social injustice.**

Investors, regulators, and the public are now increasingly demanding that companies should not only be good stewards of financial capital but **also of natural and social capital.**

By upholding standards for climate investing and inclusive workforces, Alpha Managers, Inc. is showing that they are aware of the ways they **impact** and are impacted by society—and that they are committed to being a positive force for **good** in their communities.

Materiality.

Alpha Managers, Inc. makes **responsible business decisions** that are in the best interests of our ongoing success.

A key to our success has been our ability to stay focused and resist the distractions of investment fads and political pressures.

Rather than falling for risky choices driven by politics, Alpha Managers, Inc. carefully evaluates each investment opportunity, considering factors such as the **risks associated with heat, wildfires, and floods, as well as the profit potential of emerging clean energy industries.**

With this comprehensive assessment, **the company moves forward to protect our investors and customers.**

Political demands from politicians and special interests will not get in the way of our commitment to delivering profits for our customers.

Note: *Neither of these messages are recommended as written. They were designed to be research stimuli, staking out a specific position in strong language to explore which approach resonates best. They are illustrative, but certainly not prescriptive.*

Both *morality* and *materiality* drive favorability— only one increases polarization.

In many contexts, strong, moral messages resonate, such as those that appeal to values like love for family, national pride, and the desire to protect what you love.

Based on our data, however, businesses aren't necessarily the best messenger for this story.

Every single pro-climate message in our trial tested well, including the moral message. They all increased favorability of respondents toward our imaginary investment firm by double-digit percentages.

The moral message, however, also had the highest increase in *unfavorability* of any message.

The materiality message, on the other hand, delivered our strongest performance on favorability without increasing unfavorability *at all* over the control message.

Only one message lifts favorability without backlash

Morality.

Materiality.

How favorable or unfavorable is your view of this company?



+17
percentage points in
'favorability'



+18
percentage points
in **'favorability'**



+6
percentage points in
'unfavorability'



+0
percentage points in
'unfavorability'

How to communicate climate materiality through risk, opportunity, responsibility.

To make this framing shift, three specific messaging approaches resonate, as shown in Figure 10.

1. Frame climate risk as *business risk*.

There are clear *physical* risks to infrastructure and *financial* risks to cost that consumers and investors believe companies need to act on.

2. Frame clean energy as *technology, innovation, and opportunity*.

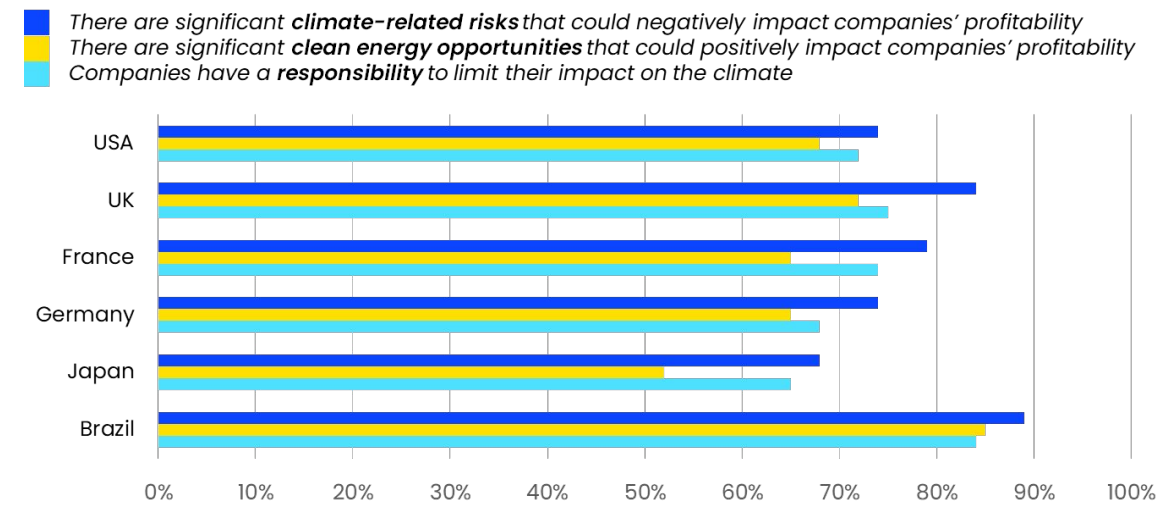
It's not just about good vs. evil or doing the right vs. wrong thing for the planet. It's about new vs. old and growing vs. declining. It's about the value of action vs. the risk of inaction.

3. Frame the goal as *responsible business*.

The word "responsible" offers a politically neutral, financially-grounded way to frame the conversation, with clearer, more positive associations than "ESG" or even "sustainability." People believe "responsible businesses" accounts for a wide range of subtle, significant factors (including climate) and can succeed, as a result.

Figure 10. Risk, opportunity, and responsibility all matter

A strong majority of people in every country tested agree that... (% Agree)



Source: Global Consumer Survey | n=4,509; US: 2,003; UK: n=500; FR: n=504; DE: n=501; JP: n=501; BR: n=500

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**Climate risk is
business risk.**

7 in 10

**consumers surveyed agree
businesses face significant
climate-related risks that
could negatively impact their
financial performance.**

“

“If you’re not managing emissions, there won’t be a planet, you won’t be a company, and you won’t have money– it’s all a trickle down effect.”

– U.S. Consumer

“The world is changing and someone attuned to investing and doing business knows it’s important to minimize risk.”

– U.S. Consumer

“I think about limited water usage in places like California– if you haven’t learned how to use less in your process, that could impact your business.”

– U.S. Consumer

Investors believe climate risks have real consequences.

One of the most direct questions asked in our entire U.S. investor survey was;

“How strongly do you agree or disagree with the following statement: ‘Climate change is causing a lot of damage that can hurt a company’s financial performance.’”

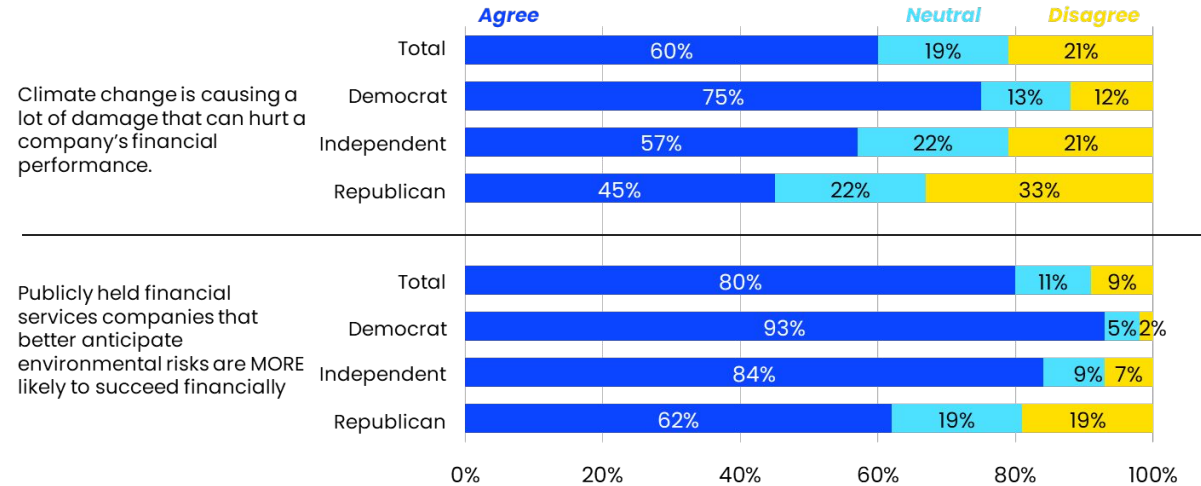
This question sets a high bar.

