

THE IMPACTASSETS HANDBOOK FOR INVESTORS

GENERATING SOCIAL AND ENVIRONMENTAL
VALUE THROUGH CAPITAL INVESTING

Edited by
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Communicating Impact: Frameworks for Messaging

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The field of impact investing represents a new frontier of language and understanding about simple and yet very complex issues. This can be inspiring, provocative, hopeful and disorienting, all at once. This chapter is for people investing in impact and those receiving impact investments. If you're investing for impact, it's important to understand key challenges of *communicating* impact. And if you're creating impact, you want to understand how to demonstrate and communicate the good work you've done.

The following pages offer some guiding questions and tested messaging, intended to assist you as you navigate the communications you receive and create. What follows is hardly comprehensive of the inspiring amount of activity in this space, past and present; and there are many new voices, as people seek greater impact and broader reach.

This chapter doesn't offer quick communications fixes to every challenge (especially ones tied to business model, leadership or culture). It does offer the reader:

- Data to better understand a field with limited research;
- Questions to reflect upon, as you consider where to invest, give and why; and
- Tactical insights and themes that have resonated with others on the impact investing journey.

Some grounding reflections, to consider and challenge:

- Impact investing is emergent, and yet part of a long tradition. While it's been called different names over the years—program related investments, mission-related investments, socially responsible investing, and so on—impact investing is largely new in the retail marketplace and to many in the mainstream. This chapter offers ways to hack or adapt existing ideas and language to create shared meaning for the various practices represented by the term “impact investing.”
- The first step in communicating about impact investing is knowing the impact you seek; then, identifying ways to achieve it; and then, evaluating and reporting the impact you have.
- Not all aspects of impact investing are positive or will create the future you want. There's no single approach to measure impact and people have a range of priorities and audiences. What does impact investing mean to you? Is it generative, or—perhaps—destructive? What do you want to create, build, scale? Who are your partners? Communicating impact takes many forms.
- People with wealth often have strong counsel to guide financial decisions. Many mainstream retail investors do not; and most do not encounter basic financial literacy curriculum, much less learn about investing. In addition, the financial services industry is not well trusted or liked by many mainstream investors. No disrespect to the thousands of good people in the field; many people on “Main Street” have had, directly or indirectly, negative experiences with the investment and wealth management industries. These experiences represent barriers to communication, and raise issues for those who seek to communicate positive impact.
- Many younger people do not assume the stock market should be part of a wealthbuilding strategy, having seen it crash. They are also keenly aware, they will be left to manage the planet we have created. Any way you approach it, communicating about investing with millennials must speak to impact, responsible wealth management and tangible, positive opportunities for change.

- There are more ways than ever for people to directly invest, lend and save in alignment with their values; from banking locally and crowdfunding, to Goldman Sachs promoting impact investing on its homepage. The volume of noise and lack of shared language is overwhelming and can be confusing to those entering the discussion for the first time.
- In uncertain times stability matters, which many impact investments can plausibly promise. Fidelity's homepage includes a "Tips for Volatility" tool so investors can better self-navigate increasingly bumpy waters. Impact investing through trusted channels can offer a solid track record of repayment with interest. Messaging regarding impact investing can reflect that.
- Access to security and wealth is not equal. People of different races and backgrounds do not have the same access to the same opportunities. What we choose to do with our capital—whether we have a little or a lot—will determine the future for our families, communities and planet, and the degree of equity and justice we share across the globe.
- In the United States, total charitable giving is a penny on the dollar for all of the investable wealth available.¹ Philanthropy can and should function as social risk capital; yet, on its own, it will never address the scale of shared challenges we face, which require substantial investment capital to offset growing need.
- There is no single impact investing template; this work is messy. As you explore, new questions will emerge. Finding trusted guides and translators is key.
- This chapter does not provide focused guidance on communications distribution. Insights about platforms and channels are woven into stories and case studies, where relevant.

It's my intention that the following pages offer useful nuggets to help you navigate your journey through the dynamic landscape involving communications, money and impact. If I've done my part, I've represented the brilliance shared by beautiful, creative and passionate people doing this hard work, by exploring:

1. Context: Our Noisy, Unappealing Landscape
2. Audience: "Psychographic" Characters + Communications Insights by Role

3. Values + Messaging Themes: Case Studies + Qualitative Insights about Impact Investing-Related Language

On with the translation ...

Our Brain + Our Money

Does your brain immediately try to shut down and move along when you're exposed to a financial message? If you work in financial services, do eyes glaze over when you start to explain what you do?

It's not just you. It's the way we have wired ourselves to think.

Scientists have proven it: fMRI scans documented brain activity, showing when we are confronted by an emotional plea to our better angels, and a call for a donation, the happy parts of our brain light up.² When we complete a donation the happy parts of our brains light up even brighter as dopamine is released. And when we are confronted by other messages about our money, or the idea of a delayed reward—greater financial “returns” if we don't indulge in immediate spending, or giving—totally different parts of our brain light up.³ Which is to say, the happy parts power down. It doesn't matter how clever, true or beautifully executed a message about investing might be. Many of us would literally prefer to think of anything else.

Where we mix up communications that trigger all of the happiness we get from giving our money away, alongside the real promise of financial and social returns possible from impact investing, this is where it gets “professionally fascinating and socially important,” as a fellow writer noted.

The Context for Receiving and Creating Communications

Our Worlds Are Very Noisy

The average person sees 3,000–20,000 marketing messages a day. One of our most evolved skills, as humans, involves split-second

identification of what to delete or ignore. If you're reading this book, you likely receive a disproportionate number of marketing materials about money. From financial firms selling their products, to neighbors, cousins and causes advocating for children, wildlife, water and soil health, this barrage of appeals is a unique burden of privilege. Breaking through and creating a meaningful connection in this context is not easy.

The first and best thing we can do, always, is to ground communications in universal human values. Signal clearly what you are about and then back that up. If there isn't a connection on a personal, emotional level, a dialogue will never start, much less an investing relationship.

Questions to consider:

1. What marketing materials do you give a second glance, or a proper read?
2. What about those communications made you pause and helped make a connection?
3. What voices and channels do you trust and prioritize?

Ordinary Investors Are Waking Up

People have more options than ever to be mindful with money:

- From a general increase in products for the conscious consumer;
- to the rapid growth in partially automated wealth management platforms, such as Betterment, Personal Capital and Wealthfront;
- to the continued mainstreaming of crowdfunding through channels like Kickstarter, WeFunder and GoFundMe;
- to resources like the Divestment Guide⁴ for moving money out of fossil fuel investments;
- or even more unique products such as CNote⁵ (2017 FinTech Innovation award winner at SXSW⁶), a high-yield, low-risk savings product through Community Development Finance

Institutions (CDFIs), offering a projected 2.5 percent return with no fees and flexible liquidity;

and that's not even considering the many funds intentionally generating social and financial returns or the broader economic contribution of CDFIs.

There are so many options. And for many, it's overwhelming.

People are also beginning to realize democracy and capitalism are uneasy mates, and that "voting with your dollars" can, in some ways, mean more than an actual vote as a citizen. For example, \$5.42 trillion from 742 institutions and 58,000 individuals has been committed to divest from fossil fuels.⁷ Campaigns such as DeFund DAPL,⁸ which over just a few months sparked divestment of \$4.4 billion from banks funding the Dakota Access Pipeline, helped create awareness that passive savings accounts represent bank investments and may be the object of conscious consumption decisions. Elections, particularly in the United States, continue to reflect the influence of large corporations, financial entities and high net worth individuals who can donate unlimited, undisclosed amounts.

In response to all this and more, many are actively seeking ways to integrate their personal beliefs with how wealth is created and sustained, and how to make our shared systems work for us, not against us. Many individuals are educating themselves to be smarter investors—of course, if you're reading this book, you're one of them. If you're a millennial in particular, skeptical of the market and heavily courted by financial institutions, platforms and brands, you've no doubt taught yourself to evaluate dozens of approachable websites, apps and ads, and made some decisions, more or less independently.

A new generation of financial advisors is emerging—and many more are needed—as existing advisors adapt to harder questions regarding the social and environmental impacts of investing, which don't always have clear or easy answers. We are living between worlds, and shared languages, as old models break down. We can choose positive impact as we invest in, and communicate about, the future we want to build and create.

Ground Rules for Communicating Impact

1. Emotional and Rational Connection Matters

As we satisfy our head's desire for things to “make sense”—from the legitimacy of financial offerings to stability of returns—our hearts seek deeper meaning from our dollars. How do we use words and images to help us see that our money can serve our desire, to be a better version of ourselves, and contribute to the world in a tangible, meaningful way? Before we can move into mechanics—what and how social impact investing works—we must connect with why it matters.

