

# — GUIDE TO — COMMUNICATING CARBON PRICING





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IRIS COMMUNICATIONS



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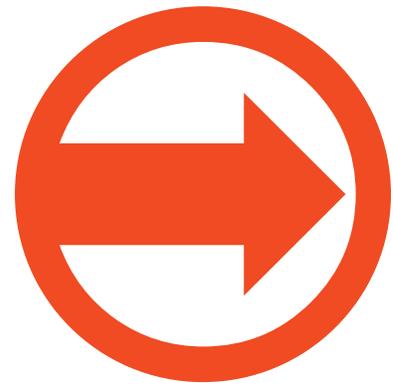
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# Executive summary



Effective communications are integral to designing and implementing a carbon price. They provide the means for building acceptance internally across government and externally with key stakeholders and the wider public. This shared understanding and acceptance is essential for building a robust policy that can be sustained through electoral and economic cycles.

This Guide provides practical, step-by-step guidance on how to develop communications strategies for carbon pricing, and how to integrate communications into the policymaking process. The evidence is drawn from a large body of formal research, including over 30 interviews and an international survey of leading practitioners from governments, civil society, and business.

## How to communicate carbon pricing successfully: key findings

### Good communications require good policy

To effectively communicate a carbon pricing policy, the policy itself needs to be effective and robust. There are no “magic words” that can save a policy if it

is poorly designed—and if there is strong opposition, weak communications can make the situation worse. Once a good policy has been created, communications should promote clear examples of its outcomes, and the policy should include mechanisms for evaluating its effectiveness. At the same time, government claims for what carbon pricing will achieve—especially in terms of the economic benefits—should be realistic and avoid creating unrealistic expectations.

### Visible use of carbon price revenues is often key

People are more likely to accept a carbon price when the revenues from it are spent on projects that are consistent with environmental goals, are of high public concern, or are returned to the public as rebates or tax breaks. In some jurisdictions, the visible application of the revenue should be the dominant narrative, ahead of the complex arguments around market mechanisms.

### Emphasizing non-climate benefits may be preferable to focusing on climate change

Framing carbon pricing as a policy response to climate change may work well in jurisdictions where levels

of public concern about climate change are high. In jurisdictions where awareness of climate change is low, or the issue is politically polarized, communications should emphasize the other benefits of carbon pricing: for example, reducing air pollution, making energy supplies more secure, or creating jobs in clean energy. Climate change should always be part of the discussion, but where and how it is mentioned should reflect the concerns and priorities of each different audience.

## **Good communications are built around values**

Carbon pricing communications should explain how the policy benefits different audiences in ways that are relevant to their real motivations, values, and concerns. These values are very different from the cost-benefit calculations that form the basis of economic assessments. Audience research can be used to analyze those wider values and concerns in order to inform policy formation and communications from the outset.

## **Trust is critical**

Experience shows that the response to carbon pricing is often a reflection of wider issues of trust in government and business, and their perceived accountability. If trust in the government is low, the public may be less likely to trust government explanations of carbon pricing policy. Research should explore issues around trust and an engagement strategy should include a range of trusted peer communicators and networks.

## **Communications in practice: tips for successfully communicating carbon pricing**

### **Incorporate communications throughout the process**

A communications strategy is not an add-on. It needs to be an integral part of the design of a carbon pricing policy. Specialists should be involved from the earliest stages, especially in key decisions like the naming of

the policy and how revenues are used. Communications are an iterative process and messaging needs to be regularly evaluated, reviewed, and revised as the policy is designed and implemented, in order for it to be successful.

### **Set out clear objectives**

The design of a communications strategy should be guided by the objectives it seeks to achieve. Identifying and prioritizing objectives at the outset is therefore an important part of the process.

### **Define and engage priority audiences across the political spectrum**

Defining priority audiences early on will help in tailoring messages and will inform the communications strategy. Audience engagement often starts with building internal support within the government. External communications then focus on engaging the sectors and demographics in the center ground that are open to persuasion while encouraging base audiences that are strongly in support. Effective communications overcome partisan divides and engage a wide range of stakeholders across the political spectrum, helping to build support that goes beyond election cycles.

### **Base communications on robust research**

Conducting research is essential for understanding attitudes, identifying the grounds for support and opposition, and selecting the best messages and communicators. Research techniques include surveys for analyzing attitudes across the whole population, focus groups for understanding motivations, and stakeholder engagement to both listen to and inform key constituencies. Testing strategies, narratives, and communication materials with target audiences before they are used helps to gauge reactions and avoid generating a backlash.

### **Be consistent**

All aspects of a carbon pricing policy—including the choice of pricing policy, the distribution of the reve-

nues, and any exemptions—should be consistent with the overall narrative and framing of communications, especially in terms of achieving the stated objectives. Inconsistencies between claims and reality will undermine public trust.

## Keep it simple

The expert language used in economics, finance, or climate science reports is appropriate for policy discussions but should be avoided in public communications, and replaced with accessible and more conventional language. Keeping the design of the carbon price itself simple will help enable communications too, as comprehensible and “common sense” mechanisms are far easier to communicate. For more complex mechanisms, such as emissions trading, it may be more effective to focus on “what it does” than to explain “how it works”.

## Anticipate opposition early

Organized and well-resourced opponents can undermine a carbon pricing policy, especially if they are able to dominate the public framing and media debate. Governments should use audience research to anticipate opposition at an early stage in the policy design process, and later test the language that is to be used in communications to ensure it does not fuel opposition.

## Engage and listen to stakeholders

Communication should be a two-way process that involves not only informing and persuading, but also listening and inviting feedback and advice. Stakeholder engagement, in other words, is inseparable from the design and application of communications. Consultation with stakeholders can help to design the policy, as well as refine and test the core narratives. Listening to a wide range of stakeholders, including civil society organizations and critical voices, will strengthen the policy and inform communicators about the grounds on which it is likely to be challenged.

