

Credocast

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Addressing Misconceptions

About Credo Advisory

Credo Advisory is a leading strategic and development communications firm based in Nigeria. The firm partners with governments, organizations, businesses and individuals to raise public awareness, build trust, and effect change through targeted engagements.

We integrate our knowledge of best communication practices, industries, understanding of local markets, and research and insights to provide exceptional services. Credo is intentional about building long-term, rewarding partnerships and encouraging professional development in our people. We have unwavering commitment to championing our client needs, seeking new solutions and effecting change.

Our mission is to provide communication excellence in our advisory, products, initiatives, and interventions. At Credo, we aim to provide technical assistance and programming that enable our clients to build strong relationships across stakeholders, shape attitudes, educate audiences and influence behaviours for a positive impact in our society.



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“While impact investing has been around for a few years, it took on a new level of significance and meaning as COVID-19 exposed inadequacies in healthcare, food, water, and sanitation systems and caused a steep decline in living standards.”

Rise of Conscience

Companies have increasingly embraced a mission-driven approach, centering their efforts around social issues. This shift is driven by a rising consumer demand for responsible and ethical business practices.

In recent years, impact investing has gained significant traction as investors seek to align their financial goals with positive social and environmental outcomes. The Global Impact Investing Network (GIIN) announced the growth of the impact investing market to \$1.164 trillion last year.¹

However, several barriers prevent the industry from driving scale and reaching its full potential.



- **Barrier 1:**
The lack of standardisation and scepticism about impact metrics²
- **Barrier 2:**
The lack of participation from existing financial institutions³
- **Barrier 3:**
The risk of political or regulatory changes⁴
- **Barrier 4:**
Investment misconceptions

¹ GIINsight: Sizing the Impact Investing Market (2022). Available at <https://thegiin.org/research/publication/impact-investing-market-size-2022/>

² Knowledge Wharton (2019). Untapped Opportunities: How Is Impact Investing Poised to Grow? Available at <https://knowledge.wharton.upenn.edu/podcast/knowledge-at-wharton-podcast/backstreet-to-wall-st-impact-investing-poised-to-grow/>

³ Knowledge Wharton (2019). Untapped Opportunities: How Is Impact Investing Poised to Grow? Available at <https://knowledge.wharton.upenn.edu/podcast/knowledge-at-wharton-podcast/backstreet-to-wall-st-impact-investing-poised-to-grow/>

⁴ Faster Capital (2023). Risk and challenges associated with Impact Investment. Available at <https://fastercapital.com/content/Risks-and-challenges-associated-with-impact-investing.html>

⁵ Lars Voedisch (2021). A Force for Good: Impact Investing and The Power of Communications in Asia. Available at <https://www.forbes.com/sites/forbesagencycouncil/2021/07/22/a-force-for-good-impact-investing-and-the-power-of-communications-in-asia/?sh=7e956bb140ad>

⁶ Global Impact Investing Network. What you need to know about impact investing. Available at https://thegiin.org/impact-investing/need-to-know/?gad=1&gclid=Cj0KCQjwk-96lBhDhARIsAEK04xY3VXOBRRoJAIdGP-jRkD1Yk9EZor7cWPOM01h3YBWNtVKJEjX-hbF74aArKdEALw_wcB#what-is-impact-investing

⁷ Lars Voedisch (2021). A Force for Good: Impact Investing and The Power of Communications in Asia. Available at <https://www.forbes.com/sites/forbesagencycouncil/2021/07/22/a-force-for-good-impact-investing-and-the-power-of-communications-in-asia/?sh=7449de7940ad>

Beyond optimal resource mobilisation, the success of the impact investing industry hinges on leveraging communications to create awareness, set the right expectations, and address misconceptions for the industry to achieve scale and become mainstream.⁵

This thought piece highlights the power of communications to drive the growth of the impact investing market and recommends communications initiatives to solve each identified challenge.