In testing, “climate change” emerged as a more polarizing political term than simply saying “climate.” And “a lot” is a demanding standard to set.

It’s telling, therefore, that 60% of U.S. investors were willing to agree with the statement as written, including almost 50% of Republican investors.

Investors also believe the ability to anticipate and adapt to these significant climate risks is a competitive advantage. They believe that financial services firms that are able to identify and anticipate these risks will be more likely to succeed financially than their peers, as shown in Figure 11.

Figure 11. Climate risk and financial services



Source: Investor Survey | n=1,000 U.S. investor base; DEM: n=373; IND: n=298; REP: n=329

Consumers see climate risks across industries.

For industries like construction, energy, and agriculture, the connections are obvious for most consumers, with almost 80% agreeing they can see at least a “good amount” of risk.

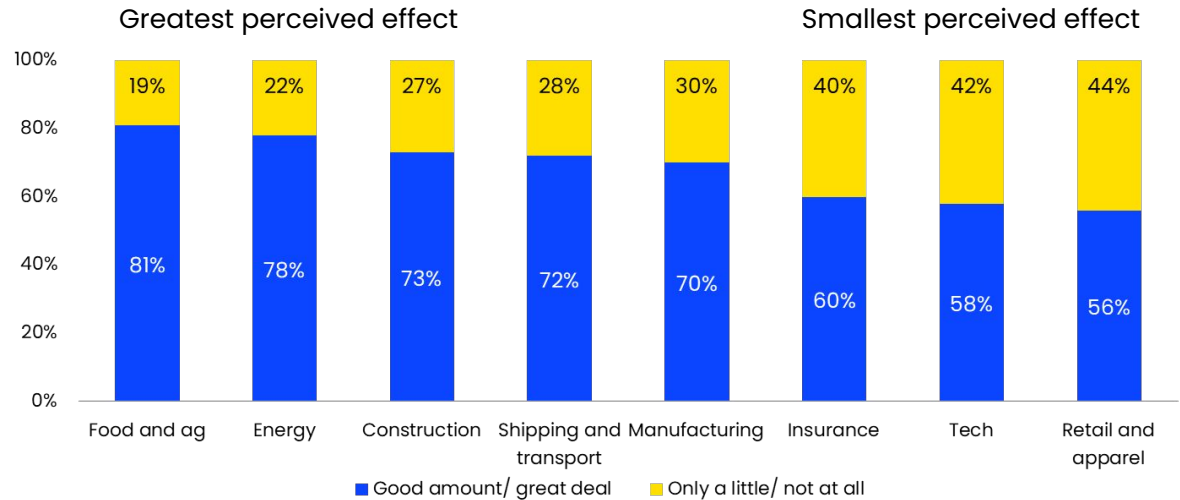
In the most literal sense, these industries feel a “material” impact of climate change on the physical resources, land, and energy they use to run their business (see Figure 12).

For industries that are less clearly impacted by weather, land availability, or energy, like tech and pharmaceuticals, this link is weaker. Even still, over 50% of consumers expect these industries to be impacted a good amount or more.

Across the board, an average of less than 15% of consumers in countries surveyed believes these leading industries are “not at all” being impacted by climate risk.

Figure 12. Consumer perceptions of climate risk by industry

How much do you think each of these industries are currently being impacted by climate-related factors?



Source: Global Consumer Survey | n=4,509

Making climate risk real

Painting a clear picture of climate risk with the right language and relevant examples helps bring the conversation down to Earth. For consumers, two types of climate risks are most apparent and most urgent.

Physical risks

These are risks to companies' *stuff*. Anything that can be destroyed in a fire, a storm, or the sea. This includes physical infrastructure, raw materials, real estate, products, and buildings.

- Trade disruptions
- Threatening weather
- Decreasing availability of land
- Important resources and raw materials

Financial risks

These are risks to companies' *wallets*. In a time where consumers are already sensitive to rising prices, it makes sense that climate-related factors like extreme weather events, supply chain disruption, and future policy regulation could further drive up costs.

- Rising costs of insurance
- Volatile energy costs
- Cost of land
- Cost of dwindling raw materials

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**Clean energy innovation is
a business opportunity.**

7 in 10

**consumers surveyed agree
businesses face significant
climate-related opportunities
that could positively impact
their financial performance.**

“

“Companies that care about the environment will be more successful– in the news and social media these days, you see people saying we need to be more conscious about it.”

– U.S. Consumer

“Companies can look at this as impending doom or they can see it as an opportunity to learn about where the industry is going and advance.”

– U.S. Consumer

“The best companies see the writing on the wall, know where we’re going, and innovate to be more environmentally-friendly.”

– U.S. Consumer

As an industry sector, investors expect clean energy to outperform.

