



What Makes an Equity Narrative Compelling? A Recent Global Investor Survey Offers Clear Perspective¹

Cihat TAKUNYACI – BNY Country Manager and Senior Representative and
TUYID High Advisory Council Member

In today's competitive capital markets, crafting a compelling equity narrative is more than a communications exercise—it is a strategic imperative. What distinguishes the enduring from the generic? BNY's Market Insights & Initiatives team, in partnership with S&P Global, surveyed 40 institutional investors across six continents, representing \$2 trillion in equity assets under management, to answer this question.

Setting the Stage: What Investors Want

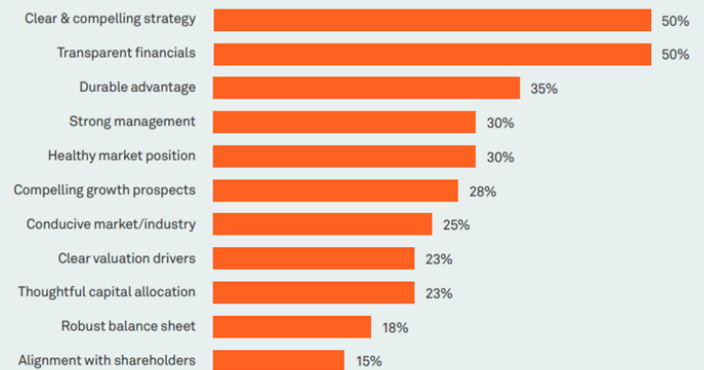
The survey's findings are clear: investors seek clarity, consistency, and credibility. They want to understand not just the numbers, but the story behind them. As one Tier 1 North American investment manager said, "I don't want just another company. I want something unique. The question is whether they are a dominant company or just 'yet another company' (YAC)."

Key highlights of the survey include:

- Clear, consistent disclosure of financials is essential.
- Strong management and governance are key differentiators.
- Lasting advantages and macro perspectives make narratives compelling.
- Long-term vision must be balanced with short-term outlook.
- Active engagement—site visits and CEO interaction—builds credibility.
- Authentic ESG integration matters more than box-ticking.

- Strategic shifts should be communicated outside the quarterly cycle, with depth and context.

Must-have Information to Capture Investor Interest



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

The Four "Ss" of a Compelling Narrative

Investors emphasized four thematic elements—the "4 Ss"—as the foundation of a strong equity story:

1. **Simplicity:** Avoid overwhelming presentations; clarity and straightforwardness win.
2. **Strategy:** Clearly articulate vision, competitive landscape, business model, and execution.
3. **Segmentation:** Break down performance by geography, segment, division, or asset.
4. **Substance:** Highlight key financial and projected trends, supported by evidence.

¹ https://info.bny.com/rs/353-HRB-792/images/653450-699900-2511-17091_TS%20Guide%20To%20A%20Compelling%20Equity.pdf?version=0&mkt_tok=MzUzLUhSQi03OTIAAGeGzPKcF-AUC1hgBvR5X1ZG2HAokdp1Smfd1mft8CH11D-4drwK2tYqrgA_9rHD1EfVzSuUz_3QH84XhvbG4zKffasVqGgbN1tWG1cPukvcdDA

Beyond Valuation: What Really Drives Decisions

Surprisingly, only 35% of investors cited valuation as a primary factor. More important were competitive landscape, durable advantage, market position, and management strength.

Investors want to see a company's "structural moat"—its ability to sustain its business model and fend off competition. They value management's track record and adaptability. Credibility and clarity are recurring themes. Investors look for data-backed claims, balanced information, and transparency about risks. They are cautious of unsupported buzzwords and hype, preferring substance over style. Inconsistent or opaque disclosure erodes trust.

Innovative Approaches: Back to Basics

When asked about innovation in equity storytelling, investors prioritized clarity and honesty over flashy techniques. Consistent, detailed disclosure remains the gold standard. The survey suggests companies should focus on the fundamentals of investor relations—clear, simple information delivered authentically.

Core Elements of a Credible Equity Narrative

Investors expect a blend of qualitative and quantitative information:

- **Company idiosyncrasies:** Define growth potential, competitive edge, and leadership.
- **External context:** Explain market environment, structural tailwinds, and peer comparisons.
- **Numbers matter:** Offer transparent financials—past, present, and future.
- **Corporate governance:** Demonstrate leadership, decision-making, and capital allocation aligned with shareholder interests.

Balancing Macro and Micro

While company-specific narratives are crucial, broader economic context also matters. Most investors prioritize long-term vision, framing short-term results within strategic objectives. Macro factors are part of the picture, but fundamentals dominate. Companies should credibly embed themes like technology adoption and address macro risks thoughtfully.

Practical Recommendations for Non-US Issuers

For non-US companies targeting North American investors, the message is clear: tailor your equity story to emphasize data, clarity, and credibility. Highlight management quality, track record, and shareholder alignment. Balance macro context with bottom-up insights, use realistic assumptions, and engage investors directly.

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.