Unpacking Impact Investment

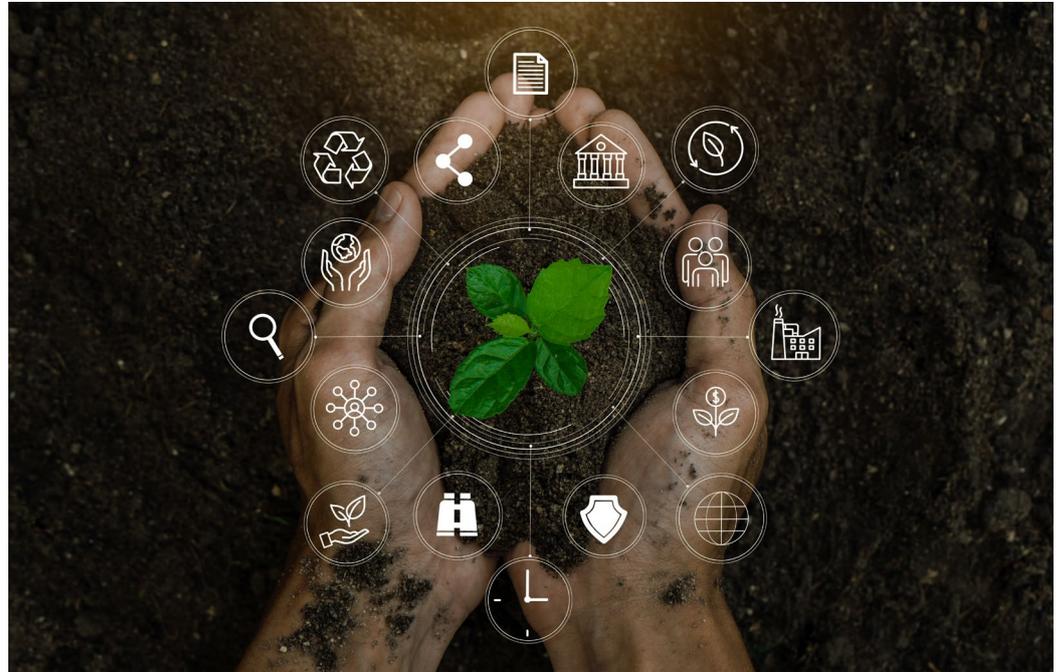
The Global Impact Investing Network (GIIN) defines impact investing as investing to generate positive, measurable social and environmental impact alongside financial returns.⁶

While impact investing has been around for a few years, it took on a new level of significance and meaning as COVID-19 exposed inadequacies in healthcare, food, water, and sanitation systems and caused a steep decline in living standards.⁷

The main advantage of impact investing lies in its emphasis on tackling urgent global challenges (climate change, poverty, inequality, access to education and healthcare) and supporting scalable solutions.

“Utilising communications becomes critical in raising capital, igniting action, and shaping a more sustainable and equitable future through impact investment.”

Impact Investors determine which businesses to invest in by evaluating the impact these businesses create, using a set of Impact Reporting and Investment Standards (IRIS) established by GIIN. These metrics are designed to evaluate the growth of the impact investment market. However, these metrics were recently made public but are yet to be used by all impact investment ventures.



Increasing Momentum for Impact Investment

Utilising communications becomes critical in raising capital, igniting action, and shaping a more sustainable and equitable future through impact investment.⁸ Communication serves as a tool for educating targeted stakeholders, galvanizing industry influencers, and dispelling misconceptions about the industry.

There are five identified communications solutions to solve the barriers highlighted in the introduction section.

Barrier 1 Solution: The Case for a Master Narrative

For standardisation and transparency, organisations like GIIN must create a master narrative to align impact funds and venture capitalists. The master narrative incorporates the impact investing objective into a broader goal that stakeholders can understand.

GIIN’s vision of incorporating social and environmental factors in financial decision-making is a start to creating a master narrative.⁹ The next step is to make it actionable.

The impact investing industry should establish a global narrative with priority goals and targets to be achieved within a set timeline. Leveraging the strategy of the Sustainable Development Goals (SDGs) as an example,

⁸ Lars Voedisch (2021). A Force for Good: Impact Investing and The Power of Communications in Asia. Available at <https://www.forbes.com/sites/forbesagencycouncil/2021/07/22/a-force-for-good-impact-investing-and-the-power-of-communications-in-asia/?sh=7e956bb140ad>

⁹ Global Impact Investing Network (2018). GIIN Roadmap. Available at <https://thegiin.org/imm/>

“An effective master narrative articulates a brand promise in a captivating statement. It should consider relevancy, transparency, and accessibility.”

the existence of the targets allows global communities to collaborate toward achieving identified goals, raising awareness, and achieving a level of transparency and accountability that appeals to stakeholders.

Adopting this, local impact ventures will align their campaigns towards the established global goals while implementation will be tailored to local developmental challenges.