The job of communicators and storytellers is to capture the imagination and strike an emotional chord, through heart-based content, followed by head-based information that satisfies the rational questions that immediately surface. Marketing impact investing is not only about making the business case, conveying positive, quantifiable, tangible results alongside financial returns. And it's not only about heartwarming stories of hard-working entrepreneurs, sleeves rolled up and ready to scale, for example; or even the powerful, concrete ways that many lives have been improved, from more affordable, quality homes to better performing schools, or more consistent access to healthcare, and nourishing foods. It's not about selling data and numbers; or stories and people. It's about all of those things, back and forth, over and over.

A predictable series of rational questions emerge, once people are emotionally intrigued by impact investing:

- Where does the money go? Why this instead of that?
- Who decides where the money is invested?
- If money is going to a nonprofit organization (common in impact investing) how do I earn returns? How can I make money on lending to “nonprofits”?
- Who's making money on my money?

Satisfying both curiosity and concern leads to conversion.

2. Show and Tell, Over and Over

When you create or review an impact report, key facts and concepts should speak clearly to the outcomes that have been achieved, not what someone proposes to do—action speak louder than words. This means, of course, you have to measure or otherwise assess your impact. Metrics, monitoring and evaluation are the lifeblood of effective communications—and a whole different book—and also covered in more depth in this volume by Sara Olsen in Chapter Eight. This chapter presumes that, if you are marketing impact investing, you are measuring your positive impact, ideally in a way your audience values.

The AFL-CIO Housing Investment Trust leverages its \$5.85 billion in net assets to create quality jobs and affordable housing—81,000 union jobs and 120,000 affordable housing units, specifically. The Trust is an open-end, commingled investment company, commonly called a mutual fund. Its portfolio is internally managed and consists primarily of high credit quality fixed-income securities, and has a history of nearly 50 years of socially responsible investing, putting union capital to work financing housing and creating union jobs nationwide. While the housing industry has struggled to meet the needs of residents across the country, and at a time when quality jobs are in short supply, the results achieved by this unique structure are impressive.

As we emphasize concrete, tangible outcomes of impact investing, and identify and share stories, we have to also remember that for most strategies volume does matter. Think of how many financial services messages have shaped our (largely negative, optimally neutral) reactions, over years. It will take many impressions to undo that programming and create new pathways of understanding positive impact.

It's also important to remember people will not see every single communication you produce. You will tire of your messaging long before your audience does. It is vital to show and tell, and engage the heart and the head, over and over.

3. Values-based Communications Transcend

As we mine messages and content around us for meaning, we have a natural, and at times an extreme, affinity for brands that share

our personal values. We see engagement with some brands as a way of being more of who we want to be. Clearly signaling what you believe in and the future you want to build will draw more customers and clients to you, and create more loyalty, as you share the results of your work over time. In this way, values-based communications transcend the distance between communicator and audience.

Audience: Human First, Role Second

Most marketers start in the same place: The Audience. Specifically, many will imagine a matrix of boxes for neat talking points, sliced and diced by demographic and role. There are nuances to the way we see, hear and say things, grounded in experience: what and who we have encountered, in life and work; our fluency and comfort in multiple languages, including finance. The following section offers “psychographic” categories for audiences, in addition to messaging insights and tactics by traditional demographics and role. Understanding how the audience is constructed and the types of members may help ground thinking and language in human, universal values that transcend background and bank account size, in addition to considering the functional, transactional needs of specific individuals.

These psychographic profiles help us understand our own role in impact investing; and help those communicating to better understand exactly who they are trying to reach.

Considering Four “Psychographics”

Pragmatic Altruist: an individual wanting to do well and do good

Systems Weaver: someone considering collective assets across sectors, regions

Radical Seeker: an advanced financial activist integrating and aligning total portfolio

The Indifferent: the majority who don’t have significant wealth, interest or time

	Risk tolerance	Tangible outcomes	Desired engagement	Financial fluency	Barriers to impact investing
Pragmatic Altruist	Low	Yes	Meh	Medium	Exposure, Many Priorities, Time
Systems Weaver	Low	Yes	Yes please	Low–High	Creative Partners, Time, Regulation
Radical Seeker	High	Maybe	Yes please	Range	Deal flow, Access, Time
The Indifferent	Range	Range	No thanks	Range	Exposure, Easy On-ramps

Questions to consider:

- Which of these categories best describes you as an impact investor?
- How does that affect the way you receive and act on opportunities to activate wealth?
- If you're with an investment group and create communications, which stories are you telling and to what audience(s)?

Let's Meet These Characters ...

The Pragmatic Altruist has always tried to do good things with his money, taking some pride in thoughtful philanthropic activity, in particular. He cares about a number of issues—homelessness and affordable housing, education and animal rights, among others. He gives frequently and often; and so, receives many solicitations. He and his wife prioritize a few major galas and events each year. He is active in his faith community.

Most Pragmatic Altruists first consider impact investing by redirecting philanthropic capital, for example, moving existing donor advised fund (DAF) dollars into fixed-income investment vehicles, targeted to creating positive change in an area of particular interest, such as microfinance or affordable housing. In this sense, impact investing is a “no-brainer”: it is a smart place to park and preserve capital, knowing that some good will come from it, along with some returns.

The Pragmatic Altruist does not live in the “weeds” of impact investing, or philanthropy. His good intentions can be tripped up by blind spots. A tendency to analyze, itself the result of privilege, can delay the process of ideas and conversation turning into concrete, mutually beneficial action.

Questions for the Pragmatic Altruist:

1. What do you need to know, to do the most good with your wealth?
2. What kind of counsel do you need?
3. How involved do you want to be in your venture philanthropy and investing?

4. When you look back, what kind of change do you want to have made?

The Systems Weaver considers the big picture. She surveys collective assets—existing pools of capital in an ecosystem—including city budgets, pension funds, bonds, even savings accounts; along with the procurement power of anchor institutions, like hospitals and schools; along with venture philanthropy and investment dollars; along with federal and local incentives.

The Systems Weaver takes it all in, to inform decisive, experimental action. She listens to trusted and new voices. In shifting landscapes, where federal and municipal funding flows become less predictable, she is constantly scanning the horizon for that missing puzzle piece to help things click into place. She operates by instinct at times, always checked, challenged and inspired by data. System Weavers are the people you'll find as the heads of CDFIs (see box below), and at community foundations. They may be working in local, state or federal government; or leading academic or healthcare institutions. They naturally think across systems and sectors, identifying and shaping opportunities for collaboration.

A social entrepreneur is a Systems Weaver by default, since she assumes it is possible to redirect rather than fight market forces to solve chronic social challenges, and seeks to align a constellation of skills with a business model that addresses an underserved market.

Expert weaver Robert Egger, founder of D.C. Central Kitchen and now L.A. Kitchen, has built two nonprofits that are quality job creators for people with barriers to employment. Egger looked at collective assets and activity: every year we throw away 40 percent of what we grow—\$150 billion of “waste.” His organizations use diverted produce—maybe bruised or very-ripe produce—to create affordable, healthy meals for people with limitations to mobility or income; and good jobs, along the way.

The ways the Systems Weaver engages with social impact investing may include things like designing a “pay for success” program with city government, local philanthropy and the private sector, aligned to create better health or education outcomes for children. A Systems Weaver would be the person at a credit union who sees ways to leverage tax credits and federal small business

incentives with a trusted data source, to streamline recruiting for affordable lending dealflow.

The work of a Systems Weaver is complex, dynamic, difficult and sometimes, very fun.

Questions for the Systems Weaver include:

1. Where do you seek the greatest positive impact?
2. Where are possible, if unlikely allies?
3. How do you manage your own energy and prioritize your health, working on long-term, difficult issues?

The CDFI “Communications Problem”

You may well be thinking, what’s a CDFI? You’re in good company.

CDFIs⁹ are community development finance institutions—nonprofit financial institutions long active as responsible stewards of capital, providing credit and investment in communities that are underserved by traditional financial institutions. In addition to a successful track record of leading and participating in large-scale project finance opportunities (including multi-family affordable housing projects, health care centers and schools) over time, CDFIs have grown their capacity as direct small business lenders. By leveraging credit enhancements and federal programs as well as their expertise as “boots on the ground” community lenders, many CDFIs have demonstrated their ability to lend to small businesses that have not been able to secure growth capital.

The fact that this layer of economic infrastructure is largely unknown to its target audiences is, in a real way, “a communications problem” as one Systems Weaver put it. A *Fast Company* writer covering “innovation in community development” had never heard of CDFIs—to be expected for mainstream investors, but a surprise for someone assigned to cover the field. Small and local business owners who need access to capital, and ways to build equity, often have no idea that there is a public/private, nonprofit financial institution, potentially in their own neighborhood, whose mission is aligned with community and business needs. While there are different perspectives about why this is the case, it is more critical, for the sake of positive impact, to address its reality.