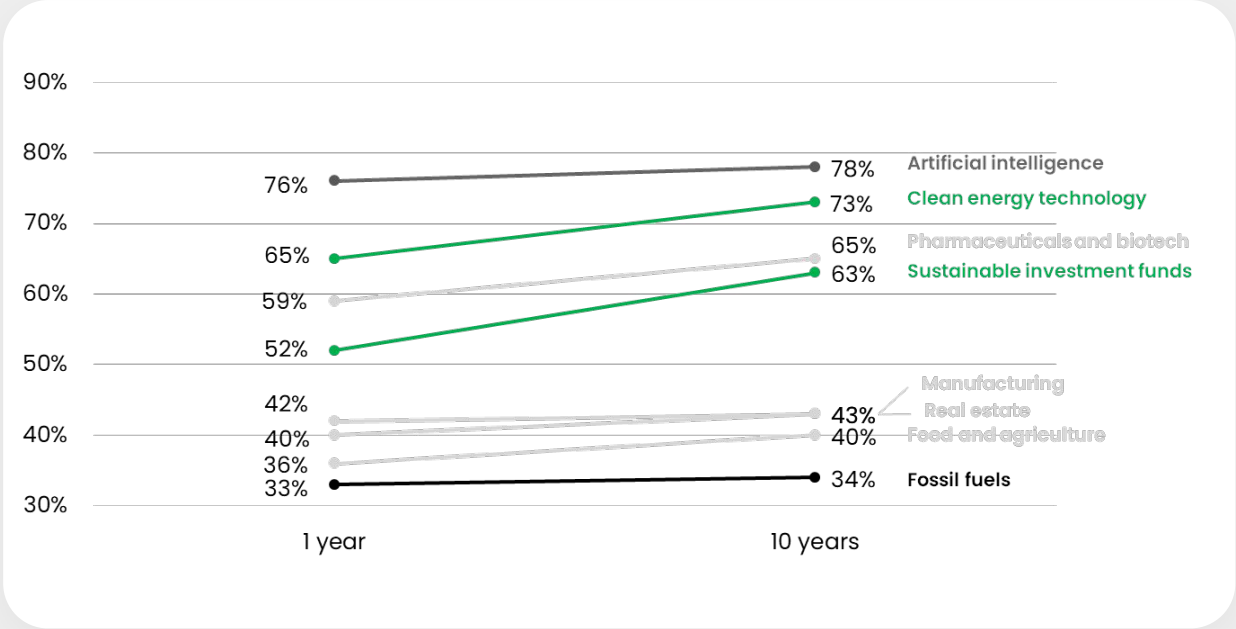
More than 2 in 3 of U.S. retail investors expect clean energy to beat the market, both over the next year and, to an even greater degree, over the next ten years. That's higher than for pharmaceuticals, real estate, and fossil fuels. In fact, "clean energy technology" beats all sectors tested except artificial intelligence in investor optimism (see Figure 13).

It's no coincidence that "clean energy technology" scores higher than simple "sustainable investing." This is another example of shifting the climate conversation from an abstract, moral, and, potentially, political sphere into the realm of real, relevant business decisions.

The word "technology" helps anchor the conversation around innovation and invention, further emphasizing the upside.

Figure 13. Investor perceptions of industry performance

% of investors who expect sector to perform better than market over the next year...



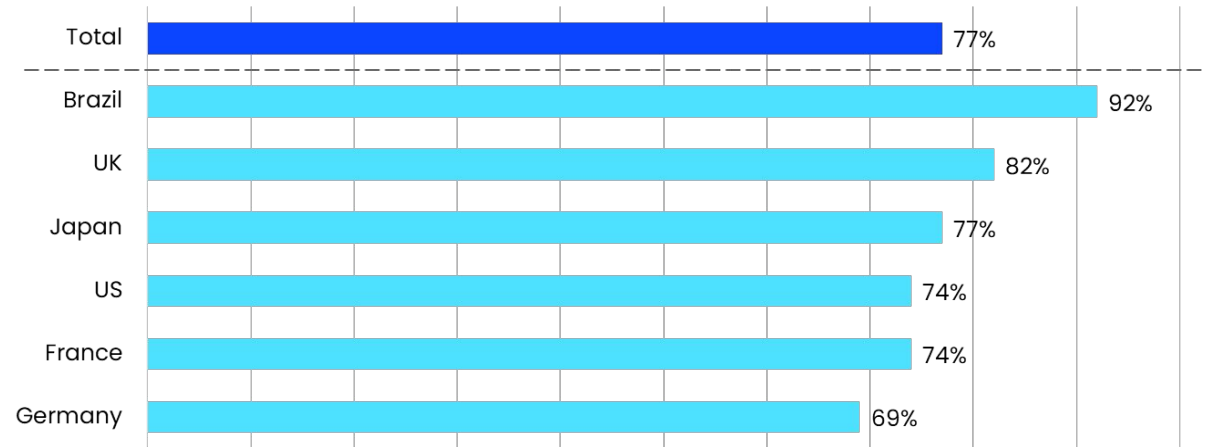
Source: Investor Survey | n=1,000 U.S. investors

Consumers see clean energy investment as a competitive edge.

In line with U.S. investors' industry expectations, 3 in 4 consumers across countries surveyed believe companies that are committed to using more clean energy will perform better financially than other industries— a number which includes 57% of U.S. Republicans (see Figure 14).

Figure 14. Global consumer expectations of clean energy performance

"Companies that are committed to using more clean energy are MORE likely to succeed financially." (% Agree)



Source: Global Consumer Survey | n=4,509; US: 2,003; UK: n=500; FR: n=504; DE: n=501; JP: n=501; BR: n=500

Consumers believe brands that take climate actions are more likely to be leaders.

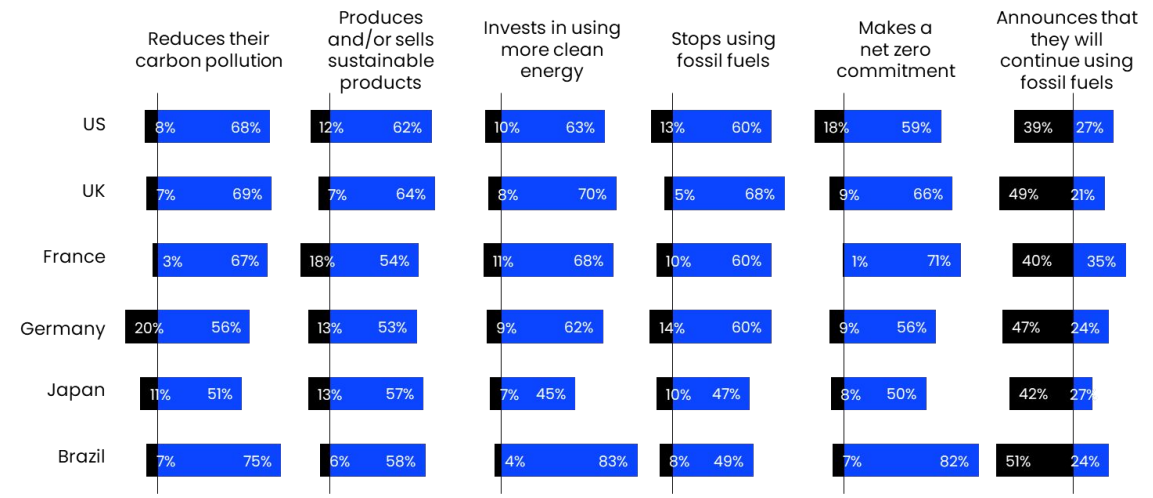
Crucially, 2 out of 3 consumers say brands that invest in clean energy or reduce their carbon pollution are more likely to be seen as leaders and more likely to be brands people admire. Only 1 in 10 believe the opposite (see Figure 15).

Every climate action we tested yielded positive results. However, less tangible actions like "making a Net Zero commitment" showed weaker returns compared to more concrete actions.