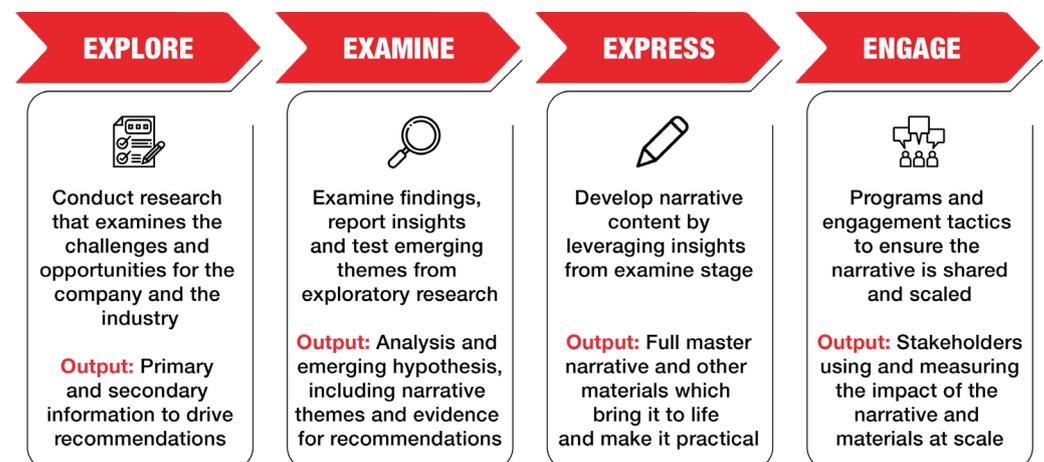
Crafting the Master Narrative - The United Nations SDG Case Study

An effective master narrative articulates a brand promise in a captivating statement. It should consider relevancy, transparency, and accessibility.¹⁰ Here are the key elements it should contain:

1. **An actionable objective** - What problem do you want to solve for the impact investing network?
2. **Your desired headline** - What is the most important message to communicate with the master narrative?¹¹
3. **A brand promise** - Why should investors focus on impact investing?
4. **A reason to believe** - How can you solve the problem?

A sample of an effective master narrative is: Global challenges need bold action to overcome them, which is where the Global Goals come in (**actionable objective**). The Global Goals is a plan accepted by global leaders to build a greener, fairer, better world (**desired headline**) by 2030 (**brand promise**), and we all have a role in achieving them (**a reason to believe**).¹²

With a master narrative, other messages from local and private stakeholders will be framed to achieve the broader goal. The way a message is crafted for a business community, for example, varies for an investor community. Yet, the master narrative must be broad enough to encompass both to be successful.¹³



¹⁰ Jarrod Walpert (2015). How to master your narrative. Available at <https://www.linkedin.com/pulse/how-master-your-narrative-jarrod-walpert/>

¹¹ Jarrod Walpert (2015). How to master your narrative. Available at <https://www.linkedin.com/pulse/how-master-your-narrative-jarrod-walpert/>

¹² The Global Goals. Available at <https://www.globalgoals.org/goals/>

¹³ Vicki Wray (2015). Communicating Social Impact. Available at <https://www.conference-board.org/topics/corporate-social-impact-practices/communicating-social-impact>

Figure 1: Four stages guide to building a master narrative. Source: Edelman Public Relations.

“By engaging with policymakers, sharing research findings, and showcasing successful case studies, communications can advocate favourable policies that facilitate impact investing initiatives.”

Barrier 2 Solution: Advocating for Increased Participation in Impact Investing

Advocacy plays a crucial role in increasing participation in Impact Investing among stakeholders. By advocating for the integration of impact considerations into investment strategies, it is possible to encourage more institutions to prioritise investments that generate positive social and environmental outcomes. This can be done through different communication initiatives including reporting, event collaboration, media relations, social media campaigns, etc.

Traditional financial institutions and investors require a more informative way to get their buy-in. Reports are well suited to reach these demographics, however, they should communicate more than just data. Leveraging the human angle to share success stories will demonstrate the positive outcomes achieved through impact investing. Effective corporate storytelling is not only about presenting data; it’s about crafting the story the data tells. Stories provide insight into facts and emotions to most effectively connect with audiences.¹⁴

Additionally, reports can also incorporate expert analysis – quotes from lead investors, insights from industry analysts, etc. This creates awareness through publicity and advocacy with industry players and the media.¹⁵

Barrier 3 Solution: Influencing Policy and Regulation

Leveraging communications to influence policy and regulatory frameworks surrounding impact investment can create a more enabling environment for impact investors. Well-crafted strategic messaging can help policymakers recognise the importance of impact investment. By engaging with policymakers, sharing research findings, and showcasing successful case studies, communications can advocate favourable policies that facilitate impact investing initiatives.

The #LetsChangeEnergy Campaign validates the strategic use of communications to influence policy in the renewable energy sector. Using the social media hashtag #LetsChangeEnergy the campaign rallies people to emphasize the global demand for a rapid, equitable clean energy transition to changemakers, donors, governments and decision-makers.¹⁶ As a result, policies are currently being enacted to adopt sustainable energy across the globe.