There is a robust and growing market of small businesses operating in low- and moderate-income communities, many of which are a great fit for financing and supportive services offered by CDFIs. A recent report from the Association for Economic Opportunity (AEO) noted more than two million small businesses in low-income communities seek credit each year.¹⁰ Unfortunately, CDFIs are only reaching a very small portion of this market

(less than 1 percent in 2015), which may contribute in part to many small businesses paying extreme premiums or being unable to secure financing of any kind.¹¹

Community Reinvestment Fund, USA (CRF) has been building a core set of tools and strategies that will facilitate increased brand awareness, reach and access for a coordinated national network of mission-driven business lenders. CRF believes that CDFI business lenders must “collaborate to compete,” capitalizing on the value added through lower cost financing, flexible underwriting and repayment terms, access to wrap-around small business support services, and complementary/noncompetitive position relative to mainstream financial institutions.

CRF has developed an online marketplace known as Connect2Capital, which helps unbanked and/or underbanked small businesses find responsible sources of capital and advisory services, while reducing customer acquisition costs for mission-driven lenders and service providers. The solution is modeled after the simple, user-friendly prequalification process that has been widely adopted by online lenders. The Connect2Capital Marketplace functions as “connective tissue” to unify the network of responsible lenders by allowing them to establish eligibility parameters for each of their products, which can be matched to incoming financing requests. A small business owner who fills out the prequalification form will immediately be presented with a set of products and services that are available to them based on the eligibility criteria of the network of lending partners.

Oscar Abello, an economist and journalist, noted the rapid increase in individuals and institutions—entire cities, from Seattle and St. Paul to Raleigh—that are actively seeking new banking and investing solutions, and looking for local, values-aligned resources. “In the U.S. there are 5,800 banks. 5,400 of them are technically ‘community banks’; it’s bewildering.” He shared his own method for narrowing down his local bank, in New York. “There are 298 CDFI credit unions that meet several layers of verification in terms of commitment to community.” As a financial consumer, and critical analyst, he is more persuaded by a focus on place and local leaders, and knowing that’s what his fees are supporting, rather than seeing his bank advertise in magazines or on the side of a bus, for example.

“CDFIs put every dollar into relationship building with my neighbors and local businesses, and that’s the best possible use of my money,” Abello added, noting “every time you swipe your card—or make any transaction, even online—someone gets a cut, up to 3%. Why not have your funds and your transaction fees all directed to positive, local impact you can see?”

CDFIs have played a critical role in any U.S.-based strategy for community and economic development. That they have remained unknown for so long, by so many, is something that can be addressed in part through effective communications.

Time to meet our **Radical Seeker**.

The Radical Seeker insists and knows money can be a force for good. She also knows the system is rigged. She is (nearly) tireless in researching, educating and trying to always make better decisions, about how she engages in the world, financially. Radical Seekers are not as concerned with the past as building and visioning the future. They are not tinkering with broken models; to paraphrase Buckminster Fuller, Radical Seekers are investing in emergent models, that make the old ones obsolete.

Peter Buffett stepped into a public Radical Seeker role with his provocative *New York Times* op-ed “The Charitable-Industrial Complex,” challenging his peers to ask harder questions when they consider their philanthropic and investment priorities:

Money should be spent trying out concepts that shatter current structures and systems that have turned much of the world into one vast market. Is progress really Wi-Fi on every street corner? No. It's when no 13-year-old girl on the planet gets sold for sex. But as long as most folks are patting themselves on the back for charitable acts, we've got a perpetual poverty machine.

President of the Heron Foundation, Clara Miller, also a Radical Seeker, noted in her manifesto, “The World Has Changed and So Must We,” that “in much of American philanthropy and social policy, the old narrative and its familiar assumptions linger on, sometimes questioned but rarely departed from.”¹² Miller’s leadership has inspired other foundations to revisit their strategies, as her own foundation fundamentally altered their strategy “to focus primarily on investing in enterprises that create reliable income streams for people striving to get out of poverty” as well as “organizations that shifted the metrics of the economy as a whole, by measuring the positive and negative social impacts of enterprises of all sizes and kinds, as well as by providing data standards and comparability for like-minded investors and managers.” With a change of strategy came a change to Heron as an enterprise: they “removed the division between the investing and the giving operations (traditional in virtually all private foundations), creating a ‘team of the whole’ to deploy all of Heron’s capital in concert for mission.”

Jessica Norwood is a Radical Seeker of a different sort: this Alabama-based entrepreneur isn't just trying to make her own business work—she's making sure all black entrepreneurs have access to capital, and can build equity. The Runway Project provides affordable, patient capital in place of the “friends and family” funds that many white entrepreneurs are able to raise from their networks to launch their ventures. “We can't start our businesses by leaning on friends and family, when black families in the U.S. have an average of \$11,000 in assets, and the average white family has \$141,000.” The Runway Project uses a known, “safe” financial vehicle, currently a Certificate of Deposit, to aggregate passive capital—nondirected assets, even modest savings accounts—and then deploys capital through partners, to help create the pipeline of leaders and entrepreneurs of color that so many investors want to resource. An active pilot in Oakland, CA aggregated \$500,000 in the first 48 hours.

“We need to question what we mean by ‘investing’ when the ability of people to participate in the economy is fundamentally challenged,” offered another Radical Seeker, Alfa Demmellash. As CEO of Rising Tide Capital in Jersey City, Alfa is building a model for high-quality entrepreneurial development services that can be locally adopted in low-income communities, and used as a catalyst for economic and social empowerment. “Strengthening people where they are, resourcing their ability to access opportunity and create the future, should be the primary concern of investors and community builders. We can no longer expect unfettered economic growth, up and out; we have to go deeper into place.”

And, in many ways, it doesn't get more radical than Leslie Christian: from guiding the futures markets on Wall Street in the 1980s, to challenging the very concept of investing as inherently unequal today, Leslie has been a visionary woman leader in a man's world, for decades. Throughout her career, and in her current work as an advisor for Northstar Asset Management, Leslie has carved her own path where one didn't exist. Today that includes advising some of her clients to pursue zero-interest or even negative returns on some investments, as she helps to align capital and values.

Leslie is a Radical Seeker who questions every assumption, starting with the premise that investing is a good thing. “When

I was beginning my career, I saw the financial world as an exciting and worthwhile place to focus as a feminist who wanted to make a mark in business. And I was intellectually fascinated by all of it—especially the bond markets. I hadn't fully internalized the underlying assumptions and implications of our capitalist system. I've come to realize that investing to accumulate wealth inherently perpetuates inequality. The rich get richer; the poor fall behind; the gap widens. If we take 'impact investing' seriously, as a total commitment to values, we have to question the 'laws' of investing; this means sharing financial returns with all who have contributed rather than expecting that investors should receive priority." When asked about trends, Leslie offered that she sees "more women who are questioning the idea of wealth accumulation and seeing it more as hoarding piles of money. They want to see their money circulating, and they are exceedingly generous with time, energy and funds."

Questions for the Radical Seeker:

1. What kind of language inspires greater alignment of capital with values?
2. Would you consider a zero or negative return on a deal you believed in?
3. Would you be willing to directly, personally negotiate loan terms with a borrower of your impact investment capital?

The last character in our psychographic landscape represents the many versions of **The Indifferent**. The Indifferent can be an individual, an intermediary or an institution. The Indifferent includes the average person who holds some assets in a retirement account or pension fund, and has never investigated where her investments are made. She gets a quarterly statement on an account set up years ago, and sees numbers go up, sometimes down, and doesn't pay much attention.

The Indifferent can also include the financial advisor or associate who works for a large services firm, punching the clock and making a living; and who has significant influence, making recommendations and implementing client decisions. The Indifferent

may oversee sizable assets, and be happy to guide clients to alternatives that align with their values, if alternatives are easy to explain and execute.

Michael Vitali, a writer with significant experience in traditional financial services, philanthropy and impact investing, reflected on when he was brought in to support a \$1 billion capital campaign that had stalled at \$700 million. A compelling, personality-driven website with top-notch photography and video content, along with gorgeous print materials, weren't connecting with philanthropists, as time passed.

After reviewing the fundraising process with campaign executives, the first thing Michael did was reorient the communications beyond the philanthropist to include his or her advisors and family influencers. He retro-engineered what amounted to an educational and frictionless process for financial advisors to direct any category of philanthropic assets to the capital campaign, without jeopardizing their control of the client relationship. A series of documents later—offering clearer terms and outlining simple steps in the process, including the technical, financial steps involved—and suddenly the campaign was on its way to adding another \$900 million to its goal, topping out at \$1.6 billion raised.