## Use trusted messengers

The communication process needs to identify, nurture, and support external communicators who can show

a deep understanding of the needs and concerns of different constituencies. This may involve identifying trusted people from within a target audience who can speak to their own sector. For example, businesses are more likely to respond well to business leaders in the same industry. Civil society organizations can also play a key role in building public support.

## Framing carbon pricing – what has worked?

The effectiveness of messages is highly specific to the audience, culture, and national context within which they are used. For this reason, audience testing is essential. While being mindful of these limitations, audience research and testing suggests that three narratives should form the basis of communications:

### Fairness

Research suggests the perceived fairness of a policy is one of the most important factors influencing whether people support it. Carbon pricing can be presented as a fair way to share responsibility for carbon pollution and to reward the companies that pollute the least. If the policy instrument allows preferential treatment and exemptions for any one sector, or places an undue burden on a particular segment of the public, the public may reject claims of fairness, undermining confidence in the policy.

### Balance

The framing of balance implies a considered, reasonable, and moderate position. Carbon pricing can be presented as a balanced and sensible approach, encouraging businesses and people to do what is right for the environment while leaving it up to them how to do so. If revenues are used to reduce other taxes, pricing can be presented as a way to re-balance the tax system by taxing pollution and encouraging personal or business success.

### Shift to clean energy

Many governments focus on the advantages of shifting to clean technologies—for the economy, environment, air pollution, national security, and self-reliance. This

narrative can illustrate how carbon pricing is assisting businesses and consumers to make that change. This narrative can be strengthened if revenues are spent on visible, clean energy initiatives.

## **Framing carbon pricing – what has been less effective?**

Messages should be tested in their specific context. With that important caveat in mind, evidence suggests that the following approaches are riskier:

### **Cost**

Narratives that focus on putting a “price on carbon” and internalizing the “social costs” of fossil fuels perform poorly outside financial and economic audiences. From the perspective of a layperson, they focus attention on the negative costs associated with carbon pricing, rather than the positive benefits. This is true even when the narrative focuses on carbon pricing policy as a “low-cost” method of reducing emissions.

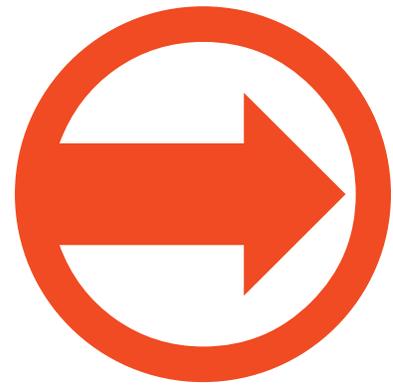
### **Expert consensus**

There is no evidence to show that presenting expert support for a pricing policy—for example, support from economists—is effective with a wider lay public, though it may be more effective with specific stakeholder groups, such as environmental non-governmental organizations. In other fields, like vaccination, there are examples of failed public engagement, where overdependence on expert opinion was counterproductive and increased opposition.

### **Threat of climate change**

In some jurisdictions, climate change is considered to be a serious and immediate threat. In others, the issue is politically polarized or not well understood. In the latter case, it is better to lead with other more immediate concerns—for example, issues of local pollution and jobs. Negative threat messaging has failed in many contexts and the more effective narratives often focus on the positive opportunities of action rather than the negative consequences of inaction.

# Introduction



## Who is this Guide for?

The main audience for this Guide is policymakers, and communications staff working within the government sector. It contains advice for governments at all stages of policy formation—though, consistent with the mission of the Partnership for Market Readiness (PMR), particular attention has been paid to the circumstances of lower-income countries and legislatures that have not yet adopted a carbon price.

## Why is the term “carbon pricing” used in this Guide?

The term “carbon pricing” is a convenient shorthand that is widely understood by economists and policymakers. By creating a cost for emitting greenhouse gases, carbon pricing creates an economic incentive for businesses and consumers to use energy more efficiently, shift to lower-emissions fuels and technologies, or invest in lower-emissions processes.

While the focus of this Guide is on explicit forms of carbon pricing—emissions trading schemes and carbon taxes—the communications advice it contains is also relevant for related policies, such as fossil fuel subsidy reform (see World Bank report on energy subsidy reform<sup>1</sup>).

The term “carbon pricing” is not a perfect one from the perspective of public communications. Not only is “carbon” poorly associated with climate change in the public mind, language around price and cost performs poorly in message testing.

While there is some evidence that this language is not ideal in English-speaking jurisdictions, there is no research evidence that recommends an alternative phrase to “carbon pricing” in any language. The term is used here because it is well understood by policymakers. To engage a wider audience, communicators may wish to test alternatives terms.

## Where does the evidence come from?

The recommendations set out in the Guide are drawn from best practice and, wherever possible, supported by independent research. A major 2018 synthesis report<sup>2</sup> concluded that there is “relatively little-published research on communications around this issue.” The vast majority of this communications research has been conducted in developed English-speaking countries, predominantly in North America and Australia.

The Guide has therefore drawn on supplemental evidence from 32 interviews and over 200 responses

to online questionnaires from specialists in carbon pricing and communications. Wherever possible we have sought findings from less developed countries, even when we have needed to use “gray literature” (i.e. not published in the academic literature) or more anecdotal material. Where appropriate, we indicate that findings may only be specific to their national context.

## Why is effective communication important and how does it relate to policy?

Communications *complement* policymaking by explaining the reasons for carbon pricing, how it works, and why it is desirable. Good communications also involve policymakers listening to stakeholders and understanding their concerns, which can, in turn, lead to better and more durable policy. Communications cannot and should not be considered a substitute for effective policy, nor can they compensate for weak or incoherent policy.

The role of communications in creating effective and sustainable policy should not be underestimated. Multiple policymakers consulted for the Guide have stressed that policy design directly benefits from the inclusion of communications expertise at the outset. As well as helping to build broad-based support, good communications will also generate valuable feedback to improve the sustainability of the policy through

changes of government. If key stakeholders and voters do not understand or support the policy—however intelligent and well designed—it will be vulnerable to attack, concessions to powerful interests, or removal altogether. In the case studies mentioned in this Guide, communications have invariably played a major role in both the success and failure of carbon pricing policies.