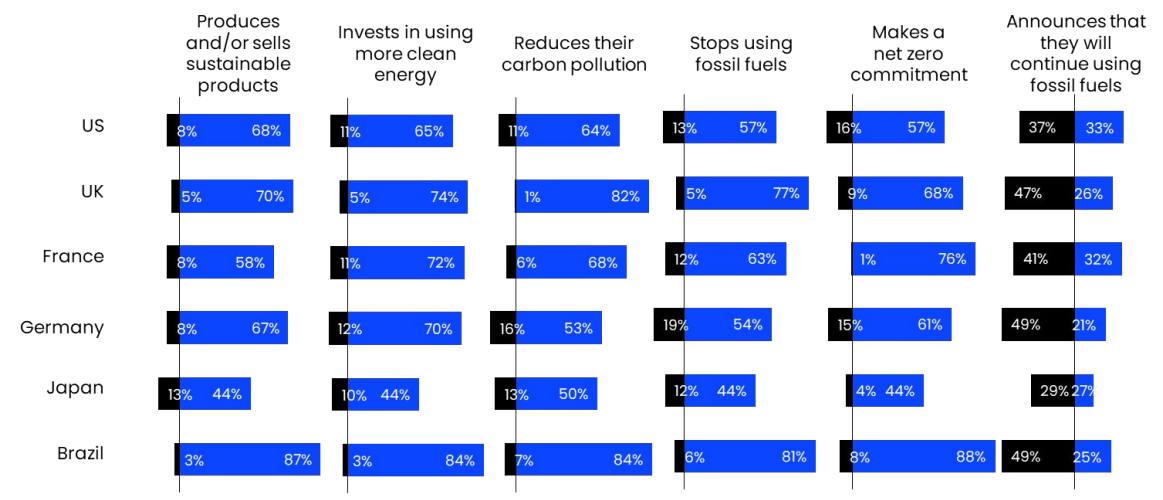
For comparison, "continuing to use fossil fuels" shows up as the action *least* likely to earn admiration.

Figure 15. Reputational benefits of climate action

If a company [INSERT PHRASE], are they **more** or **less likely** to be viewed as a leader in their industry?



If a company [INSERT PHRASE], are they **more** or **less likely** to be a brand that people admire?



Source: Global Consumer Survey | n=4,509; US: 2,003; UK: n=500; FR: n=504; DE: n=501; JP: n=501; BR: n=500

Making the clean energy opportunity clear.

Effectively communicating the clean energy opportunity means *telling a new story*.

This story should be about...

- Old energy technology vs. new energy technology.
- A growing market vs. a stagnating one.
- Getting in on the ground floor of new innovation vs. sticking to old ways.
- The value of action vs. the cost of inaction.

Importantly, this makes it a story of addition and upgrading, a story of abundance, more than the replacement or elimination of fossil fuels. Investing in clean energy innovation means moving *forward*, not redo-ing work or running in place.

It is about progress, not just change or transformation.

The strongest examples frame clean energy opportunity through the lens of progress, exploration, and expansion:



Diversifying supply of energy sources



Reducing long-term energy costs



Increasing energy efficiency



Strengthening community relationships



Being a cutting-edge place to work that attracts top talent



Keeping up with consumer demand for sustainable goods



Capitalizing on the latest innovation



Getting in on the ground floor of emerging technology

責任

responsabilité

responsabilidade

responsabilité

**There's a return
on responsibility.**

8 in 10

**consumers believe
"responsible businesses"
are more likely to succeed
financially.**

“

"A responsible business is a business that knows the ins and outs of being successful and how to avoid crashing."

– U.S. Consumer

"What makes a company successful is making a good amount of money while still having corporate responsibility."

– U.S. Consumer

"A responsible business is a profitable company moving towards renewable energy and empowering employees to attain financial prosperity..."

– U.S. Consumer

It's time to change the language.

In many ways, the term “ESG” has hijacked the conversation, particularly in the U.S.

“ESG” has roots in the world of global economics. It was never designed to be the face of a movement or make headlines. Over time, it's taken on a life of its own.

Advocates for environmental and social causes embraced it as a way to quantify how “good” a company is to try to hold businesses accountable.

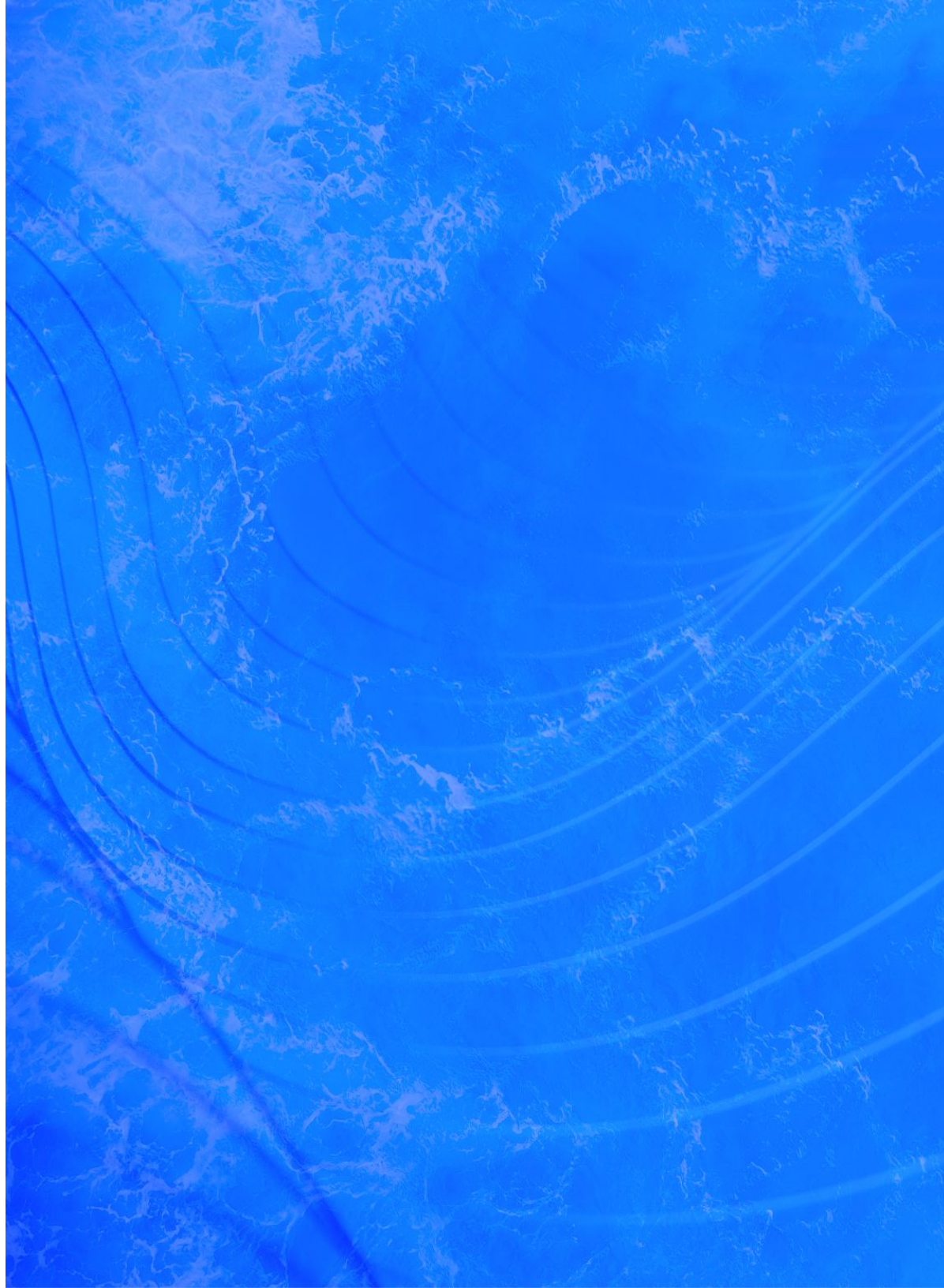
The financial services sector embraced it as a way to sell services that satisfied specific, sustainability-conscious investor segments.