Sometimes the best communications solutions are unsexy hacks to streamline a new process, to make it as clear and easy as possible, for people to choose a different option. At the same time, people like Deborah Frieze of Boston Impact Initiative notes, where social impact investing is pitching to the Indifferent, it often “fails to challenge our views about how capital accumulates inequitably in our current financial system.” What is the role of communicators, to help expose structural inequality, and offer a path of meaningful inquiry for the Indifferent?

Audience: Theory of Change

If you're creating, measuring and communicating about positive impact, you're operating from some theory of change. Which audience is critical to your strategy? How do you engage and activate them? Communications

should flow strategically, and intuitively, from your goals and priorities. Some theories of change in a particular impact portfolio might mean targeting the Indifferent as the biggest opportunity to bring in investors. After all, if they don't really care, in some ways it doesn't matter where investments go. If you want to connect with the Indifferent, you need a compelling answer to the question, what's in it for them? And, it should be very easy and clear, how to take action.

Other theories of change might focus on accelerating the positive impact of a smaller number of highly motivated individuals. Identifying communities of Radical Seekers, and creating meaningful dialogue with them, looks and sounds very different than a mainstream call to Indifferent masses.

And still other theories of change, when designing for impact outcomes, may rely on Systems Weavers, to engage multiple capital streams across sectors. Or an investment initiative might primarily target Pragmatic Altruists, already primed for giving, drawn by the idea of modest earning.

Each of these offers different opportunities, and needs, for communication and connection.

A Millennial Global Perspective

Katharine Tengtio, marketing officer at Calvert Foundation by way of the Cherie Blair Foundation and the London School of Economics, is an efficient, passionate communicator. From her experience in philanthropy, fundraising from high net worth individuals, and now in impact investing, she sees similarities and distinctions, among global markets.

One thing is the same: many impact investors and most philanthropists want scale. Katharine offered, "Most people are less interested in the emotional story about a single person. They want to hear about how big their positive impact can be—how much positive change their money can achieve—the bigger the numbers, the better. There is a focus on outcomes based on quantity over quality."

Money is similarly taboo in most cultures, an inherent barrier to communication: "Brits generally avoid talking about how they invest their money. They are very private people." Beyond that, impact investing and philanthropic activity isn't as intuitive to people who, for example, are shaped by the availability of

social systems, like healthcare, education and affordable housing. Government-subsidized services shift perspective on whose responsibility it is to provide support for the underserved. In the United States where there is a greater focus on the separation of state and society, there is an emphasis on the role of the private sector and its responsibility toward charitable giving in general.

The United States seems poised to deliver on the promise to mainstream positive impact investing, if inclined, in part because it “fundamentally aligns with our core values. As much as the U.S. talks about a separation between church and state, the culture is shaped by Christian values, and caring for neighbors. The idea of the American Dream—that everyone has and deserves a chance—is very different than other parts of the world. In the U.S. we champion the idea of opportunity and being able to build yourself from the ground up, which isn’t necessarily the same in other cultures, which may focus more on a person’s allotted place in the world, and less about social mobility out of it.”

In the end, impact investing is similar between the United States and the United Kingdom in that it’s still “very niche,” as Kat put it. For this idea to really grow, new audiences need to be reached. One way she works to do that is through a particularly challenging aspect of impact investing communications: efficient, meaningful digital content.

For marketers seeking new audiences, limited data show that, “unless you’re already thinking about it, ‘impact investing’ doesn’t lend itself to tweeting or Snapchat [158 million daily users Q4 2016], where new and younger audiences can be found. These are complex ideas with endless nuance; if you’re lucky you might capture a few seconds of attention. Beyond that, when it comes to doing good, a lot of younger people prefer to take part in an action and have an experience, like volunteering at a soup kitchen, than make a financial transaction.” As context shifts, it is important to challenge assumptions about what audiences want, and continue to experiment with messaging and actions.

“What excites me is the growing interest, particularly among my generation. Although it’s still not very ‘mainstream,’ if you look at

the trends among business schools worldwide, impact investing is a growing hot topic, and more top MBA programs are focusing on providing more courses, professors, and events on impact investing for their students. This shows a lot of promise for what is to come!”

Audience: Insights by Demographics

Now that we’ve considered some of the themes that unite audiences across demographics, we’ll take a deeper dive into some insights and data about communications targeting specific communities. We will explore Communications Insights in the following areas:

- A. Generational
 - B. Heritage, Identity and Race
 - C. Place-based and Local Investing
 - D. Financial Advisor
 - E. Impact Investor
 - F. Philanthropist
 - G. Impact Investment Lender
 - H. Impact Investment Partner
- Let’s look at each of these in turn ...

A. Generational

From younger potential investors to those who have been saving and directing funds for decades, there are some unique trends and considerations to reach different age groups. One marketing experiment targeted millennials, through the robust media platform Upworthy, which had emerged as a reliable source for viral video content that would inspire, outrage and activate approximately 800,000 values-aligned do-gooders, each month. The place-based investing initiative, Ours To Own, produced a video¹³ in coordination with the Upworthy editorial team and promoted it to their community, in email and social channels.

A thorough series of A/B random tests considered the performance of email subjects and landing page content and design. Any option with terms like economy, money, Wall Street/Main Street failed to generate clicks. Upworthy’s editorial team recommended

ways to leverage the “curiosity gap” to inspire engagement, to get people to watch the video without knowing what it was about.

One key learning: once people clicked, the Ours To Own video outperformed all other promotional content comparables—with a higher click-through rate to the Ours To Own landing page, higher number of shares, higher time on page. This suggests viewers initially showed less preference for economic content, but once they watched the content, they were more likely to engage than they were with other content. Ours To Own added 2,500 new emails in one week, and nearly 5,000 within six months, through this campaign.

This illustrates a core communication challenge for impact investing, including for those who are interested in doing it: we are predisposed to avoid thinking about it, but once we are involved, we are highly engaged. How do we spark a conversation, in the first place?

Toniic, a community of global social impact investors, produced a report in May 2016¹⁴ focused on millennials and impact investing, which validated insights and data from other experiences, with a more aware and engaged community:

Key findings show that the millennials we surveyed and interviewed are indeed interested in impact investing, with some taking a portfolio approach, and others considering how to align their careers and their philanthropic activities with their values and impact investments.

Challenges shared by millennials surveyed include:

- *Not enough investment knowledge resulting in lowered confidence to act;*
- *Lack of investor education tailored for the needs of millennials;*
- *Resistance from family members; and*
- *Lack of support from financial advisors.*

One Millennial—a venture philanthropist and impact investor—said, “I’m trying to figure it out as I go. It’s not easy. I’m trying to bring more joy to it; and, I see that my privilege brings a responsibility, to learn how to translate among those with and without money.” Recalling her first days as a “totally hidden” anonymous donor, she later founded a nonprofit committed to “value made visible”: specifically, bringing millions of small farmers into markets where buyers are trying to find products. “I think about things

like, what does a rainforest ecosystem look like? What is valuable to stakeholders, beyond money, and how do I talk about that from the heart—not checkboxes?”

Younger and older audiences seem to agree: impact investing is worth investigating. Age Strong, a collaboration among AARP Foundation, Calvert Foundation and Capital Impact Partners, is investing \$70 million in services for our vulnerable older population—from affordable homes to access to high-quality healthcare and healthy foods, including in rural areas. Testing through the AARP Daily News Alert, which goes to millions of AARP’s members, showed the subject headline “Impact Investment Opportunity: A First of its Kind” outperformed subject headlines focused on Age Strong features or outcomes. This suggests that when impact investing is positioned as something people can do, they are more inclined to act on their interest.

More generally, the field of “silvertech”—digital products and services that support the aging process—is struggling to grow¹⁵ at the same pace as our aging communities; and in the United States, the population over 65 will double in the next 25 years.¹⁶ Apps that help people with prescription reminders; devices that can assist in locating loved ones with memory challenges; even Amazon’s Alexa, provide accessible technology to automate simple things, like turning on lights before entering a dark area, and adjusting the thermostat, to help people stay comfortable and safe in their homes. There is a massive market opportunity for social entrepreneurs, and investors looking for growing markets and positive impact—and there are serious communications challenges that follow.

“There’s a stigma to aging. Period. Most brands don’t want to touch it,” says Dr. Bill Thomas, an inventor, doctor and impact investor. Dr. Thomas has been visiting communities all over the United States—nearly 100 so far—with a group of other musicians, storytellers and healthcare practitioners, who are seeding new stories about aging. “For millenia, what’s changed hearts and minds? Stories.”

