

## **Title**

I trust you if you believe what I believe: sustainability narrative framing across stakeholders

## **Abstract**

Building on strategic framing and sustainability communication research, this paper finds that trust in firms' sustainability commitment varies with differing evaluative mental models across stakeholders, such as investors, customers, and the general public. Stakeholders perceived trust depends on their expertise or lack thereof and firms' ways of framing their sustainability narratives. Using publicly available data of firms' sustainability communications and survey data of 300 participants, this study finds that firms' benefit from deploying sustainability narrative framing strategies congruent with audiences' mental models. Experts, such as sustainability or industry experts, appreciate sustainability narratives framed in concrete *how* terms, while non-experts, i.e., laypeople, are more receptive to abstract *why* terms. The study offers insights into, and a framework based on the field work on how managers may use framing tactics to improve the odds of achieving the desired perception of their sustainability narratives towards different stakeholders.

## **Introduction**

What is the most effective way of communicating? Simon Sinek (2011) argues in his best-seller and TED Talk that the best way for mobilising people and attention around an idea is by framing it, focusing on the *why* of what we are trying to achieve. According to Sinek, communicating an idea's purpose, including its benefits and advantages, is key to winning an audience's support as it helps them understand the goals behind it.

However, this may not necessarily be the best way of hooking an audience. Organisation psychologist Adam Grant (2016) counters that framing new ideas around a general purpose is more likely to

challenge believes about what is possible. He argues that a concrete frame or *how* one plans to implement the idea should be preferred.

The conflicting views indicate that communication is challenging in different ways. On the one hand, communicators need to think about their particular target audience. On the other hand, they need to understand what this target audience implies in terms of the most suitable framing (e.g., abstract or concrete).

Falchetti, Cattani and Ferriani (2021) investigated the focus of *why* and *how* framing in the context of novel ideas. To address the question, they ran a series of experiments where an innovative idea was pitched to two different types of audiences: an expert group of professional investors and a non-expert group of lay evaluators. They then examined how the audience responded depending on whether the idea was framed in concrete actions or high-level purpose. The study found that a *why* frame works best with non-experts, increasing their chance of appreciating the idea by 25 per cent. Conversely, emphasising *how* the idea could be implemented is much more effective with experts, causing a 44 per cent boost in their preference. The findings indicate that innovators have a much better chance of winning non-experts' attention if they emphasise the purposes and goals of their idea. But this approach is suboptimal when dealing with a group of experts. To win experts support, one might better signal *how* concretely to attempt to achieve one's goals.

Whether this finding also applies to the strategic contexts of sustainability communication framing remains unexplored. Sustainability has been referred to as the single biggest challenge of our time. Sustainability communication has received increased attention over recent years. Crilly, Hansen and Zollo (2016) investigated how firms that practice what they preach in sustainability practices communicate their efforts differently. They found that both firms that do what they say and firms that do not cover the same content in their communications. However, firms that implemented what they said used more complex language styles than firms that deviated from their statements. The study also suggests that only specialist stakeholders, whose profession focuses on one key activity, and not generalist stakeholders are able to identify the linguistic nuances.

Two other recent studies explored concrete and abstract language. How abstraction of communication by entrepreneurs affects their success in convincing venture capitalists to invest in their ideas has been investigated by Huang *et al.* (2021). Pan *et al.* (2018) studied managers' language abstraction towards investors during earnings calls.

This study investigates the impact of varying linguistic framing strategies on the evaluation of firms' sustainability narrative communications across different audiences. Specifically, it is being tested whether experts appreciate more concrete *how* terms and layperson more abstract *why* terms in the strategic context of sustainability narrative framing. Experts are characterised by specialist industry and/or sustainability knowledge and/or experience, referred to as domain-specific knowledge. Thus, this study proposes that the effectiveness of sustainability narrative communication depends on the target audiences' level of expertise to evaluate the message. Thereby, this research examines whether the congruency of sustainability narrative framing with the audiences (i.e., experts and laypeople) mental constructs leads to an improved appreciation of sustainability communication. Investigating this issue now seems vital to help managers frame their sustainability narratives in a way that is appealing to their target audiences in a time characterised by unprecedented sustainability concerns and demands.

This research focuses on sustainability communications by established firms towards various stakeholders (e.g., investors, customers, and the general public) in various forms, such as website announcements, public interviews, and sustainability reports. Established firms are being considered for two main reasons. First, those firms are subject to similar and global demands to improve all areas of sustainability (i.e., social, environmental, and economic) to the extent that pleases a larger number of investors, customers and other stakeholders. Second, established firms communicate via various channels and towards a wider range of stakeholders, thus allowing comparison between different firms while considering different communication channels. Specifically, this study looks at sustainability narratives by established automotive companies. It is a global industry with established players that faces global pressures to improve sustainability and undergoes fundamental sustainability

transitions, such as the transition from internal combustion engines to electric drives to improve environmental sustainability (Hoeft, 2020; Llopis-Albert, Rubio and Valero, 2021).

Surveys with experts and novices have been conducted to test the effectiveness of varying sustainability narrative framing strategies across different audiences with varying domain-specific knowledge. The survey first established whether the respondent is an expert or layperson by asking questions about their familiarity with sustainability and concepts such as environmental, social and corporate governance (ESG). Following, different excerpts of sustainability communications from various automotive companies have been presented. The respondents had to evaluate them using pre-defined metrics. Specifically, three dimensions have been analysed: firms' *effort* to improve sustainability, *trust* in the sustainability communication to be accurate, and *attractiveness* to purchase a product from the company (Atanasova, 2019; Weder, Koinig and Voci, 2019). Thereby, the research instrument allows investigating both the direct perception of the sustainability communications and inferences about the offering and organisation across the different audiences since they are assessing the same communications with different levels of expertise. The findings confirm that more concrete how framing of sustainability narratives is more effective with experts, whereas lay people appreciate more abstract why terms. This study also provides insights into the mediating role of trust and investigates the underlying evaluative process leading to a certain perception of sustainability narratives.

This research contributes to knowledge on strategic communication by revealing that firms' can frame their sustainability narrative communications in particular ways to achieve improved outcomes (e.g., trust and appreciation) across varying audiences. While earlier studies focused on novelty versus familiarity in communication (Menegatti and Rubini, 2013; Pan *et al.*, 2018, 2020; Huang *et al.*, 2021; Mount, Baer and Lupoli, 2021), or the level of abstraction in the context of novel ideas (Falchetti, Cattani and Ferriani, 2021), the level of abstraction across different audiences in sustainability narrative framing remained unexplored (Crilly, Hansen and Zollo, 2016). Moreover, this study might help us better understand evaluative processes of sustainability communication across varying audiences and improve our knowledge of different levels of and connotations in framing strategic

issues that some might appreciate more than others. Finally, the findings might explain aspects of the recent success of companies like Tesla; a firm that – either deliberate or not – mobilised broader discourses by aligning their sustainability narratives with the wider societal narratives of our time.

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