



# **A BNY SURVEY REPORT: CREATING A COMPELLING EQUITY NARRATIVE**

NOVEMBER 2025



# CREATING A COMPELLING EQUITY NARRATIVE: SETTING THE STAGE

**B**NY's Market Insights & Initiatives team commissioned S&P Global to gather global investor sentiment on what makes a compelling equity story that captures investor interest in making investment decisions.

Our survey was intended to uncover how these institutional investors made choices across their investment portfolio and choose issuers in which to invest, based on the relative attractiveness or differing attributes of their narrative. We wanted to uncover what attributes, methods of expression, or themes they found most compelling. The survey had 40 investor respondents (investors) with representation from six continents, across Tier 1-4 institutions representing \$2.0T in total Equity Assets Under Management (EAUM).

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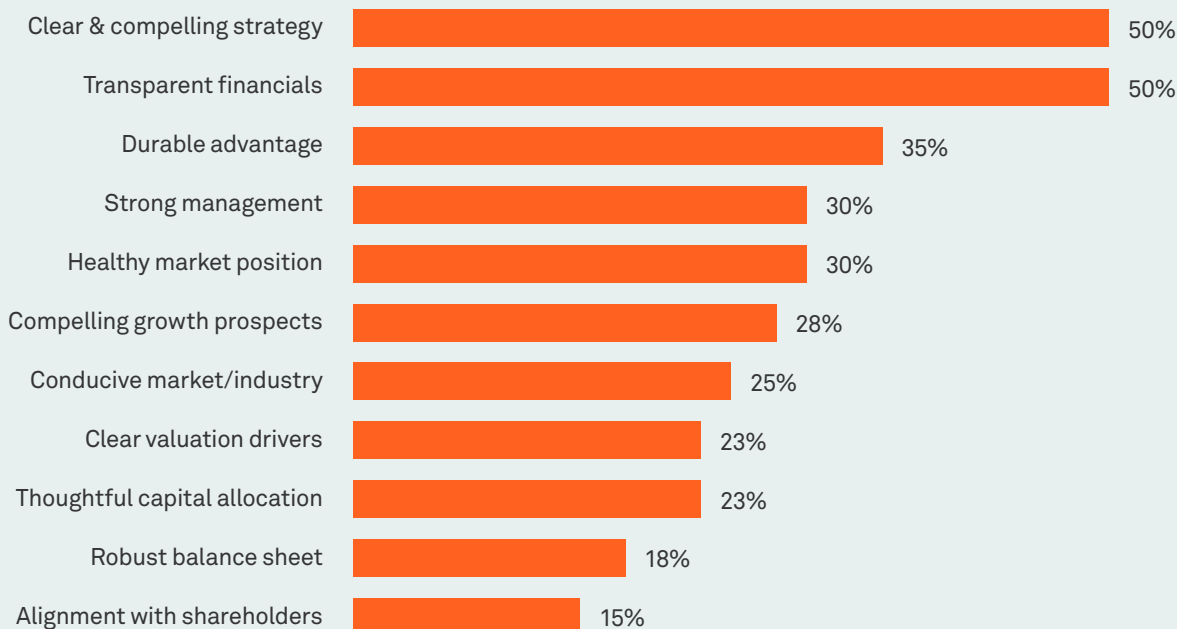
“I don’t want just another company. I want something unique. The question is whether they are a dominant company or just ‘yet another company’ (YAC). There are many ‘YACs’ out there, but not many truly enduring companies worthy of investment.”

**Tier 1 North American Investment Manager – Mutual Fund**



## KEY HIGHLIGHTS FROM THE SURVEY RESULTS:

### Must-have Information to Capture Investor Interest



Participants provided open-ended responses. Source: © 2025 S&P Global Market Intelligence.