Dr. Thomas isn’t just a storyteller. A geriatrician for more than 30 years, he also invented the rapidly scaling Green House model, designed for 10–12 people whose lives are centered around a big wooden table; a comfortable, open kitchen; shared living space and a hearth; and each person with their own private space. Dr. Thomas

continues to innovate new lifestyle solutions for people whose mobility changes over time; and he continues to delight audiences with new ways to think about, and embrace, the complexity and beauty of aging. By focusing on themes of love, community, well-being and connection, Dr. Thomas creates bridges of understanding among younger and older audiences, of why investing in our aging population is viable financially, and important socially and culturally.

While the term “impact investing” and the concept have some cross-generational appeal, as the term continues to gain momentum in mainstream conversations, it is critical to consistently question the actual impact we are having, as we produce and receive communications. Younger audiences want positive, tangible impact for their investment, and do not assume the stock market has to be part of their future planning. Older audiences are generally more conservative, and may need to prioritize financial returns to offset increasing costs of healthcare and longevity. Finding a balance between current and future outcomes, and clearly signaling returns, is critical for both audiences.

Questions to consider in generational impact investing communications:

1. What is the horizon you are thinking about, 3 or 10 years, or 30?
2. What is the one issue you are most concerned about or inspired by?
3. What kind of support do you need to make good decisions about your future?

B. Heritage/Identity/Race

If impact investing communications is a new frontier, one particularly emergent area includes opportunities to align investing with personal identity and heritage. Many impact investors are intrigued by the idea of supporting their country of origin, and communities that are an extension of personal identity, culturally and socially. For impact investing to become more mainstream, it is critical for those designing and providing new financial products, as well as marketing them, to engage a broader population of investors—not only in regard to race and age but in terms of background, wealth and perspective.

Race is an important consideration for impact investors and venture philanthropists looking not only for solid returns—but an opportunity to directly invest in the next generation of leadership and models that will scale measurable, positive impact. JPMorgan Chase CEO Jamie Dimon recognizes that, from a talent standpoint, his company needs to be developing a full pipeline of people of color, dedicating financial and human resources to build the skills and experience needed for success in top leadership roles.¹⁷ Whether you are considering the potential impact of your investment, or designing or marketing a new opportunity, race matters when you communicate about who is being invested in; who is benefiting directly from that investment; and considering who is being marketed to, and what they are being asked to do.

Race in the United States is a complex issue. At a high level, if you are communicating to any one particular community, it is ideal for leadership of your effort or product to look like, represent and deeply understand that community. An organization committed to bold values like equity or inequality, diversity or integrity, can expect people receiving communications to apply more critical filters, especially around money. “What people say, is not always what they do,” one marketer noted.

One area of skepticism that communications must address relates to where money goes, and who decides: this is particularly important, and challenging, when white-led North American investors are deploying capital internationally, or within US cities that all have different and deep histories of structural inequity, especially places like Newark, Oakland, Baltimore and Detroit.

Launching new initiatives globally, intermediaries, advisors and brokers will inevitably need to address questions about how they will manage corruption, “business as usual” in many parts of the world. Local leadership, with relationships grounded in many years and deep trust, is vital to any identity- or place-based initiative. (More on that below.)

For white communicators and impact investment product developers, engaging voices of color as true partners early and often is key. If you are white (as I am; and as are 79 percent of financial advisors in the United States,¹⁸ for example) you may well make mistakes; resources exist to develop skills and awareness

around white privilege and the benefits conveyed socially and financially because of it. Any white communicator in the impact investing space should consider reading or participating in the growing number of resources dedicated to educating white people on issues of racial justice (Racial Equity Tools,¹⁹ Frameworks Institute,²⁰ Showing Up for Racial Justice²¹ among others). If you are committed to impact that in any way touches on race (which is, all of it) be patient with yourself, invest time in your education, and do not lean heavily and chronically on collaborators of color to be patient with you.

One Example: “Parte de la Solution”

In one initiative, several partners collaborated to engage Latino audiences as “financial activists,” encouraging Latinos to recognize and exercise the power of their finances to create a better world. The campaign invites people to be “Parte de la Solution” (PDLS). PDLS partners put money to work for the benefit of Latino communities in the United States and abroad, including Calvert Foundation (“Invest”), Latino Community Credit Union (“Save”) and Kiva (“Lend”).

PDLS was of interest to media partner Univision, whose CSR commitment includes financial education, and who liked the concept of engaging Latinos financially for social impact. As the fifth largest network in the United States, Univision offers unprecedented access to the US Latino market, and with recent acquisitions of The Root, The Onion and Gawker media properties, access to a multicultural millennial audience.

A paid social media advertisement campaign aimed at millennial Latinos was conducted via Fusion, Univision’s millennial-focused multiplatform network, focusing on the “invest” call to action. A community event and kick off to the PDLS campaign was hosted in San Francisco with Univision’s social impact unit, Rise Up. While it’s not one of Univision’s largest markets, San Francisco has a highly engaged Latino audience. With continued marketing, the hope is to see an increase in the number of people signing up to save, invest or lend. The initiative continues to bring on outreach partners whose communities and members might be interested in “financial activism,” and will consider other solution partners and potential verticals for growth as the campaign progresses.

Questions to consider in heritage/identity/race-based impact investing:

1. Who are the leaders and partners of this product?
2. What kind of investing relationship do you want to have with investees?
3. What do you need to learn, to feel confident your decisions will lead to the outcomes you seek?

C. Place-based/Local Investing

Impact investors bring a unique hope and skepticism to the idea of place-based investing. Who doesn't want to make their community even better? Because of the promise represented by tangible, local investments, a number of questions quickly arise for the communicator and audience:

- Who is leading and representing the initiative locally?
- Who decides where the money goes?
- Who is making money off my money?
- Can I point my investment directly to Tamara's cafe or Jose's craft brewery? Does that matter?

If you're building or marketing any kind of local effort, there is one secret to success: representation and deep relationships, in that specific place. Slick marketing campaigns and people who helicopter in to strategize, sell and observe cannot replace solid local leadership or expect meaningful, sustained engagement with new audiences of investors. Local guides function as an extension of a sales and marketing team, and they should be true leaders of any authentic place-based effort. Prioritizing and resourcing these leaders will help inform your investor profile, and the traction of your initiative. Countless well-intentioned local initiatives have failed to achieve the effect they seek—and in some cases have had the opposite effect, deepening distrust among audiences. Foundations and anchor institutions rarely engage with their community in a thoughtful, positive, ongoing way. This history shapes how communications are received.

As communicators try to promote a local impact investing initiative, and potential investors want to learn more, operational

challenges become marketing breakdowns. For example, many institutional and individual investors are interested in directing substantial capital locally. A lack of “economic plumbing”—a way to deploy significant funds, in a community-responsive way—may make it hard to get money to the businesses and organizations a community wants to support. These all present challenges to effective, satisfying communications.

On the human capital side, outsiders and those with resources often tie up precious time and talent of local leadership—who spend countless hours educating and translating for those with privilege about real, urgent grassroots challenges. If investors are looking for deals, it is often these local leaders and their immediate networks who represent strong investments, themselves.

The number of diverse, place-based initiatives continues to grow—like Benefit Chicago,²² the Colorado Impact Fund²³ and JumpStart²⁴ in Cleveland—often through foundation and institutional support. Mainstream individual investors are not as quick to make the leap. Author Amy Cortese noted, “When *Locavesting* was published in 2011, it was still the tail end of the recession; people really understood the value of investing in local, in Main Street. My sense is that has subsided a bit. People tend to have short memories, and when times are good—when the market is high—looking for alternatives is not as urgent.”

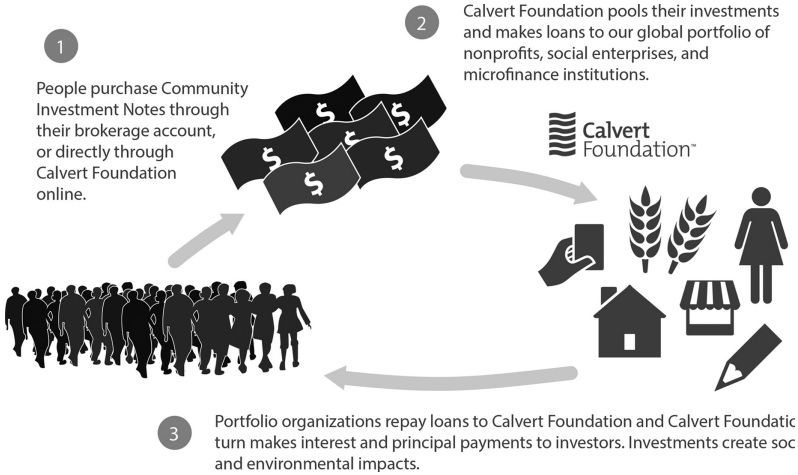
Questions to consider in place-based impact investing:

1. Who are the local leaders and representatives of the product?
2. Who decides where investments are made? How is the local community involved?
3. What kind of returns are important to you, financially and socially?