Critics ultimately ran with it to blame the “radical ESG agenda” as a shorthand for businesses behaving in a way they disliked.

Despite its rise, after rounds and rounds of research, we can confidently say there's no data to suggest this term is helpful in telling the story of corporate climate action.

The good news is there's a far better term, with a clearer definition, more positive associations, and less political baggage:

responsible business.



Where “ESG” is confusing, “responsible business” is clear.

When you say *ESG*, people hear...

“I think ESG is the average blood sugar level.”
- U.S. Consumer

“I’ve never heard this, Easy So Grateful?”
- U.S. Consumer

“Excellent Service Goal.”
- U.S. Consumer

“Eggs, Sausage, Grits.”
- U.S. Consumer

“Established Social Government.”
- U.S. Consumer

When you say *responsible business*, people hear...

“Taking care of customers AND making profits.”
- ESG Skeptic

“Respecting the environment AND making a profit.”
- ESG Skeptic

“Making an honest profit.”
- ESG Skeptic

“Making money while taking care of employees and customers.”
- ESG Skeptic

“For profits AND communities.”
- ESG Skeptic

Where ESG feels alien, “responsible business” feels familiar.

Despite it entering the mainstream conversation, even retail investors still don’t feel confident they understand ESG compared to similar terms in the space (see Figure 16).

“ESG” has baggage, “responsible business” does not.

Terms like ESG and the more-plainspoken “sustainable” have more progressive political connotations than “responsible” does.

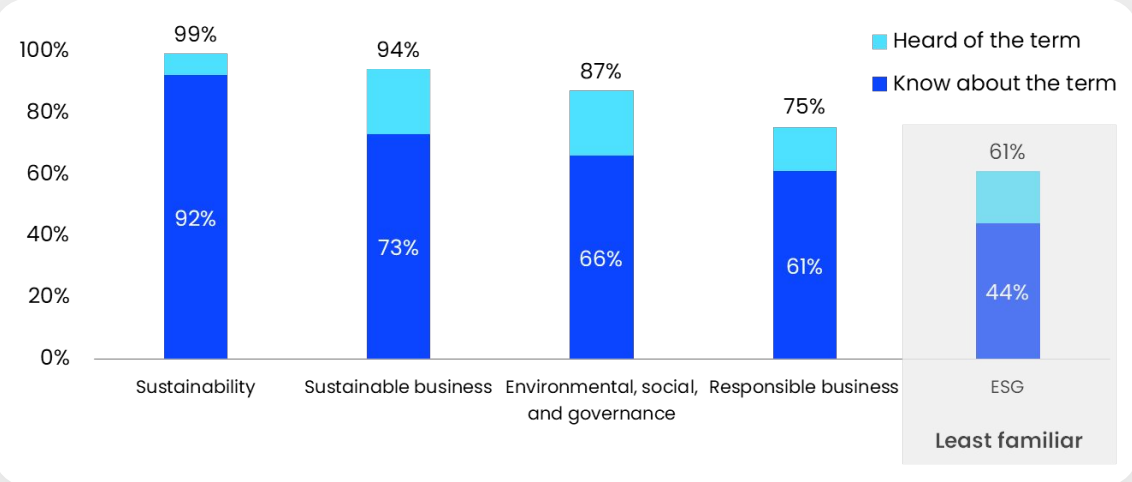
In our global sample, the three terms are almost interchangeable, with only about 10 percentage points separating “responsible business” from “sustainable” or “ESG.”

In the U.S., however, where political polarization is a greater concern, this gap is wider.

“Responsible business” is the only tested term that was both familiar to U.S. consumers and not clearly affiliated with a particular political party (see Figure 17).

Figure 16. ESG isn’t well-understood, even in the investor community

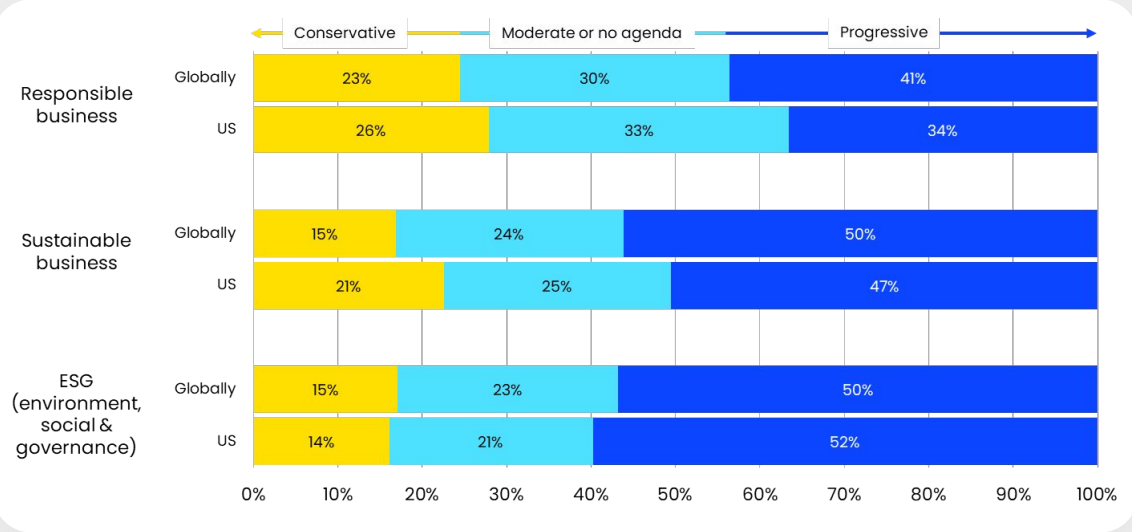
Awareness and understanding of terms (%)



Source: Investor Survey | n=1,000 U.S. investors

Figure 17. Responsible investing is a less politicized term

For each term listed below, indicate whether you associate it with a conservative political agenda, a progressive agenda, or no political agenda.



Source: Global Consumer Survey | n=4,509; U.S.: n=2,003

“Responsible business” meets audiences where they are...

The term “responsible” acts like a mirror for the reader. Anyone who looks at it can see themselves in it.