- **Investors value clear, consistent disclosure about company financials**
- **Strong and credible management and corporate governance are key differentiators**
- **Strong equity narratives highlight lasting advantages and include macro perspectives**
- **Long-term vision is important but must be balanced with a clear understanding of short-term outlook**
- **Active engagement, such as site visits & in-depth CEO interaction enhances credibility and investor confidence**
- **ESG is important when integrated authentically, not as a headline or box-ticking exercise**
- **Clear communication of strategic shifts needs to be done outside of the quarterly cycle with more time and depth**


The survey results demonstrate that institutional Investors seek clarity and confidence in understanding a company's long-term value creation. Equity narratives, contextualizing the quarterly results and informing investors of the company's strategy are critical tools to communicate value. A strong narrative includes not just the business model, but also competitive positioning and strategic direction. Our survey found that non-US issuers who wish to tailor their stories to North American investors' preferences should emphasize transparency in terms of risks, highlight management credibility as evidenced by results, and give detailed information on their capital allocation strategy and how it is appropriate to meet stated goals.

Investors responded that their initial engagement requires a brief, compelling summary before deeper data and details are provided. Key elements of a strong detailed narrative then include clear articulation of the company's growth potential, competitive positioning, and long-term strategic goals. Interestingly, Investors focused first and foremost on the basics: emphasizing the importance of transparency and consistency in communication.

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“When I meet with any company, I focus on a few key aspects regarding its long-term positioning. I want to see if the company has a strong structural moat, which encompasses its business model, products, and competitive landscape....What I seek is a clear business model. Is the company a leader in its respective market? What defines its competitive advantage? And importantly, can the company sustain its business model moving forward?”

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“The key for us will be the company’s competitive advantage, and that it hopefully has more than one. Then an assessment by us, but it would be helpful if it’s by the company, into the sustainability of that competitive advantage. When we assess a company’s competitive advantage, we are looking for very strong barriers to entry that can’t really be competed away or lost due to obsolescence. That way there’s very limited competition risk or substitution risk.”

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# DIFFERENTIATING FROM PEERS/GENERIC STORIES TO CREATE A COMPELLING NARRATIVE

**T**he narrative nature of our survey, where we asked open-ended questions (see question list in the appendix) meant that Investors had latitude to emphasize key points across different questions in their responses. Collating these responses allowed us to narrow in on a few key thematic elements that were reiterated across the survey population. Investors focused on what we are calling the “4 Ss”:

- **Simplicity:** Investors generally caution against overly lengthy and overwhelming presentations. Instead, they prefer clarity and straightforwardness.
- **Strategy:** Investment stories should clearly articulate the company's vision, competitive landscape, business model, and execution strategy.
- **Segmentation:** Investors appreciate breakdowns by geography, segment, division, or asset.
- **Substance:** Issuers should highlight key financial and projected trends. Assertions need to be evidence-based and reflect true performance.

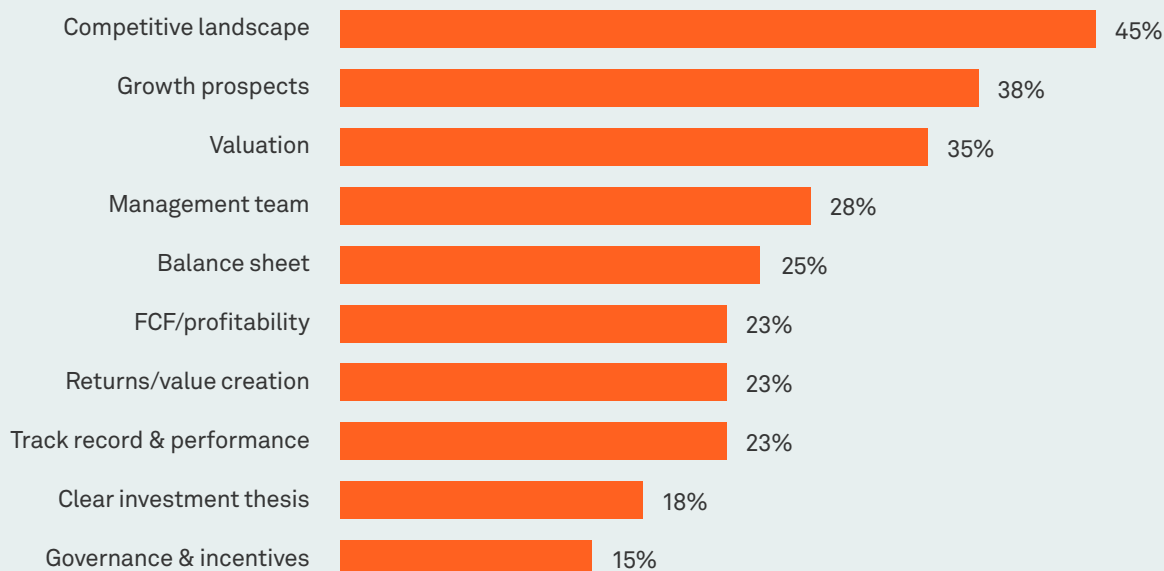
Investors highlighted several crucial factors influencing their decision-making. Only 35% of Investors cited valuation, while more frequently mentioned was the company's competitive landscape. In our free-response survey, where Investors could