D. Financial Advisor

In conversations with a range of advisors, they made it very clear: if you make it easy, there is money that wants to move into positive impact. More and diverse communications resources—infographics, videos, blog posts, media coverage—are needed to unpack financial jargon into accessible, actionable ideas.

For example, a “how it works” infographic has been referenced over and over by advisors grateful for a simple tool to communicate about the mechanics of a place-based investing initiative.



Source: Printed with permission, The Calvert Foundation 2017

That's not to say that there isn't individual and institutional resistance to change—that's human, and understandable. Some even consider new initiatives to be a threat. This must be considered when creating or receiving communications about impact investing. One wealth advisor, a millennial working primarily with older clients, in a private wealth management group for a commercial bank, noted there are different comfort levels in being more and less involved with managing wealth. He is always on the lookout for the “path of least resistance”—where it is easy and transparent that an impact investment clearly aligns with someone's planning goals, and the process is clear, people make the choice to move their money.

Questions to consider for financial advisors:

1. Is your client clear on the impact outcomes that matter most?
2. What are your biggest communications needs—video content, infographics, stories?
3. Where do you turn for guidance and translation? How can you elevate those voices?

E. Impact Investor

People engaged in or drawn to impact investing start with a basic premise: that it's possible to earn financial returns on investments that also create measurable good in the world. The entry point is not about trade-offs or fighting for a limited piece of pie, or seeing the world through a lens of scarcity; it's about making more pie, together. This is difficult to remember, as we've wired ourselves to see other stories, and it's not how many of us experience the world every day. When we communicate through a lens of possibility and abundance, we discover more resources and positive energy for what we are trying to build. Tactically, this means using language like "and" rather than "but"; and thinking about how to collaborate, not compete; and how to create more for more people.

Jenny Kassin helps entrepreneurs grow their business "on their terms," serving as a legal advisor, business consultant and coach for mission-aligned structure and finance. Her work focuses on direct investment in companies—not into pooled or aggregated funds—which "some might say is risky, and it's important to question that assumption." She notes that every opportunity is different. If a business has good counsel, and access to a group of direct investors, there are alternatives to traditional models of investing and raising capital—which require additional messaging, so that people can understand, and ask smart questions, to see whether an investment makes sense for them. Increasingly impact investors desire a direct connection to investees, so while there may be more (or at least different) paperwork, the investment relationship is a deeper partnership, with projected, understood returns.

From a communications and product standpoint, one of Jenny's favorites is Equal Exchange. Their name says it all: the company is dedicated to democratic transactions, grounded in relationship. Their investment option is totally transparent, there is no fee or additional intermediary, and impact investors know their money is going directly to support better livelihoods for more farmers, and more worker-owners within the Equal Exchange co-op. They have also structured the business and investment so there's no pressure to exit to a major multinational corporation; and they target a flat 5 percent dividend, which they have been able to meet nearly every year—which means they have outpaced the S&P 500, over time.

Jenny admits that while she loves making direct investments in companies, these deals are hard to find: whether or not you're making impact investments, it's still very much "who you know." When you do find the right fit, the messaging is easy, because it makes sense.

Where are the breakthroughs, the emerging solutions that address persistent challenges, and produce satisfying financial returns? Who are the people leading teams and products for underserved markets that represent new financial activity, and quality job creation? What are the new structures—from co-ops to employee stock ownership plans (ESOPs)—that impact investors should be considering?

Accelerators, incubators and hubs are growing at an incredible clip, and they can be excellent places for investors looking to resource people, products and services, and potentially earn real returns over time. According to the Brookings Institution, between 2005 and 2015 "172 US-based accelerators invested in more than 5,000 U.S.-based start-ups with a median investment of \$100,000. These companies raised a total of \$19.5 billion in funding during this period—or \$3.7 million per company on average—reflecting both the relatively small investments made in these early-stage companies by accelerators, and the fact that many go on to raise substantial amounts of capital later on."²⁵

One thing is clear: investors and philanthropists have under-resourced the talent and infrastructure that would create the deal-flow they seek. Key questions remain of how to reach beyond our networks, to find truly new, emergent voices, and how to begin speaking the same language, to match up where capital wants to flow and cultivate existing talent. Investing in more robust education for entrepreneurs, and economic opportunity for people of color more specifically, is critical to ensuring they can lead, and benefit from, the creative solutions needed to solve shared challenges.

Meanwhile BlackRock²⁶ has made it clear to investors they will be looking for diverse leadership in companies, as well as proactive steps on climate change, for their portfolio. And "the world's third-largest asset manager [\$2.5 trillion State Street Corp.] installed a bronze statue of a defiant girl in front of Wall Street's iconic charging bull statue"²⁷ to challenge companies they invest in to add more women to their boards.

For impact investors, making sure women and other underrepresented groups are supported in building skills and networks over

time is key to inclusive, representative leadership. We must begin to speak new languages to new people, to connect up our worlds.

Questions for impact investors to reflect on, as you evaluate communications:

1. Who is the messenger? What's in it for me, and them?
2. What kind of impact will my investment create?
3. What kinds of outcomes do I want?
4. How often do I want to hear from my advisor, or other financial services relationships?

F. Philanthropist

When communicating with philanthropists, including about impact investing, one successful tactic is appealing to a sense of legacy. Many people who self-identify as philanthropists have a desire to give back to the places and communities that helped shape them. Some want to give to a very specific issue: for example, one philanthropist said he would consider a seven-figure investment if he knew the funds would go to animal rights. When the product was explained, as a general pooled fund, he wasn't interested in combining his capital with other funds for nontargeted community needs.

Communications in philanthropy are often guided by audience: specifically, whether you're speaking with someone who has the autonomy to act, or someone who has to build a case for collaboration—requiring data, stories, introductions, any number of things to get others on board. Similar to financial advisors, many philanthropists don't want to think too much about the details, or get in the weeds of activating their capital for social impact.

Questions to consider for a philanthropist in impact investing:

1. How involved do you want to be in an investment?
2. What issues or outcomes are you most passionate about?
3. What information do you need to feel confident choosing an impact investment?

G. Impact Investment Lender

The Washington Area Community Investment Fund (WACIF) is a CDFI in Washington, D.C. Executive Director Harold Pettigrew

finds impact investing is a great doorway for conversations about his work: people have a vaguely positive association with the idea, but don't really know what it is, and he is able to draw a direct parallel between this "new" idea and the historical work of CDFIs. "Impact investing is what CDFIs were founded to do, 30 years ago—invest in under-resourced communities, and earn financial and social returns. So yes, we consider ourselves impact investors."

Pettigrew uses more widely understood concepts, which also convey the realities of his work, to describe a CDFI: "I tell people we are both a nonprofit and a financial institution; that a CDFI is a designation for a type of nonprofit finance organization. Most people have been exposed to nonprofits, so they start to understand we aren't a traditional bank with deep pockets, that we have some common challenges—resources are in high demand, retention of the best talent can be difficult, competing with online commercial banking services is tough. We focus on supporting our community—like through our Ascend Capital Accelerator, for entrepreneurs of color—not running slick marketing campaigns."

"It's the classic marketing dilemma—how to find the people who want to find you," offered Jason Anderson, Sr. Director of Communications & Marketing at Capital Impact Partners. Capital Impact is a national, mission-driven CDFI that has earned an S&P AA rating for its 30-year track record of investing \$2 billion into community development.

"As a nonprofit we face two key issues with communications. Because we focus our budget on fulfilling our mission, we don't have resources for campaigns that can compete with large financial institutions or the viral sensation of the day. Second, the problems we are addressing in low-income communities aren't necessarily tangible or immediate to mass audiences. So while they conceptually believe our work is important, they see it as something 'somebody else' must be taking care of."

"This requires our sector to be hyper-focused on those who do care, and then work outward to engage the mainstream slowly. Communicators must work hand-in-hand with sales and fundraising teams to meet their audiences where they are, by understanding their challenges and where they get their information, so we can be there too, with the right message or call to action."

“Once people know us, we do everything possible to reduce barriers to connect: every page of our website invites people to call or email a specific individual. We show their faces. We populate the site with content written by our team to demonstrate expertise. This shows we are about establishing and building strong relationships. We’re not only dealing with multimillion dollar transactions, but also helping people fulfill their own mission of helping communities. They want to know the folks on the other end of conversations, and, as we like to say, that we’ll be both their lender and their partner.”

Questions to consider for lenders in impact investing:

1. Are you reducing barriers to action and encouraging direct, personal connection with leads?
2. What new partners could provide access to potential borrowers?
3. How do you celebrate and promote your borrowers, and engage them in spreading the word?