## What does this Guide not cover?

Inevitably, given the huge scope of global carbon pricing, there are limitations to what can be covered in a single guide. The following subjects are relevant to the topic but are not fully covered in this Guide; instead, references for further reading are provided.

### **Communications for compliance and enforcement**

This is an important aspect of policy implementation but is mostly technical and legal in content, and very specific to the national policy.

### **Specific stakeholders other than business and internal government**

There are large networks of shared interests, values, and people in different professional occupations that can be actively engaged. In some countries, they may play a key role in enabling or preventing policy—for example, trades unions are a critical audience.

# How to use this Guide

The Guide is structured around eight steps, from preparation through to the delivery of a public-facing communications campaign.

The Guide is designed to provide guidance on each step in the process of policy and communications design, from conception through testing to roll-out. We realize that the process is rarely this linear, that policy and communications often develop in parallel (⇒ **Step 7: Integrating communications with policy**), and

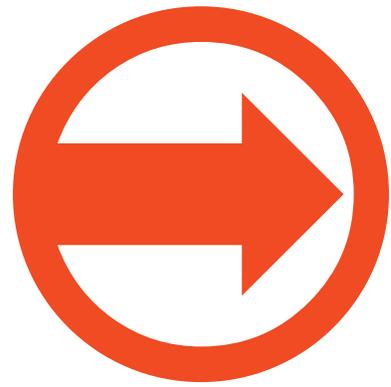
that communicators will be at different stages along this process. Therefore, the Guide often provides cross-reference links to related and relevant sections using the ⇒ symbol.

Some important decisions—for example, the naming of the policy—require a careful weighing of arguments. In these cases, we clearly indicate that policymakers will need to make a strategic choice, and we offer arguments for and against each choice.

## 8 steps to developing a carbon pricing communications campaign



# 10 principles for carbon pricing communications



The following core principles can guide all carbon pricing communications. They are found across all examples in this Guide and referred to in the text when applicable.

## VALUES-DRIVEN

Communications must explain how policies will benefit different audiences with respect to their real motivations, values, and concerns. These values will be very different from the cost-benefit calculations recognized in economic theory.

➔ HOW PEOPLE RECEIVE INFORMATION AND FORM ATTITUDES

## EARLY AND SUSTAINED

Communications professionals and their input should be included from the outset of the policy process and in all stages of design. Communication is an iterative process and performance of the messaging must be regularly evaluated, reviewed, and revised.

➔ STEP 7: INTEGRATING COMMUNICATIONS WITH POLICY

## SEEN TO WORK

Communications should foreground clear examples of the effectiveness of the policy and provide visible evidence of how revenues are applied. The claims for what carbon pricing will achieve—especially in terms of the economic benefits—must be realistic.

➔ GETTING REVENUE USE RIGHT

## CONSISTENT

All aspects of a carbon pricing policy (e.g. the choice of pricing policy, the distribution of the revenues, and any exemptions) should be consistent with the overall narrative, especially in terms of achieving the stated objectives.

- ➔ STEP 7: INTEGRATING COMMUNICATIONS WITH POLICY
- ➔ GETTING REVENUE USE RIGHT

## SIMPLE

The expert technical language that is appropriate for a policy discussion must be avoided in public discourse and replaced with accessible and conventional language that is more widely understood. Policy design should prioritize simple, comprehensible, and “common-sense” mechanisms that can be easily communicated.

- ➔ TECHNICAL CLIMATE TERMS
- ➔ STEP 5: EXPLAINING HOW CARBON PRICING WORKS

## BROAD-BASED

Communications must overcome partisan divides and engage a wide range of stakeholders across the political spectrum. If it does not, the whole policy will be put at risk with every change in the balance of power between different interests.

- ➔ STEP 7: INTEGRATING COMMUNICATIONS WITH POLICY

## TRUSTED

Trust in the messenger is often more important than the message itself. If government, economists, and policy advisers are not trusted, it is essential to recruit communicators who are trusted by target audiences.

- ➔ RECRUITING TRUSTED COMMUNICATORS

## TESTED

All communications—including the title, policy components, and the core narrative—should be tested with target audiences before a policy is publicly announced. Inadequate testing can be a key factor in communication failures.

- ➔ STEP 3: RESEARCH

## TWO-WAY

Stakeholder engagement is inseparable from communication design and application. Communication must not just be about talking at people to inform them about the policy: it should be about listening and responding to them, being open to critical feedback, and maintaining an open conversation.

- ➔ OBTAINING FEEDBACK FROM STAKEHOLDER GROUPS

## NO MAGIC WORDS

There are no “magic words” that can promote a weak or unpopular policy, or persuade people who are already adamantly opposed. Indeed, grafting well-crafted language onto an unpopular policy can further undermine trust and fuel opposition.

The process of engagement is often more important than the language—in particular, broad consultation, support for trusted communicators, and thorough stakeholder outreach.



## STEP 1

# Preparing for communications design



## < At a glance: Preparing for communications design >

Good carbon pricing communications begin early—ideally in parallel with the policymaking process. This enables governments to integrate communications with policy design (➔ **Step 7: Integrating communications with policy**) and to undertake the essential preparatory work that provides the backbone of successful communications. Governments should begin by asking basic questions, such as whether and to what extent the carbon price should be openly promoted. At the same time, being clear on the objectives of communications and the national context in which they take place enables governments to tailor their communications to their needs and circumstances.

The most common objectives governments have in communicating carbon pricing include the following:

- **Gaining and maintaining support for carbon pricing policy.** This implies identifying and addressing audiences whose support is crucial, taking their concerns into consideration in policy development, and developing compelling narratives that speak to their values.
- **Making the carbon price signal visible.** A more visible carbon price can have a greater impact on consumer behavior but can also have negative implications for policy acceptance, making it important to decide early on whether to aim for this.
- **Ensuring an informed debate on carbon pricing or carbon policy options.** Countering misinformation and misunderstandings through informative and accessible language is particularly important when carbon pricing has become politically contentious.
- **Obtaining feedback from stakeholder groups.** Stakeholder feedback enables policy to be improved and messages to be tested. This requires a combination of informative and coherent language, communicated in ways that allow interactions and conversations.