In our U.S. survey, we saw it play out clearly: Republicans tend to think it’s a conservative term, Democrats tend to think it’s a liberal term, Independents think it’s a moderate term (see Figure 18).

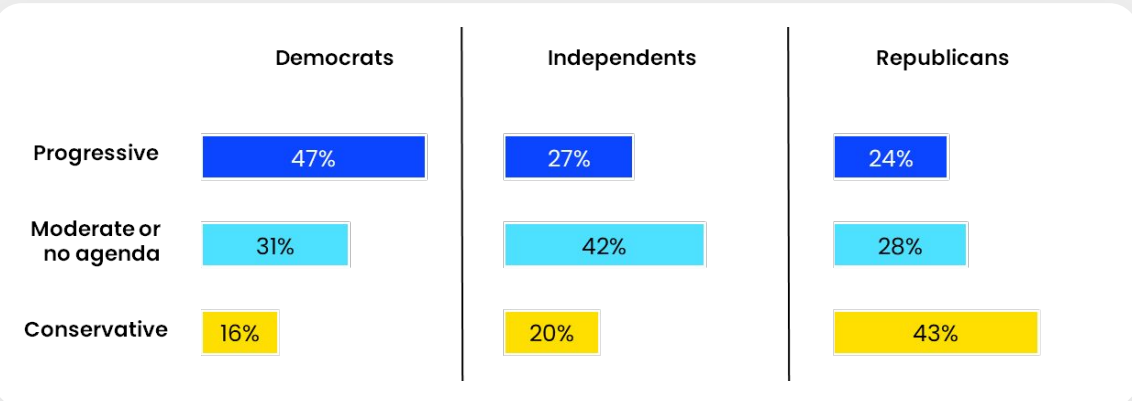
...while always retaining its environmental associations.

What makes this versatility remarkable is that while the values associated with the term change, the meaning does not.

Regardless of political affiliation, more than 8 in 10 U.S. consumers agree “responsible businesses” reduce their impact on the environment” (see Figure 19).

Figure 18. “Responsible business” meets U.S. audiences where they are

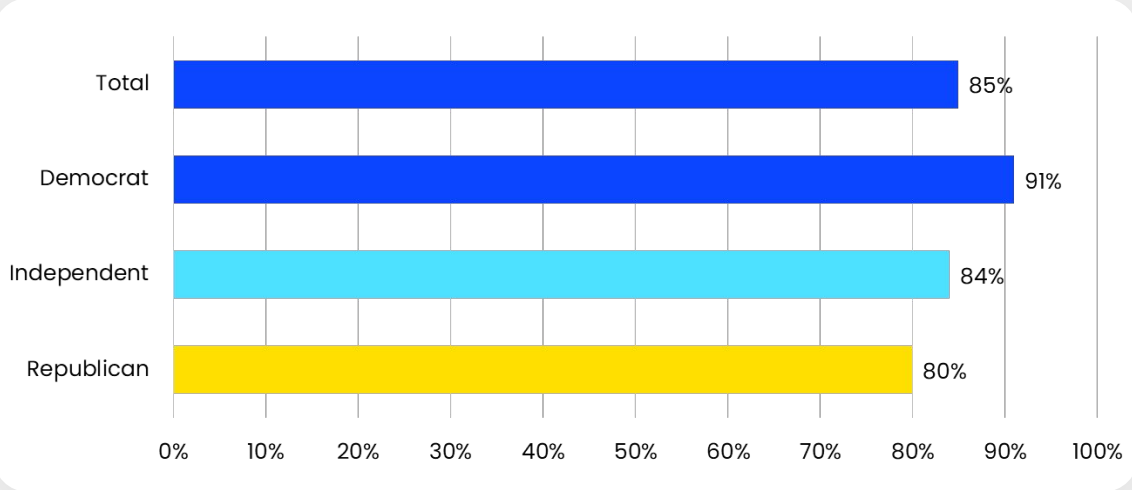
Indicate whether you associate “Responsible business” with a conservative political agenda, a progressive agenda, or no political agenda.



Source: Global Consumer Survey | n=4,509; U.S. consumer base: n=2,003; DEM: n=758; IND: n=532; REP: n=714

Figure 19. Responsible businesses reduce their environmental impact

Responsible businesses are more or less focused on reducing their impact on the environment. (% More)



Source: Global Consumer Survey | n=4,509; U.S. consumer base: n=2,003; DEM: n=758; IND: n=532; REP: n=714

“Responsible businesses” succeed.

The term “responsible business” has a lot going for it, especially compared to its predecessor, “ESG.”

As a term, “responsible business” is clearer, less politicized, and more personally resonant across political parties.

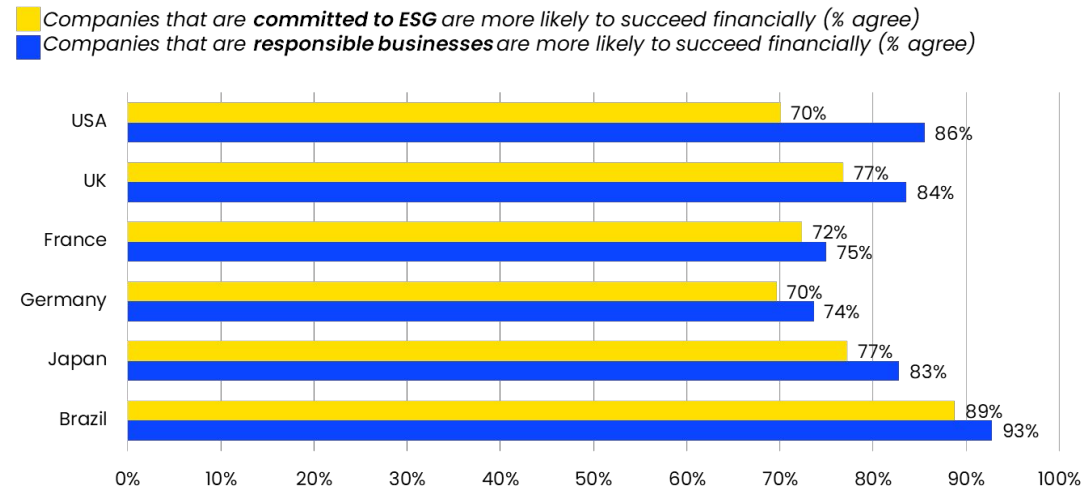
“Responsible business” also implicitly includes environmental responsibility, while also being broad enough to incorporate other factors.

Perhaps most importantly, however, people believe “responsible businesses” succeed.

Across our six surveyed markets, 8 out of 10 consumers agree responsible businesses are more likely to succeed financially (see Figure 20).

In the U.S., where we have more granular data, we know the link goes further. People believe “responsible businesses” are more likely to provide better customer satisfaction and employee experience (see Figure 21).