H. Impact Investment Partner

Successful impact investing often involves deep partnership, across a range of sectors. There are ecosystem leaders doing work at the intersection of philanthropy and investment, government and anchor institutions, grassroots and faith-based communities.

These are true Systems Weavers, and can take many forms, but let’s focus on one:

When it comes to language, Boston Impact’s Aaron Tanaka is a Jedi. He has grown the Ujima Project into a fully staffed organization with its own Capital Fund, supporting the local economy ecosystem. Tanaka knows where to find deals, and he’s helping to create a new community of activated, economically resilient residents.

“Ujima (oo-JEE-mah) is a Swahili word, the celebrated Kwanzaa principle for ‘collective work and responsibility.’ Ujima inspires us to see our neighbor’s problems as our own—and build collective power to solve them together. Boston is one of the most unequal cities in the U.S. Depending on the source, the average net worth of a black family is as little as \$7, and for white families, goes up to \$250,000.²⁸ The Ujima Project leadership is rooted in and controlled by the

community. Each person has equal say regardless of their share of ownership. We strengthen local economic control and re-center economic power in low-income communities and communities of color.” The work of bringing together many stakeholders—from healthcare and academic institutions to impact investors, philanthropists, entrepreneurs and grassroots organizers—is not easy. Tanaka and others have built a strong foundation, where the community cocreated a shared understanding of purpose and language.

Questions for the impact investment partner:

1. Who are we investing in? Who’s getting the money? Who’s giving, investing, participating?
2. What are we investing in? What are the goods and services? What are the impacts of the businesses?
3. How are we investing? In structures like worker co-ops and land trusts, which outperform financially and operationally, and build tangible equity and value?

And Now for Some Messaging Nuts and Bolts ...

What content can we provide to effectively engage both hearts and heads? What values do we call on? What are tested themes and lessons?

The following pages include ideas and language you may begin to use to better interpret and create impact investing communications. These examples are just a snapshot of an emergent, rapidly growing field of work.

Values and Resonant Themes, by Audience

In the same way that we are not robots, we are also more than a “psychographic” label. We can’t imagine that every Pragmatic Altruist sees the world the same way: some may be deeply motivated by personal faith; others may have grown up in a financially traditional, conservative family; others may be activists in purchasing decisions, but tentative about investing.

While the values mapped below are not representative of every person, for communicators, considering patterns and themes is helpful:

	Belonging Community	Unity	Abundance Progress Prosperity	Idealism Innovation Vision	Legacy Stewardship Preservation Sustainable	Equity Resilience Sufficiency Agency	Courage Imagination Love	Diversity Choice Inclusion
Pragmatic Altruist	X		X	X	X	X		
Systems Weaver	X		X	X	X	X		X
Radical Seeker			X	X	X		X	
Indifferent	?		?	?	?	?	?	?

Core values: Belonging, Unity, Community Messaging Themes: In This Together, “Our” + “We”-based Language, Movement, Civic

As we’ve seen in the rise of successful political campaigns and cause-based organizing, language focused on the collective allows us to imagine beyond any one of us, individually. This bigger paradigm shift from “me-to-we” thinking supports a desired shift in impact investing dollars.

One example is in the name *Ours To Own*, a place-based investment initiative currently active in three US cities. The words signal several ideas quickly:

- Being part of something bigger
- Responsibility and accountability for a community
- Meaningful and relatable to individuals and institutions
- In this initiative, online investments start at \$20—making the promise of the name a real opportunity, for a new type of investor
- Suggests a larger community of many (smaller) investments

For the impact investor, actions and communications must engage in a meaningful way. A Pragmatic Altruist, for example, may be drawn to the idea of being part of something without doing anything personally, beyond receiving a quarterly report on social and financial returns. Systems Weavers and Radical Seekers want to participate more actively, presenting opportunities for more focused communications needs.

Shadows: an emphasis on the collective can create a disconnect for some individuals, working hard to leave or make their mark. Often visionary leaders in emergent fields, like impact investing, are initially seen as radicals, revolutionaries, and “rugged individualists” who are not necessarily “joiners.”

Core values: Abundance, Progress, Prosperity Messaging Themes: Water + Nature-based metaphors, Pooling, Circulation, Flow, Regenerative

Qualitative observations and feedback brought to the surface a number of specific examples associated with movement and

creation, and life and water, specifically. Using natural systems as a metaphor can ground artificial, constructed financial systems in rhythms we can more readily access and understand.

- Many financial advisors and investors talk about making modest impact investments at first as a form of “toe-dipping”—“testing the waters” before “diving in” with larger commitments.
- People consistently respond in a positive way to language like “investments are pooled together” and “your investment is combined with other small and large investments” (when appropriate to the strategy or investment product).
- People like language about money “flowing,” in circulation
- Names like Betterment, Beneficial State Bank, Wealthfront and Ascend Capital Accelerator call on a sense of possibility, movement, abundance.
- Impact-related contrasts like “destructive versus generative” and “extractive versus additive” offer natural cycles as context for investments, and help people recognize what is versus what is possible; and remember “this too shall pass,” while observing natural trends and market volatility.
- People (in particular women) respond negatively to the idea of “stagnant” or “hoarded” capital, and want their money to move around.

Shadows: “Prosperity” is a complex word in communications about money, commonly understood only as financial prosperity. Some organizations have successfully messaged “Real Prosperity” and “Prosperity for All” to qualify and question the core frame. Taken to its extreme, an antiquated notion of prosperity—where everyone has their own (big) home, (empty) yard, (multiple) cars, endless miscellaneous “stuff”—further consumption and investment decisions that lead to destruction of resources. There is also the Prosperity Gospel, which has deep roots in different faith communities; and Americans for Prosperity, a political funding and organizing vehicle for the grassroots conservative movement in the United States “Abundance” has some connections to communities who pray and meditate (vs. create business models, invest, etc.) to manifest financial gain; if used externally, test for audience understanding/fit.

Core Values: Idealism, Innovation, Vision Messaging

Themes: “Beyond,” Future, Progress

People who are drawn to impact investing often self-identify as visionaries, interested more in forging new paths than contributing to outdated systems. Striving for more and embracing the new resonates, for many of us, as the way we want to be in the world, even if we fall short, every day.

- One strategic and tactical hack is using the word “beyond” in messaging. While carrying out an audience keyword research for a campaign targeting millennials, a high search rate on “charity” was discovered. “Beyond Charity” was incorporated into ad copy to help with findability, using a word that the audience was searching, while clearly signaling “this is something different.” This allows you to call on existing models and frames while clearly saying you are something more, something that is similar but different. This is especially helpful when marketing anything that is new, like impact investing.
- Many advisors and intermediaries will describe impact investing products as being “similar to a bond” or “like a savings account” in that the dollars are, or can be, supporting community development while earning a modest, stable return.
- If you want to talk about Innovation, try to use a more specific word. The word has come to have little meaning. Get clear, and more specific, about what makes you unique.
- Concepts like Freedom and Independence are tricky: free from what? Freedom for who? Who decides who is free, or independent? Impact investors ask hard questions, and expect good answers.

Shadows: Future-focused communications can be so abstract that they fail to connect with people emotionally. Find ways to spark the imagination—perhaps through inquiry-based messages that pose questions to your audiences—while grounding ideas in tangible examples: “Your \$20 investment, along with many others, helps create more affordable homes in your neighborhood.” Also, if everything is “beyond,” what is real? This can quickly become gimmicky if relied on too heavily.

Core values: Legacy, Stewardship, Preservation, Sustainability Messaging Themes: Community, Honor, Sustainable, Footprint

Many potential impact investors enjoy financial security. Their motives to make an investment—rather than a more straightforward charitable donation (and tax write-off)—can often be activated with a balanced appeal to altruism and ego.

Many people want to give back, especially to people and places that helped generate wealth. As communicators and advisors, how to positively channel that? Connecting on values like Stewardship, Agency and Sufficiency taps a desire to help others without triggering the instinct to, for example, install one's name very large on a building. We can invite people to care for and contribute to shared communities without selling or encouraging ego-based expressions.

We Are Chicago, a capital campaign for The Chicago Community Trust, called on the legendary generosity of the “city of big shoulders.” Although not technically impact investing, there are some relevant insights:

- “We”-based language signals this is about something bigger.
- Builds on local “asset,” legendary generosity: a report, *Giving in Chicago*,²⁹ noted \$10 billion in charitable giving in 2013.
- A traditional, high-quality, story-driven execution invited people to identify with other leaders who committed to financially supporting the city in a significant, sustained way.
- The ask is implicit: if We Are Chicago, we are also responsible for Chicago; this campaign makes it possible (through philanthropic activity) to direct capital to the community.