The main national circumstances governments should consider in preparing for communications are as follows:

- **The political system and level of polarization.** In politically polarized environments and where there are frequent changes of government, communications should be broad-based, speak to shared concerns, and seek to build cross-party support.
- **Dependence on domestic fossil fuels.** Where fossil fuel industries are a major contributor to jobs or GDP, communications should acknowledge their important role and the concerns of workers and investors, while also highlighting the need to diversify the energy economy.
- **Relative concern about climate change.** Where climate change is not a major concern for the populace, framing carbon pricing in terms of clean air, the energy transition, or creating green jobs may be more effective. Climate change should always be part of the discussion, but where and how it is mentioned should reflect the concerns and priorities of each different audience.



Developing effective carbon pricing communications begins with setting out the objectives the communications seek to achieve and understanding the national context in which they take place. This chapter outlines how understanding these factors can inform good communications design. These questions will also be referenced in later chapters of this Guide to enable readers to link different options and approaches to a given set of objectives and national context.

## Incorporate communications advice from the outset of the policy design

Preparations for the design of communications on carbon pricing should begin early, ideally in parallel with the development of the policy itself and the consideration of how to use the revenue (➔ **Step 7: Integrating communications with policy**). Research for this Guide found that many governments gave only limited thought to communications early in the policy design process, leaving more detailed communications considerations to the final stages of the policy design.

There is a risk that, without the input of audience research, carbon pricing policies may stray too far from the principles noted above, and fail to be simple, coherent, relevant, or worthwhile. No amount of good communications can boost a policy that has failed to receive stakeholder engagement and support early in its design.

**“** *An effective communications strategy on carbon pricing is crucial from the beginning. Technical policy advisors would benefit from a communications guide and strategy to help them with developing arguments and views on carbon pricing to influence key stakeholders. This is especially important for communication at a higher level for example, engaging high-level senior policymakers like the ministers, deputy ministers, director generals, and CEOs of big emitting companies. Whether you are the treasury, environment, energy, or trade and industry departments, you will also need to be sensitized early to the issues and, by effectively communicating the benefits of carbon pricing, you will help to get buy-in from the departments. Effective communication will also be important to help develop a coordinated government policy*

*position.”* —Sharlin Hemraj, Director: Environmental and Fuel Taxes at National Treasury, South Africa

## Ask: what objectives do communications seek to achieve?

The design of any communications strategy should be guided by the objectives it seeks to achieve. Clearly defining these objectives at the outset helps to ensure that communications are matched to the needs of the communicators. While it is possible for communications strategies to integrate multiple objectives, it will often be necessary to balance and prioritize them when designing communications. Clear objectives will also provide the basis for criteria for evaluating the success of communications.

## Define specific objectives

This Guide outlines some of the most common objectives in communicating carbon pricing and provides examples of how they can be reflected in the design of a communications strategy. This list is not exhaustive and does not include, for example, communication on technical issues related to the implementation of carbon pricing schemes, such as compliance processes and market functioning, which is beyond the scope of this Guide. Objectives should also be regularly re-examined to allow communications to adapt to evolving policy goals and circumstances.

## Gaining and maintaining support for carbon pricing policy

One of the most frequently cited goals for developing communications on carbon pricing is helping to ensure there is sufficient support for the carbon price so that it is adopted and remains in place.<sup>3</sup> While it is difficult to predict future political trends, strong and broad support for a carbon price can ensure its stability and help it resist changing political winds, which is key for ensuring the credibility of the long-term price signal. Depending on the political economics at play, this may require gaining the support of the general public, legislators, key sectors, or trade organizations.

**TABLE 1.1** Gaining and maintaining support: sample implications for communications design

Issue	Communications design	See further
<b>Language and messages</b>	Coherent and compelling narratives that help justify the need for and benefits of the carbon price in the eyes of key stakeholders.	➔ <b>Step 4: Designing the messages</b>
<b>Audiences</b>	Stakeholders whose political support is needed for the carbon price to be adopted and to remain in effect.	➔ <b>Strategic focus on different audiences</b>
<b>Integrating communications and policy</b>	The design of the policy should seek to enable easy communication of its benefits to key actors and should integrate their concerns at an early stage.	➔ <b>The building blocks of communicable policy</b>

## Making the carbon price signal visible

**Decision:** Policymakers will need to decide to what extent they wish to make the carbon price visible to businesses and consumers.

### >> Option 1: Make the carbon pricing signal visible

A more visible carbon price can have a greater impact on consumer behavior in certain jurisdictions, with consumers and businesses often responding more to a price hike when they are aware it is due to a carbon price.<sup>4</sup> Many governments and civil society organizations therefore consider a visible price to be an important objective of communicating carbon pricing.<sup>5</sup> This may be particularly important for carbon taxes where, in the absence of a cap, consumer and business responses to the price determine the environmental outcome.

### >> Option 2: Minimize the visibility of the carbon price signal

Visible price increases may have serious implications for communications and policy acceptance. In countries where key constituencies already feel financially constrained, where public opinion is strongly opposed to increased costs in energy or fuel, and especially where organized opponents are mobilizing narratives around the additional costs for business and consumers, drawing attention to prices may reinforce opposition.

Whether or not governments seek to promote the visibility of the price signal, therefore, depends greatly on the national context. Governments may also choose to take a nuanced approach, communicating costs to those likely to be responsive to them—such as businesses with opportunities for reducing energy use—while minimizing this approach in broader communications. Communications around costs might also be coupled with information on how to reduce emissions and thereby reduce costs.