use their own descriptions, 90% cited other combined factors such as information on the company's durable advantage, market position, and conducive market or industry. Several times this was discussed alongside management team strength, where management's track record in dealing with a changing landscape was cited as a differentiator.

A focus on credibility and clarity was a repeated theme, with ‘management’ and/or ‘clear thesis’ cited by 46% of respondents surveyed. In their verbatim responses, Investors focused on the “how” of message delivery as compared with specific facts or figures. They asked companies to use data-backed claims, balance broad versus detailed information, and provide industry context such as market size and trends. They also mentioned a desire for transparency about risks.

Investors noted that certain companies continue to use unsupported buzzwords and make significant claims without substantiating data. Inconsistencies in presenting or communicating information, as well as excessively lengthy presentations, can lead to either confusion or concerns regarding transparency. Furthermore, companies they considered to be lacking credible accounting or disclosure practices experienced a considerable loss of integrity.

## Critical Factors When Making Investment Decisions

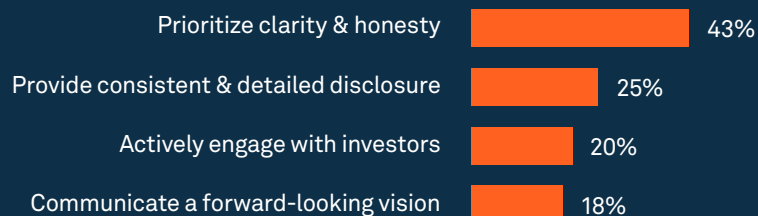


Participants provided open-ended responses. Source: © 2025 S&P Global Market Intelligence.



**W**hen we asked about “innovative approaches” in conveying the equity story, the most common response wasn’t an innovation, rather 43% said they prioritized clarity and honesty. Our second-highest response was to provide consistent and detailed disclosure. These responses highlighted to us that the core needs of Investors remain clear, simple information, even in today’s highly data-flooded age. The lack of any clear ‘innovative’ ideas in the response to this question perhaps highlights that companies still need to focus on the basics of Investor Relations in order to meet investor needs.

#### Innovative Approaches to Equity Narratives



Participants provided open-ended responses.  
Source: © 2025 S&P Global Market Intelligence.

“Again, it’s more the body language and the enthusiasm of the management...You can tell fairly quickly if management is really, really engaged. But also, that they know the company really in detail. Some CEOs and CFOs know the top three levels, and then that’s about it. Everything further down, they don’t know.... Certainly, the more compelling thing is if they can explain very clearly, and in three sentences, the strategy for the next year and how they think they’re going to compete in the next 3-5 years.”

Tier 3 European Investment Manager – Mutual Fund

“A compelling equity narrative typically involves a combination of factors. When we look back on investments that have really worked, we often see improvements in company behavior, an overall better industry environment, optionality, and to a lesser extent, tailwinds in the business. Companies that clearly communicate a balanced, shareholder-friendly capital allocation strategy are particularly compelling. If a company is simply chasing growth, that raises a red flag.”