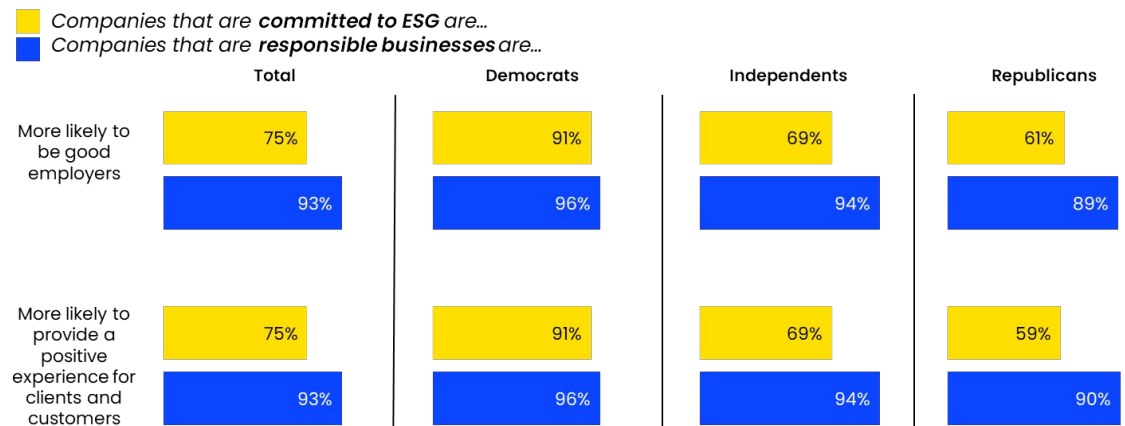
Figure 20. Consumers expect responsible businesses to succeed



Source: Global Consumer Survey | n=4,509; US: 2,003; UK: n=500; FR: n=504; DE: n=501; JP: n=501; BR: n=500

Figure 21. Business associations of key terms

Which of the following is closest to your belief?



Source: Phase 2 U.S. Consumer Survey | n=1,524; U.S. consumer base n=2,003; DEM: n=358; IND: n=532; REP: n=714

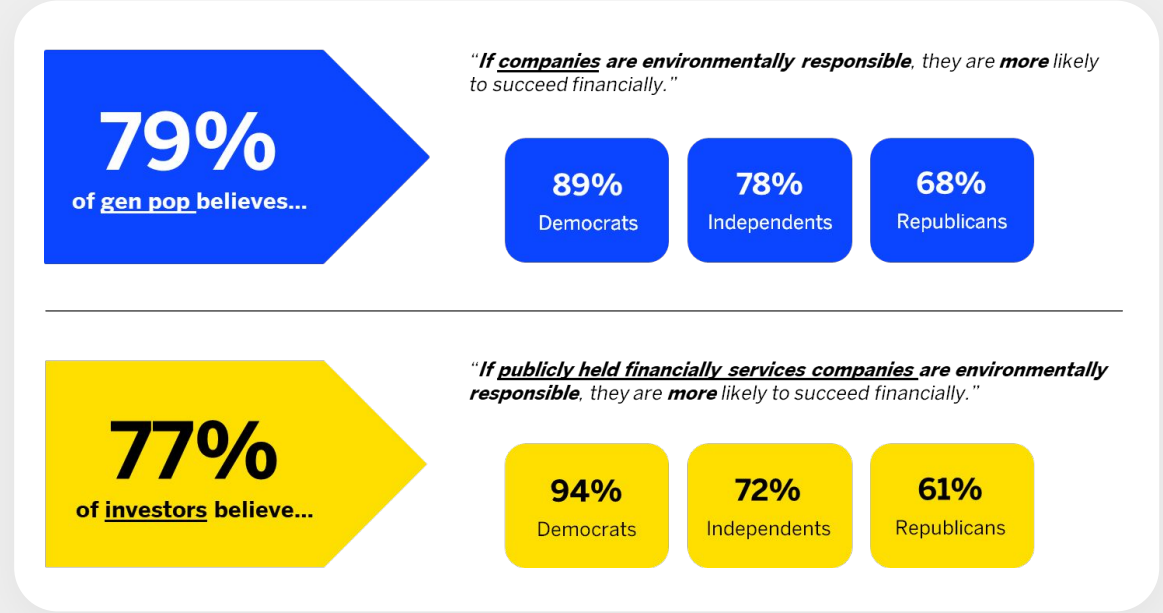
“Environmental responsibility,” specifically, also links to profit.

When the message zooms in further and focuses on *one* dimension of responsibility, the link to financial success gets slightly weaker, but ultimately still holds strong.

Substituting “responsible businesses” out for “environmentally responsible,” specifically, costs about 10 points of agreement (see Figure 22).

Regardless, however, a strong majority of both consumers and investors (including U.S. Republicans) remain in agreement.

Figure 22. Environmental responsibility is linked to business success



Sources: Phase 2 U.S. Consumer Survey | n=1,524; DEM: n=512; IND: n=531; REP: n=481
Investor Survey | n=1,000 U.S. investor base; DEM: n=373; IND: n=298; REP: n=329



SECTION 3

Language matters.

Empty terms make easy targets.

- The corporate climate vocabulary today is full of jargon
- Simplifying the message strengthens it
- Small substitutions, like “climate risk” instead of “climate change risk,” can meaningfully improve a message

Climate jargon makes messaging worse.

Just like any specialized group with a common interest, the climate community has developed its own language.

These terms work well with audiences that are starting from a place of shared values and experience.

Outside the safety of these like-minded communities, however, this “climatese” hurts much more than it helps.

Jargon confuses.

Half the time, people simply don't know what companies or climate groups are talking about. We've heard them guess “scope 3” is a mouthwash brand and wonder if ESG is just a typo for “eggs.”

“

“Emergency Savings Generator?”

– U.S. Consumer

Jargon alarms.

People naturally mistrust things that sound scientific or corporate. It's easy for critics to attack a message people are already wary of.

“

“Everything's forged and skewed these days. I don't know, I guess I have trust issues with companies.”

– U.S. Consumer

Jargon excludes.

When people can't understand your message, they assume it must not be for them, or for their benefit. If it's not for them, they start to wonder who it is for...

“

“That's a whole bunch of nothing. They're not thinking about the consumer.”

– U.S. Consumer

One word makes a difference.

When you simply replace “climate change risk” with “climate risk,” 25% more investors are likely to agree it’s an “important risk” for financial services firms to evaluate. This change moves investor agreement from 42% to 52% (see Figure 22).

Other simple substitutions can further strengthen the message.