**TABLE 1.2** Ensuring the visibility of the price signal: sample implications for communications design

Issue	Communications design	See further
<b>Language and messages</b>	Informative messaging that makes consumers aware that the carbon price exists, what products it applies to, how much it equates to in real terms (e.g. per liter of fuel), and what people can do to reduce their emissions.	➔ <b>Step 4: Designing the messages</b>
<b>Audiences</b>	Businesses and consumers responsible for emissions, and in particular those with significant emission reduction opportunities.	➔ <b>Strategic focus on different audiences</b>
<b>Communicators</b>	Companies selling goods into which the carbon price is embedded (e.g. fuel, electricity) may be required to provide information on carbon price paid in a standardized format as part of invoices, allowing customers to compare savings across fuels.	➔ <b>Step 6: Choosing communicators</b>

## Ensuring an informed debate on carbon pricing or carbon policy options

Whenever non-experts are involved in the discourse around the design of the carbon price it is important to ensure that this discourse is informed by clear, accurate, and complete information. Research conducted for this project indicates that this is considered an important objective by both civil society and government organizations.<sup>6</sup>

While all policymaking processes typically involve a range of actors and benefit from the availability of credible and consistent information, an informed debate becomes particularly important when there is a public or legislative vote on adopting the carbon price, or when the issue has become politically contentious. Organizations may, for example, focus their communications on countering misinformation and misunderstandings regarding carbon pricing or a given policy.<sup>7</sup>

**TABLE 1.3** Ensuring an informed debate: sample implications for communications design

Issue	Communications Design	See further
<b>Language and messages</b>	Informative language that adequately and objectively describes proposals for the carbon price and their justification, presents advantages and disadvantages, provides supporting evidence (e.g. modeling results and case studies from other jurisdictions) and clarifies common or likely misconceptions.	➔ <b>Step 4: Designing the messages</b>
<b>Audiences</b>	All stakeholder groups that have the ability to influence the decision to adopt (or maintain) the carbon price. These may include ministers, legislators, industry and labor groups, civil society, and the public.	➔ <b>Step 2: Identifying audiences</b> ➔ <b>Obtaining feedback from stakeholder groups</b>
<b>Integrating communications and policy</b>	Keeping the design of the carbon price relatively simple can help to avoid misunderstandings and confusion arising in public debates.	➔ <b>The building blocks of communicable policy</b>

## Obtaining feedback from stakeholder groups

The design of the carbon price can benefit greatly from incorporating expert knowledge and feedback from different stakeholder groups, which will help to ensure that the policy is robust, workable, and broadly

accepted. Business and civil society organizations interviewed for this Guide place a high priority on engaging with policy design, while governments are also keenly aware of its importance.<sup>8</sup> Feedback can be obtained through a range of channels, including presentations and workshops, bilateral communication, and open, public consultations.

**TABLE 1.4** Obtaining feedback from stakeholder groups: sample implications for communications design

Issue	Communications Design	See further
<b>Language and messages</b>	Informative language, coupled with coherent arguments supporting policy proposals; identification of key design questions for stakeholder feedback.	➔ <b>Step 4: Designing the messages</b>
<b>Audiences</b>	Policy experts and those with experience in implementing analogous policies; targeted emitters (including industry and consumer bodies); likely implementing entities.	➔ <b>Step 2: Identifying audiences</b>
<b>Integrating communications and policy</b>	Early and regular stakeholder engagement is important: it enables key actors to provide inputs throughout the various stages of policy design.	➔ <b>Step 7: Integrating communications with policy</b>

## Integrate and prioritize objectives

Most jurisdictions will have multiple objectives for communicating carbon pricing. While most of the objectives discussed above are broadly compatible, there may be instances where political decisions will have to be made to prioritize the most important objectives. For instance, in jurisdictions where the adoption of the carbon price is contentious, the government may see the visibility of the price signal as counterproductive in regard to obtaining support for it.

**Decision:** Before preparing communications materials policymakers should decide *to what extent they wish to proactively communicate on carbon pricing at all*. Some governments choose to actively communicate carbon pricing and promote its effectiveness. Other governments simply build carbon prices into budgets or broader policies, and do not give them any more public attention than they would any other tax or fiscal incentive.

### >> Option 1: Proactive communication of carbon pricing policy

Proactive communication can allow governments to set the tone of the debate and control the messaging. Where the visibility of the carbon price is important for its effectiveness, proactive communication is likely to be necessary.

### >> Option 2: Communicating carbon pricing policy less proactively

Communication may also carry risks. It may draw critical attention to a policy that could otherwise receive limited attention. Communication will create a “framing” that will define how a carbon pricing policy is perceived. And if trust in the government is low, the public may be less likely to trust government explanations of any kind. A government may prefer to limit its public outreach and limit communication to key stakeholders (➔ **Integrating communications, policymaking, and stakeholder engagement**).



This decision will depend on the (likely) public profile of the carbon price. While in some jurisdictions carbon prices have been adopted quietly and without much public debate, in others the adoption of the carbon price has become a “hot topic” that has generated extensive debate across the political spectrum. Factors to consider include:

- i. whether the carbon price will require high-profile independent legislation or a public vote, or if it is integrated into broader legislation or adopted by decree;
- ii. whether there is likely to be significant opposition to the carbon price;
- iii. whether carbon pricing is associated with a specific political party; and
- iv. the relevance of public opinion on policymaking.

Deciding not to *proactively* communicate to the public and externally does not imply that no communications strategy is required. Governments should always be ready to respond to external criticism or commentary, and having a clear and coherent communications strategy can help ensure that this is done in an effective and coordinated way. Moreover, consultations will be required within government and with specific affected parties.

## Identify the national circumstances relevant to communicating carbon pricing

Having a clear picture of the relevant national context can help inform the development of communications approaches that are adapted to local needs. This will

impact a wide range of communications decisions, including the audiences targeted, the design of messages, and the communicators chosen.

Early consideration of these factors will be particularly important in cases where the national context is not immediately obvious—for instance, where research on public attitudes is needed. This section, therefore, identifies the major national circumstances that have the greatest influence on communications design (these will be referred back to in subsequent sections of the Guide that discuss the specific elements of communications design).