Tier 1 North American Investment Manager – Mutual Fund

# CORE ELEMENTS OF A CREDIBLE EQUITY NARRATIVE

Here, Investors gave us clear direction on their ‘must-have’ information and format that they expect to see from companies, where they rely on a combination of qualitative and quantitative information:

## Outline company idiosyncrasies

- Simplistically define your growth potential, how you win, and who is leading the charge.

## Address the external

- Provide context on where you operate, structural tailwinds, and how you compare versus peers.

## Numbers matter

- Provide a full, transparent picture of financial performance, past, present, and future.

## Corporate Governance is important

- Demonstrate a culture of leadership, decision-making, and capital allocation that is aligned with shareholder interest.

Beyond the highlights, Investors asked for a clear and up-to-date overview of the management team, Board composition, and shareholder structure. Companies are expected to offer transparent financials, detailing capital allocation strategies and provide evidence of successful execution in the past. Standardized quarterly reporting formats should be maintained to facilitate straightforward comparisons across periods.

Investor relations materials must be easily accessible, with downloadable presentations and a well-maintained Investor Relations (IR) website serving as central resources. Companies benefit from engaging openly in discussions about challenges and risks, steering clear of buzzwords and excessive hype to foster authentic communication.

A proven track record of meeting targets and demonstrating adaptability to market changes is highly valued. The credibility of claims can be strengthened by referencing sell-side research and by potentially including specific and direct benchmarking against peers.

Credible governance requires credible management with clear ownership structures that include alignment with shareholder interests, and transparent articulation of incentive mechanisms linked directly to performance and share price.

## Assessing the Credibility and Achievability of Claims



Participants provided open-ended responses.  
Source: © 2025 S&P Global Market Intelligence.

“Additionally, governance and capital allocation are critical. We prefer a credible capital allocation framework that prioritizes high-quality return metrics. For example, having metrics like ROIC tied to compensation incentives is important.”

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“Sometimes, companies lose my interest when they rely heavily on empty buzzwords. It reminds me of the blockchain hype, where everyone started throwing around terms like “quantum” without substance. A poor track record is another red flag. Even if a company has struggled in the past, they need to provide a clear and convincing explanation of why the future will be different. If a narrative sounds appealing but has been repeated without any evidence of improvement, I tend to move on.”

Tier 1 European Fund Manager – Mutual Fund

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“Another issue arises when a presentation emphasizes forward-looking items without providing sufficient backward-looking data, which can lead to skepticism about the company’s track record...I often find poor segment reporting to be a significant red flag. If there are multiple changes in segment reporting over time or if the level of disclosure by segment is inadequate, it raises concerns about transparency and capital allocation decisions. Additionally, a lack of mentions of competitors is something I dislike. If a company is confident in its competitive strengths, it should be willing to allow investors to benchmark against competitors.”

Tier 4 European Investment Manager – Mutual Fund



# ENHANCING NARRATIVE COMMUNICATION AND CLARITY

Effective communication of strategic shifts was one area that was highlighted by the Investors we surveyed, and we uncovered several notes on broader investor preferences in the form of message delivery from companies:

- **Structured storytelling:** Start with a concise summary of the unique investment case, followed by detailed supporting data.
- **Outline the strategic vision:** Investors asked companies to talk about their business model and not skip this basic step of articulating the vision.
- **Lead with core business fundamentals:** As expected, financial highlights lead the desired segments of the equity story, with 35% of respondents citing this after the strategy and business model
- **Clear capital allocation communication:** Sometimes negative statements, for example “we don’t plan to become a bank” build trust as strongly as positive plans.
- **Management alignment:** Demonstrating meaningful equity compensation signals “skin in the game.”
- **Segment-level transparency:** Use the introduction of segment management to enhance credibility and clarity by breaking down data in a clear way.