¹⁴ Curtis Sparrer (2017). Maximizing the Visibility of a Critical Startup Milestone: The Funding Announcement. Available at <https://www.forbes.com/sites/forbes-communicationscouncil/2017/06/29/maximizing-the-visibility-of-a-critical-startup-milestone-the-funding-announcement/?sh=4f178b1e12fb>

¹⁵ Vicki Wray (2015). Communicating Social Impact. Available at <https://www.conference-board.org/topics/corporate-social-impact-practices/communicating-social-impact>

¹⁶ Global Energy Alliance for People and Planet (GEAPP), Lets Change Energy for Good. Available at <https://www.energyalliance.org/campaign/#:~:text=The%20%23LetsChangeEnergy%20campaign%20rallies%20people,donors%2C%20governments%20and%20decision%20makers.&text=Join%20us!,are%20you%20changing%20energy%20for%3F>



“The industry should partner with the media to monitor misinformation about impact investment. Through elaborate campaigns and advocacy, better perceptions can be shaped.”

Barrier 4 Solution: Addressing Misconceptions

The industry should partner with the media to monitor misinformation about impact investment. Through elaborate campaigns and advocacy, better perceptions can be shaped.

The advantage of media is the ability to reach a wider audience using tailored messaging and content. It also enables two-way communication allowing feedback and interaction, especially from credible sources.



Here are strategies to consider when debunking a misconception.

- 1.** Use industry influencers to consistently explain principles or debunk misconceptions.
- 2.** Complement official statements with retraction statements and an alternative narrative using targeted media outlets.¹⁷
- 3.** Practice inoculation or “prebunking” by providing an explicit warning before mentioning a myth to debunk.¹⁸
- 4.** Leverage social media and more engaging content to pass messages.

In most cases, the media plays a critical role in debunking misinformation. For example, in July 2017, the Heads of State of the world’s largest economies convened in Hamburg to discuss the global political situation at the G20 summit. In response, anti-globalisation movements planned a demonstration called “Welcome to Hell” which triggered violence causing a clash with the police.¹⁹

The intensity of the clash was fueled by fake news spreading on social media. The Hamburg Police Department and the fact-checking unit of Tagesschau, Germany’s most popular TV news, were crucial to stopping the rumours, notably addressing the casualties, raid and army tanks misinformation trending.

¹⁷ Stephan Lewandowski et al (2012). Misinformation and Its Correction: Continued Influence and Successful Debiasing. Available at <https://journals.sagepub.com/stoken/rbtfl/FNCpLY-uivUOHE/full>

¹⁸ Stephan Lewandowski et al (2012). Misinformation and Its Correction: Continued Influence and Successful Debiasing. Available at <https://journals.sagepub.com/stoken/rbtfl/FNCpLY-uivUOHE/full>

¹⁹ Noah Barkin (2017). Protests, policy rows, volatile leaders — welcome to the Hamburg G20 summit. Reuters Available at <https://www.reuters.com/article/us-g20-germany-idUSKBN19K239>

“Using various communications initiatives, we educate financial professionals, potential investors and the general public about the benefits of impact investing and the opportunities to support womenowned businesses in Africa. ”

An analysis by Anna-Katharina Jung and others identified the importance of using official sources to address the rumour. The research implied that misinformation debunked early and vehemently by official sources is the most likely to be stopped.

Problem	Solutions and Good Practice	
Continued Influence Effect Despite a retraction, people continue to rely on misinformation 	Alternative Account Alternative explanation fills gap left by retracting misinformation 	Repeated Retraction Strengthen retraction through repetition (without reinforcing myth)
Familiarity Backfire Effect Repeating the myth increases familiarity, reinforcing it 	Emphasis on Facts Avoid repetition of the myth; reinforce the correct facts instead 	Preexposure Warning Warn upfront that misleading information is coming
Overkill Backfire Effect Simple myths are more cognitively attractive than complicated refutations 	Simple, Brief Rebuttal Use fewer arguments in refuting the myth — less is more 	Foster Healthy Skepticism Skepticism about information source reduces influence of misinformation
Worldview Backfire Effect Evidence that threatens worldview can strengthen initially held beliefs 	Affirm Worldview Frame evidence in worldview-affirming manner by endorsing values of audience 	Affirm Identity Self-affirmation of personal values increases receptivity to evidence

Figure 2: A visual summary of problems and solutions in misinformation for communication practitioners. Source: Misinformation and Its Correction: Continued Influence and Successful Debiasing.

Credo Experience

Credo Advisory provides communications advisory for a gender-lens impact investing venture that supports women-owned businesses in Africa. In our experience, we have used different strategies to educate, inform, and gather support for our client and the impact investing industry.

Using various communications initiatives, we educate financial professionals, potential investors and the general public about the benefits of impact investing and the opportunities to support women-owned businesses. Our support includes strategy development, social media management and media relations. We also create newsletters, social media content, organizations reports and publications.