### Political system and level of polarization

In countries with political systems that result in frequent changes of government, an effective long-term price signal will need to survive changes in economic and political circumstances. Communications should be broad-based and a consensus is therefore needed across stakeholders regarding the carbon price. This is particularly challenging—but also particularly important—for countries with a high degree of political polarization.

The carbon tax in British Columbia and the emissions trading scheme (ETS) in California have both secured strong cross-party support and have been strengthened despite changes in the ruling party. This can be contrasted with national-level climate policies in both the United States and Australia, where changes in the ruling party have in the past led to major climate policy reversals.

**TABLE 1.5** Political system and level of polarization: sample implications for communications design

Issue	Communications Design	See further
<b>Language and messages</b>	Where political polarization is evident or there are frequent changes of government, seek language that speaks across political boundaries on shared concerns, identity, and vision for the country. Avoid messaging that speaks exclusively to one political ideology.	<b>⇒ Step 4: Designing the messages</b>
<b>Audiences</b>	Appealing to <i>open</i> audiences that express concern but not strong commitment to climate change is often the key to winning public support in polarized environments.	
<b>Integrating communications and policy</b>	To maintain support over time, ensure that the carbon price does what it says it will do (reduce emissions, grow a low-carbon economy, etc.)	<b>⇒ The building blocks of communicable policy</b>

**A CLOSER LOOK 1.2** How political polarization is reflected in audience attitudes

## A CLOSER LOOK

### How political polarization is reflected in audience attitudes

In recent years, public debates in democratic systems have become increasingly polarized, with populist movements emerging. At the same time, trust in experts, official information sources, and traditional media has been falling.

In the case of climate change, political values and worldviews are, by a large margin, the most significant predictor of public attitudes. A 2016 synthesis of 171 studies, across 56 countries, found that political orientation and values were the dominant determinants of people’s level of concern, with the greatest concern expressed by people on the left of the political spectrum, and the greatest skepticism expressed by those on the right.<sup>9</sup>

There has been far less research into attitudes toward carbon pricing, though existing research has consistently found that attitudes toward carbon pricing closely correlate with attitudes toward climate change. Bear in mind that opposition can be more nuanced, with distinct oppositional communities across the political spectrum.

For these reasons, research should always explore whether political identity is a factor in the formation of attitudes (**⇒ Segmenting audiences by attitudes and values**).

The significance of political polarization reinforces the principle that good communications design should ensure that the arguments of pricing are shared across the political spectrum and capable of evolving with changing circumstances. There are a number of strategies that can be employed in promoting carbon pricing in polarized environments, discussed in detail in the section (**⇒ How people receive information and form attitudes**).

## Dependence on domestic fossil fuels

In jurisdictions where the production, processing, and consumption of fossil fuels is a major contributor to employment and GDP, or where domestic fossil fuels represent a large portion of consumption, carbon

pricing has been labelled by opponents as a threat to jobs, growth, and energy security.

In these contexts, it becomes highly relevant to factor this into communications design at an early stage of the policy design process.

**TABLE 1.6** Dependence on domestic fossil fuels: sample implications for communications design

Issue	Communications Design	See further
<b>Language and messages</b>	Use language that respects the role of fossil fuels in the country but warns of the vulnerability from overdependence on a single source of energy, e.g. presenting carbon pricing as a way to diversify the energy economy, or enable greater self-reliance and energy independence.	➔ <b>Step 4: Designing the messages</b>
<b>Audiences</b>	Those directly affected by the carbon price—in particular, those working in the energy industry, or populations in regions where fossil fuel energy is a major part of the economy. These audiences could potentially become opponents and may need special attention.	➔ <b>Step 2: Identifying audiences</b>
<b>Integrating communications and policy</b>	Consulting affected groups and involving them in the policy is important. The policy should also consider their concerns—for instance, through re-investing revenues in job training.	➔ <b>Integrating communications, policymaking and stakeholder engagement</b>

## Relative concern about climate change and other environmental and social problems

Communications should be values-driven and responding to people’s concerns. These concerns should be identified through a two-way conversation and testing. The extent to which the population believes in, is concerned about, and supports

action toward addressing climate change caused by human activity varies significantly between jurisdictions. Even where concern is low, it might be possible to promote the carbon price in other ways that foster wider acceptance. This may include promoting reduced local air pollution or supporting green industry (➔ **Case study: Costa Rica – focusing on vehicle pollution**), (➔ **Communicating about climate change in carbon pricing narratives**).