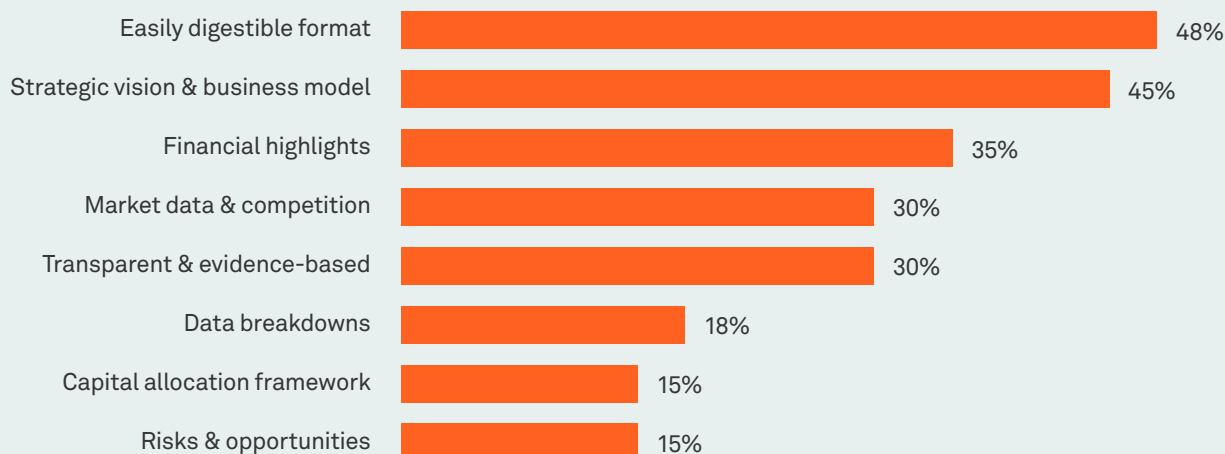
In a very clear way Investors told us that companies should utilize more in-depth investor days or analyst meetings as effective channels for communicating strategic changes and their associated implications. This ensures sufficient time and attention from both management and investors can be spent on these changes.



“The best way to communicate strategic shifts is through an analyst meeting. This setting is ideal for rolling out such information. If you attempt to do it during earnings calls, you run the risk of either surprising or confusing investors.”

Tier 1 North American Investment Manager – Mutual Fund

## Content and Structure of an Equity Story



Participants provided open-ended responses. Source: © 2025 S&P Global Market Intelligence.

# INCORPORATING CONTEXT WITHOUT LOSING FOCUS



**W**hile company-specific narratives are important, many of the Investors surveyed noted that broader economic context and its impact on company performance is highly relevant. This aligns with their focus on longer-term time horizons in their investment. 60% of the Investors survey prioritized long-term vision evaluation, and only 30% focused on the short term. Investors noted that lasting advantages take time to build, and therefore short-term results need to be framed in terms of longer-term goals and strategic objectives.

We found that the survey responses highlight macro factors are part of the overall investment picture, however they are rarely the sole primary driver. A convincing 63% of Investors report that macro factors are part of overall considerations. These were discussed in context with company specific narratives, with one investor explaining:

“For instance, if I find the banking sector in Thailand to be attractive on paper, appearing cheap with good growth potential, I would reach out to someone I know who lives there to validate my thesis. If they confirm that my observations are correct and recommend specific banks to look into, I will then apply my bottom-up analysis to those companies.”

#### **Tier 4 South American Investment Manager – Mutual Fund**

Similarly, we heard that sector cyclicity influences how much weight Investors place on macro considerations. US economic policy uncertainty, including factors such as tariffs and trade, has nuanced impacts—some companies benefit while others face risks. Although policy uncertainty has prompted cautious adjustments, it has not led to significant changes overall.

Investors expect transparency regarding macro sensitivities, yet prefer company fundamentals to dominate the narrative, supporting data-driven and specific capital allocation stories that demonstrate discipline. Companies are encouraged to credibly embed long-term strategic themes, such as sustainability and technology adoption, allowing them to thoughtfully address macro, policy, and other risks as part of their narrative.

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“The macro is imperative. Our investment strategy fully incorporates a top-down, macroeconomic, geopolitical viewpoint along with bottom-up security selection. It is very much part of our investment DN”

#### **Tier 2 North American Investment Manager – Mutual Fund**

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“I would say that macro concerns are definitely one of the primary factors in my investment decisions. While I focus on a bottom-up approach when analyzing companies, the broader macro context is essential.”