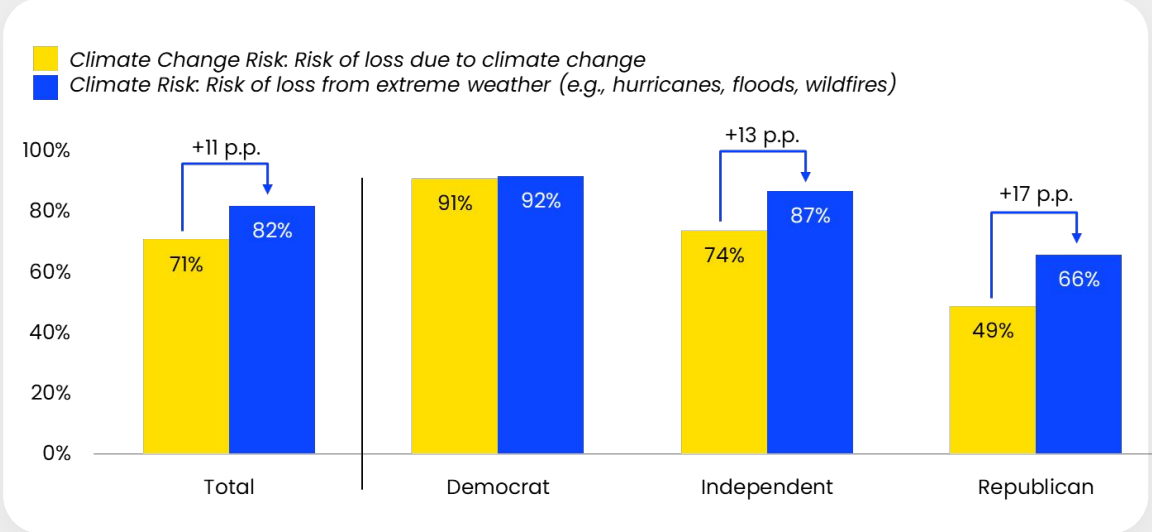
Implementing a framing shift across your entire communications strategy is hard.

The principles laid out in this guide can help orient you. Furthermore, the Potential Energy Coalition has a wealth of resources on how to communicate around specific concepts such as [EVs](#) and [extreme weather](#) (or, better said, unnatural disasters!) that require their own set of unique considerations.

The good news, however, is that many language changes are as easy as “Control + F” and “replace all” computer commands. Every academic, abstract term you swap out for a plainspoken one is another step toward ensuring your message is heard the way you intend.

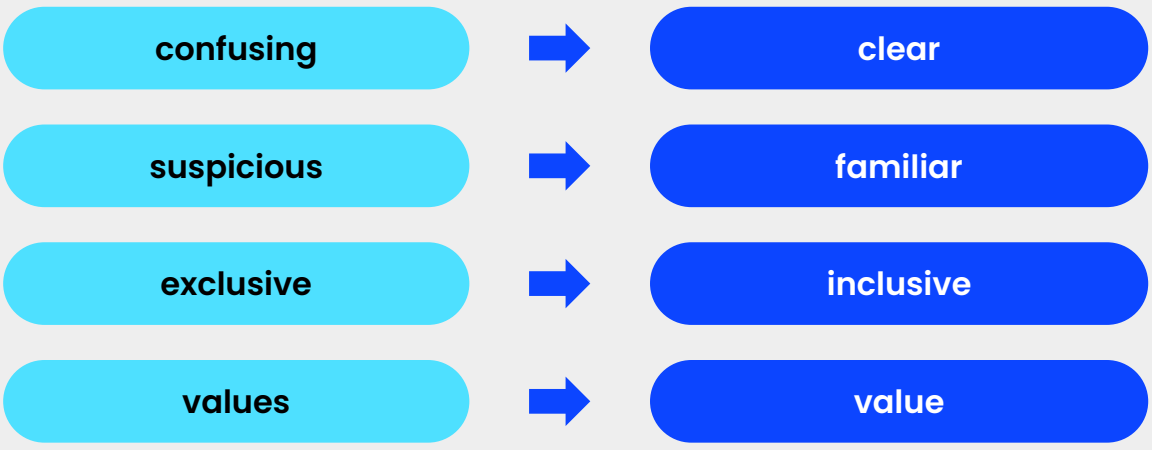
Figure 22. Climate risk resonates more than climate change risk

How important is it for large financial services companies (such as major banks, investment firms, or insurance companies) to prepare for each risk? (% Somewhat or very important)



Source: Investor Survey | n=1,000 U.S. investor base; DEM: n=373; IND: n=298; REP: n=329

On the whole, the goal is to shift the vocabulary from...



Cleaning up the climate vocabulary.

For each of the following, which would you rather hear a company is focusing on?

Establishing strong governance practices	31%	↔	69%	Holding our leaders accountable
Supporting the circular economy	28%	↔	72%	Reducing waste and recycling more
Protecting biodiversity	27%	↔	73%	Protecting plants, animals, and their habitats
Reducing our scope 3 emissions	26%	↔	74%	Making sure our partners are reducing carbon pollution
Multi-stakeholder capitalism	18%	↔	82%	Considering everyone who depends on our business
Managing water stress	18%	↔	82%	Using water responsibly



SECTION 4

Bringing it all together.

**A messaging architecture for more effective
climate communication.**

Responsible businesses succeed.

Our job is to run a responsible business in the best interest of our employees and shareholders. For our industry and our business, that means we have to take climate-related risks and clean energy opportunities seriously.

RISK



Climate risks like extreme heat, more frequent and intense storms, and water scarcity are affecting businesses every day. Supply chains are shifting. Insurance premiums and infrastructure costs are increasing. Managing these risks and reducing carbon emissions helps protect our business, our employees, and our customers.

OPPORTUNITIES



Clean energy innovation is shaping the future of the global economy. Customer expectations are steadily increasing as they look for cleaner products. New technology offers opportunities for growth and long-term savings.

RESPONSIBILITY



Responsible businesses succeed. An effective strategy to cut carbon pollution, capitalize on clean energy opportunities, and manage critical climate risks helps us meet the needs of our business and our stakeholders.

The Organizations Behind the Study



Potential Energy is a nonprofit marketing firm driving public demand for climate solutions. Leveraging deep analytics and creative storytelling, Potential Energy connects with people on a human level to tip the balance on the policies that will dramatically accelerate the energy transition. Our campaigns are backed by extensive audience research, yielding data-driven insights that shift the climate narrative to win the fights that matter. Founded in 2018, Potential Energy has a track record of transformative campaigns that capture audiences and mobilize support for climate action.

- ▶ **Learn more and get involved at:** potentialenergycoalition.org

In partnership with:



We Mean Business Coalition works with the world's most influential businesses to take action on climate change. The Coalition is a group of seven nonprofit organizations: BSR, CDP, Ceres, Climate Group, Corporate Leaders Groups, The B Team and WBCSD. Together, they catalyze business and policy action to halve emissions by 2030 and accelerate an inclusive transition to a net-zero economy.

- ▶ **Learn more:** wemeanbusinesscoalition.org



maslansky + partners is a Language Strategy consulting and research firm with one sole focus: finding the right language to make audiences listen, care, and act. Our team of Language Strategists have built an entire discipline focused on framing and messaging, and for over 20 years, we've been renowned for our ability to shape commercial speech, policy debates, and public opinion.

- ▶ **Learn more:** maslansky.com

Please contact info@potentialenergycoalition.org with any questions.

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