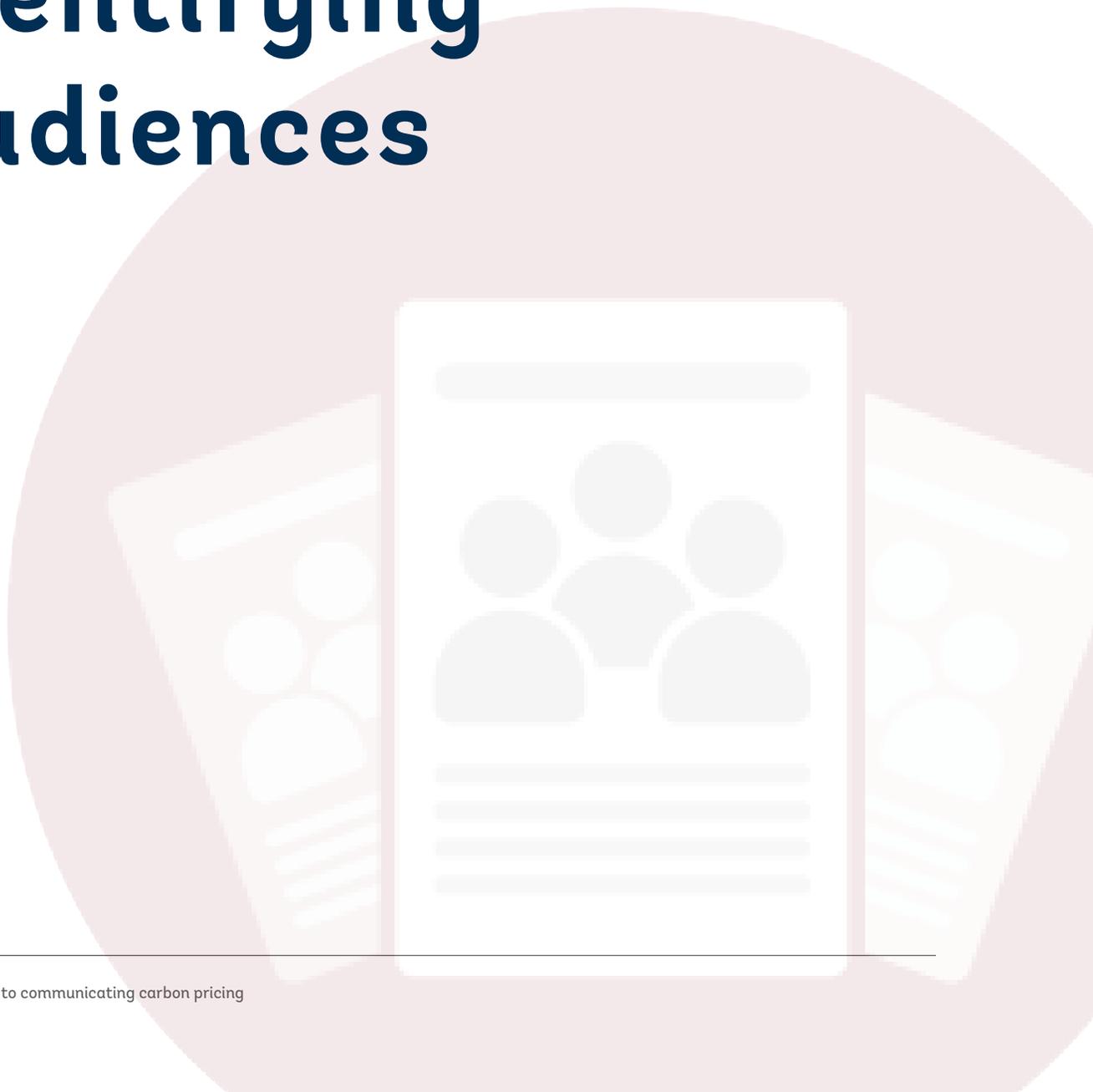
**TABLE 1.7** Awareness of and concern regarding climate change: sample implications for communications design

Issue	Communications Design	See further
<b>Language and messages</b>	Where climate change is a major concern, framing carbon pricing as an effective policy to reduce emissions is more likely to resonate. Where air quality is a serious concern, carbon pricing could be presented as a measure to “clean the air we share”, focusing on health outcomes within climate change messaging.	<b>➔ Step 3: Research</b> <b>➔ Step 4: Designing the messages</b>
<b>Audiences</b>	When focusing on climate, identify which audiences are more aware of and concerned about climate change, to facilitate tailored messages. When focusing on other issues, identify those directly affected by the issue at hand (e.g. for air pollution, residents of big cities or industrial areas). Concern about air quality is particularly high among the most vulnerable groups (young children and the elderly) and the people who care for them.	<b>➔ Step 2: Identifying audiences</b>
<b>Integrating communications and policy</b>	In the case of air quality, concentrate on the key sources of pollution—especially transport and coal-fired power generation—and consider addressing other air pollutants within the framework of the policy.	<b>➔ Communicating about climate change in carbon pricing narratives</b>



## STEP 2

# Identifying audiences



## < At a glance: Identifying audiences >

Effective communications require a clear definition of the target audiences. This chapter identifies three main audiences: internal government policymakers, priority stakeholders, and the general public.

The chapter differentiates between a meta-narrative for wide audiences, which explains carbon pricing in terms of shared values and identity, and sub-narratives which are constructed around the specific values and concerns of the target audience.

In the development of a communications strategy, audiences should be separated into different segments according to their attitudes and demographics. The Guide recommends four core segments:

- Base audiences that support carbon pricing or are supportive of strong government action on the issues.
- Open audiences that have intermediate views but are still open-minded.
- Opposing audiences that express opposition to carbon pricing on principle.
- Disengaged audiences that show no strong opinion or motivations around climate change or carbon pricing.

The Guide's strategic recommendation is to prioritize directing attention to the open demographics, to encourage the base, and to avoid aggravating the opposing groups.

In regard to opposing groups, the Guide recommends adopting different strategies for those who favor a policy response to climate change but oppose carbon pricing as a policy, and for those who are fundamentally opposed to all responses to climate change. In both cases, the Guide recommends listening carefully to opponents and understanding the basis of their opposition, recognizing that it often lies in wider issues of trust.

Any engagement starts with the question: "who am I talking to?" This is then followed by key questions that will shape the communications for this audience, including what are their concerns, their values, and their attitudes toward government and business? What are their attitudes toward, and what is their understanding of, climate change? This ensures that the communications are accepted as values-driven, trustworthy, and broad-based.

In many cases governments may have limited capacity and will need to prioritize which audiences to target. Moreover, there are no magic words—no communi-

cations that can address, satisfy, or appease every audience. For both these reasons, communicators need to strategically define their audiences and tailor the messages to these audiences.

### The three main categories of audiences

Communicators should focus on three distinct audience categories: internal government, priority stakeholders, and the general public.



**TABLE 2.1** Communication approaches for distinct audience categories

Audience category	Approaches
<b>Internal</b> groups within government and policy formation, including politicians, legislators, senior bureaucrats, and policy officers.	<b>Policy narratives:</b> Internal briefings that explain pricing in the language of policymakers, relating it to wider and previous policies, government processes, and the broader political narrative.
<b>Priority stakeholder groups</b> , for example, companies and industry groups, trade unions, civil society groups, journalists, academics, and think tanks.	<b>Sub-narratives:</b> in which communications are carefully constructed to address the concerns and values of each priority audience.
<b>General public</b> , including voters, non-defined stakeholders, and interest groups, with a wide range of overlapping identifications including faith, occupation, gender, age, politics, and ethnicity.	<b>Meta-narratives:</b> in which the policy is explained in a way that effectively communicates concerns and values shared across the public—for example, around values of national identity (such as leadership) or concerns (such as local pollution).