#### **Tier 4 South American Investment Manager – Mutual Fund**

## THE TAKEAWAY: PRACTICAL RECOMMENDATIONS FOR NON-US ISSUERS

**T**he surveyed Investors asked that companies tailor equity stories that are data-focused and cater to investor preferences for clarity, consistency, and credibility. The focus on basic investor relations with clear messaging, consistent financials and ability to contextualize earnings and growth was striking.

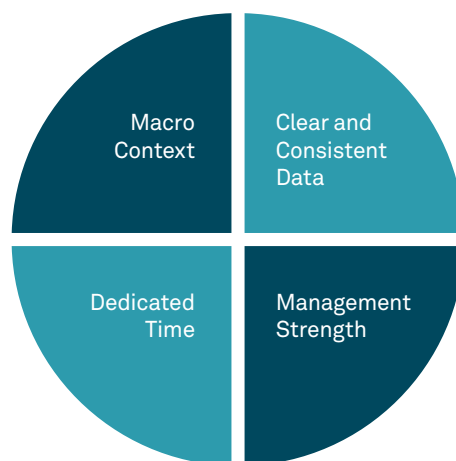
Investors very often emphasized management quality, track record, and shareholder alignment as key factors in the credibility of the overall story. They asked for specific information to benchmark this via compensation measures aligned to specific company goals.

In terms of creating the narrative, they ask companies to balance macro context with strong bottom-up company insights and to use realistic assumptions. They applaud companies who leverage innovative engagement methods to

deepen investor understanding and trust and appreciate direct engagement with multiple management touch points or access to site visits and similar events. They also spoke about clear and direct benchmarks to peers as beneficial in their decision making.

Investors very clearly indicated that it is important to communicate strategic changes transparently and proactively, and that using dedicated forums like Capital Markets Days is a better choice than the quarterly call or other events dedicated to recurring earnings rather than strategic direction. A change needs dedicated time and space to be communicated.

Finally, when we asked about the inclusion of sustainability principles, Investors primarily asked companies to integrate this authentically, avoiding premature or superficial emphasis and focusing only on material issues.



“A compelling equity narrative should provide a clear vision of what management aims to achieve, supported by detailed plans and credible data. It should also address potential challenges and outline strategies for overcoming them. In contrast, a generic narrative often lacks depth, relies on buzzwords, and fails to provide meaningful insights into how the company plans to achieve its goals. Ultimately, a strong narrative instills confidence in management’s ability to deliver on their promises.”

Global Investment Manager – Mutual Fund



# APPENDIX:

## SURVEY QUESTIONNAIRE LIST

1. Please categorize your investment style (value, GARP, growth, alternative, etc.) and regional coverage.
2. What must-have information do you expect to see when a company presents its equity story to immediately capture your interest?
3. What are the most critical factors in the company's equity story for you to make an investment decision?
4. How should the equity story be structured and presented to you?
5. How do you differentiate between a compelling equity narrative and one that feels generic or unconvincing?
6. What innovative approaches have you seen in corporate equity narratives that stood out to you? Please share an example.
7. To what extent do you include macro concerns into your international investment decisions: are they a primary driver, part of the overall picture, or do company narratives dominate?
8. How does US economic policy uncertainty (tariffs/trade) change your investment approach?
9. How do you assess the credibility and achievability of the claims made in a corporate equity narrative?
10. In your view, how should a corporate equity narrative effectively balance long-term vision and short-term performance? Which do you prioritize when evaluating potential investments, and why?
11. What are the most effective ways for a company to communicate strategic shifts to investors?
12. Some global regulators are delaying sustainability reporting mandates, reducing required information, and/or narrowing the scope companies must disclose. How do you view this?

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Data supporting this article, including graphs, tables and survey responses referenced and contained in this document, is based on information received by BNY from S&P Global's commissioned survey, with responses provided to BNY with and unconditional consent of our use of such information.

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