This campaign had the goal of raising \$1 billion in six years, to announce at The Chicago Community Trust's 100th anniversary celebration. We Are Chicago netted \$1.6 billion for the Trust's endowment, available to be activated in support of the city.

Shadows: “Legacy” appeals focused on the individual are predictably successful with some demographics; trends suggest younger audiences will continue to resonate with more collective, community-based language rather than personal frames. “Sustainability” has become mainstream and has no shared

meaning; like impact investing, efforts can range from very specific, narrow definitions to broad and hard to measure. Go deeper to describe sustainability efforts—solar energy capacity, carbon sequestration, soil regeneration—to provide a clearer way for targeted audiences to connect.

Core values: Equity, Resilience, Sufficiency, Agency, Autonomy

Messaging themes: Access, Entrepreneurship, Enough, Equip, Quality Job Creation

There are many active narratives around the lack of equal access to equal opportunity.

- Some large foundations have aligned their entire strategy around one core value, and a clear external message, like the Ford Foundation’s focus on Inequality (in addition to their leadership, activating \$1 billion of their endowment).³⁰
- Others in this space may be intermediaries trying to find leaders of color or women entrepreneurs to resource, financially and through networks of support.
- There is a range of intention and sophistication around complex terms like Equity, Agency, Resilience. If you want to use those terms, study them deeply, and shape your external messaging to reflect awareness of shadows, and aspects of your organization or product that are in progress.
- Terms like “Enough” can suggest many things. If one is considering impact investing, they have “enough” that they can afford that choice; their situation is sufficient, content. Enough can also express dissatisfaction—“we’ve had enough, of this system that doesn’t serve us.” The word sparks thinking about what is enough, who has enough, and can tap that charitable mindset that makes brains happy.

Shadows: one related word is being replaced for more precise language—“empowerment.” People point out, theoretically we all have equal power, we don’t grant power; it’s just that many are actively disempowered by systems. Similarly, it is best to avoid “enable,” as if others are not (cap)able; better to “direct needed

resources for others to advance.” “Resilience”—the ability to absorb and sustain shock—isn’t as inspiring as adopting frames of abundance. The biggest challenge and shadow with any of these values or themes is alignment for impact investors and other discerning observers who look closer. When reality does not align with words, skepticism grows.

Core values: Courage, Imagination, Love Messaging Themes: “No Regrets,” What’s Possible Together, Imagine, Love

Sallie Calhoun is a Pragmatic, Systemic Radical Seeker, and rancher and impact investor. “All life on earth comes down to the health of soil. We have this idea that it’s ‘just dirt,’ think it’s unimportant, but every plant, every animal depends entirely on soil. It’s a solution to climate change, and has all these other cobenefits—water, health and nutrition, and so on. It’s a no-lose, ‘no regrets’ solution. It’s work that needs doing, and has positive impacts that ripple throughout the systems.”

Esther Park, CEO of Cienega Capital, provides more detail: “‘No Regrets’ is a regenerative asset strategy, activating Sallie’s entire portfolio: investing through Cienega Capital; ranching and generating new businesses through soil health and holistic land management, at the 7000+ acre Paicines Ranch; and finally, in her venture philanthropy through the Globetrotter Foundation. All of these together create ‘No Regrets.’ We use this language to describe simply what we’re doing; and also, to encourage other investors and philanthropists to look at their whole portfolio—to think about not just financial capital but in balance with ecological capital, and social capital. And also, we want people to think about soil as part of their strategy. If you care about water, climate, human nutrition, health, hunger—it all comes back to soil.”

Communications and Campaign Manager Nikki Silvestri helped land on “No Regrets” to capture what Sallie and Esther are doing for audiences who aren’t thinking about soil, to start. A Los Angeles native, she discovered the power of soil late, as a disillusioned, nearly hopeless climate advocate. When she learned about the “simple” science of soil—its natural design,

to hold carbon—she knew she could help solve larger systemic problems, in part through communications. “I had no idea what soil carbon sequestration was. And suddenly, I had hope, that there was a way for the ecosystem to balance itself. The day we named this strategy ‘No Regrets’ I knew we had a powerful meme that could spread.”

Hitting on similar values of Courage and Imagination, Love is emergent in communications around impact and money. Mission venture capitalist Joel Solomon, in *The Clean Money Revolution*, invites people to be “billionaires of good deeds, billionaires of love, billionaires of meaning and purpose” who are “driven by love whenever possible, and by tough love when needed.” He offers, “The return on that investment will be a great blessing. Dying with the most money is pointless. It’s about what we do to help those who will follow us.” The use of “love as a verb” and “love where you are”—and a “fierce love” that is “the filter for the hardest decisions about what we build, protect and share”—are woven into place-based investing communications.

Previously mentioned, social entrepreneur Robert Egger drums to a similar beat: “[L.A. Kitchen] is a badass food machine of love. We are a job-training program. We are a food-recycling program. We are a social business—we get contracts to provide healthy, fresh meals for seniors. We create jobs for younger men and women just coming out of foster care, and for older men and women returning to their communities from prison.” Eric Garcetti, the mayor of Los Angeles notes, “L.A. Kitchen embodies the values of the city. They help create a greener city, an economically prosperous city, and a healthier city.”

The upsides of this type of approach are significant:

- Tapping one’s sense of courage, imagination and love creates a deep, expansive connection;
- Increasing the lifetime value of the investor, as these types of dreamers and doers seem more likely to consider long-term commitments for significant progress on difficult issues; and
- Using words like “love” in relation to money is unexpected and can spark interest.

Shadows: Bold thinkers and doers are often dismissed as fringe exceptions and outliers, instead of being acknowledged for the purpose they serve: to redefine the outermost edge of what is possible. People who embrace courageous, messy and big ideas are not easy to fit in a box—and what appeals to them, doesn't always appeal to everyone. Themes around radical innovation and fundamental disruption may confuse and inspire different audiences.

Core Values: Inclusion, Diversity, Choice
Messaging Themes: Weaving, Strength in Numbers, Opportunity, Representation

Impact investing provides options to consider more and different returns:

- As in nature, diversity is beautiful, necessary and weaves stronger systems; and more tactically and specifically related to capital, diversity has served (even in “modern” portfolio theory) to ensure returns, in a risk-adjusted way.
- Impact investing goes “beyond” traditional portfolio diversification, to consider a blend of tangible outcomes—like quality job creation, affordable homes, people with new access to healthcare or healthy foods—alongside financial returns.

One example of these values and themes in action is RSF Social Finance's new Integrated Capital Fellowship, teaching “the coordinated use of diverse financing tools (including loans, loan guarantees, investments, and grants), network connections and advisory services to support enterprises that are solving complex social and environmental problems.”³¹ Over time this program will increase the number of advisors who can support increasingly engaged investors, people “with financial expertise and an activist impulse who want to be at the forefront of fundamentally rethinking the purpose of wealth.”

Barbara Alink is in the enviable position of being a market-maker. Her three-wheeled Alinker, called a “walking assist,” is providing a greater range of mobility to more people, in a design- and brand-forward way. The insistently happy, bright yellow Alinker is

leading a “R-Volution of Inclusion” and claiming a new market of people with a range of mobility, now activated, and experiencing cobenefits of being more physical and less isolated.

Shadows: “Diversity” is often translated to “people of many colors” without real diversity of thought or background. Diversification also has a specific meaning in finance, and for new thinkers and millennials, does not immediately signal a good or bad thing. Words like “inclusion” imply that someone is choosing who is included, a challenged process by default. Consider more straightforward frames like Representation, when that is an accurate (or aspirational) reflection of a situation.

Concluding Thoughts on Communicating Impact

This chapter on communication challenges and opportunities within impact investing was created with the input and reflections of a group of us involved in impact investing and efforts to communicate impact to diverse audiences. It is a privilege to represent the knowledge and experience of so many colleagues and collaborators in this unique work. In reflecting on both the areas we’ve explored in this chapter and the key points to be considered by those involved in impact investing, I’d ask you to keep the following in mind:

- We live in a noisy world. Many of us have wired ourselves to tune out communications about money.
- The universe of people thinking and talking about impact investing is getting bigger, yet is still small. To grow the field substantially requires talent and resources, to reach new audiences with our message.
- We need to reflect on and communicate not simply the value of impact investing, but the reality that traditional investing—without the intention of creating positive impacts—may be contributing to the problems we share at local, national and global levels.
- It will take many messages, over a long time, “showing and telling” stories of better ways to use capital, to balance the psychological effect of historical financial services marketing.

- The field of impact investing is creating a new language, sometimes leaning on or hacking existing language and ideas to communicate.
- Defining the kind of impact we want is the first step in impact investing, from design and measurement to communication.
- Question assumptions. Experiment. There is no template, this is messy work—and can be hugely rewarding!

Pause to enjoy it, and do good better, when you can!

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