The answers to following questions will define the key focus for communications within these three categories:

#### Internal audiences

1. What is the level of internal support within the government and across the relevant ministries/departments? What are their concerns? Which ministries or politicians need to be most involved? Where is opposition likely to emerge?
2. Is pricing supported across the political spectrum? Do any politically influential parties oppose pricing?

#### Priority stakeholder groups

3. Which organized industry/business/labor groups support the carbon price? Which oppose it? Which of the supporting and opposing groups hold the most influence in the political process or media, or have the strongest public support?
4. Which civil society organizations support the carbon pricing policy? Which oppose it? Which of the supporting and opposing groups have the strongest public support and trust?

#### General public

5. What are the public attitudes to carbon pricing and the different arguments in its favor? Do

those supporting or opposing the policy have a demographic profile (around age, gender, politics, ethnicity) and are there civil society networks that have a strong engagement or trust within those demographics? (➡ **Segmenting audiences by attitudes and values**)

Communicators will be able to answer many of these questions from previous experience. However, they should supplement their initial judgment with wider research and stakeholder engagement, especially regarding public attitudes in relation to unfamiliar policy measures, which are often hard to predict. Strategic decisions should always be supported by clear evidence. (➡ **Step 3: Research**), (➡ **Obtaining feedback from stakeholder groups**)

## Segmenting audiences by attitudes and values

One way to target different audiences is to use a “segmentation” approach which seeks to define clusters of demographic qualities and attitudes that define attitudes to climate change and carbon pricing. For example, differences in age, gender, education, and cultural worldviews predict a range of beliefs about specific topics (like climate change) or policy approaches (like taxation), and may offer useful criteria for segmenting an audience. The popular “six



Americas” segmentation model divides the U.S. public into six categories based on their views about climate change.<sup>10</sup>

Although segmentation is most relevant to public engagement, it will also be applicable to internal and stakeholder engagement, predicting how different individuals within each audience will respond to communications. There is detailed guidance on segmenting stakeholder audiences in the 2018 World Bank publication *Designing Communication Campaigns for Energy Subsidy Reform*.<sup>11</sup>

However, simply dividing people into groups based on their attitudes is not necessarily the most useful way to start designing a communication strategy. It is more important to understand why they differ in their views, and which underlying factors (values, world-views, and ideology) predict these differences. A good segmentation exercise will therefore also identify clusters around common values and a social identity so that segments can be grounded in differences that are “predictive” rather than just “descriptive”.<sup>12</sup>

These deeper responses offer important signposts to the sort of narrative that might appeal to the different segments, in terms of the shared values they embody. It is critical to test any piece of communications with a given target audience before drawing any strong conclusions.

## Basic segmentation: the four main categories

When developing a communications strategy, it can be useful to segment audiences into four categories according to their commitment to the expected results of the carbon pricing policy:

1. **Base:** Audiences that support carbon pricing or are supportive of strong government action on the issues it addresses, or those who stand to benefit from the carbon price. These audiences are likely to hold this view regardless of the content of the messages; however, their support can be intensified and made more visible if they are effectively engaged.

2. **Open:** Audiences that have intermediate views and are still open-minded. They may be generally supportive of action around climate change and shifting to renewables, and may respond positively to other narratives (➔ **Step 4: Designing the messages**). However, they are often not strongly engaged with carbon pricing as a policy response. These audiences are therefore the most open to forming their position based on well-communicated arguments, whether for or against carbon pricing. They are also less likely than *base* or *opposed* audiences to be committed to a political ideology and are often the critical constituency to win over in contested elections.
3. **Opposed:** Audiences that express principled opposition to carbon pricing, often associated with ideological skepticism about the underlying policy approach or climate change itself, or those that stand to incur economic losses due to the carbon price. These audiences are likely to hold this view regardless of the content of messaging; however, their opposition can shift under moderation or qualification following effective engagement.
4. **Disengaged:** Audiences that show no strong opinion or motivations around climate change or carbon pricing. Generally speaking, these audiences are a low priority but they may become more motivated around other issues and are at risk of becoming mobilized through organized opposition campaigns.

## Strategic focus on different audiences

Individual national circumstances will require very different strategies for audience engagement, which cannot be fully anticipated in this Guide. Consultation and best practice in climate change communications suggest adopting the following strategy:

### Build internal support

First, start with building internal support within government and across the political spectrum, through



internal briefings. Speak with each department or ministry in a language that speaks to their remit: for example, one could foreground the revenue opportunities to the department of finance, building an international profile to the department for foreign affairs, jobs and competitiveness and new technologies to the department of business, and environmental benefits to the department of environment.

**Focus persuasion on the *open* audiences**

Concentrate resources on building support with *open* audiences. This strategy requires targeted messaging building on shared values and working with networks and influential communicators that have strong support. These communications should be carefully tested to ensure that they do not weaken support from the *base* or increase opposition from the *opposed* categories. There is some evidence that building support among *open* audiences is most important when attitudes are strongly polarized along political lines and where *open* audiences provide the basis for creating electoral and cross-party legitimacy.<sup>13</sup>

**Encourage support from *base* audiences**

Provide the audiences that are already supportive of the policy with detailed briefings and materials, enabling them to be visible and to speak with a combined voice. Work closely with networks and influential

communicators within these audiences (➡ **Recruiting trusted communicators**). This approach may be especially worthwhile with stakeholder audiences when the opposition is relatively weak and dispersed and support is spread across multiple constituencies and sectors. For example, California has a diversified economy, with a strong renewable technology sector and communications have sought to mobilize this *base* support from progressive business.

**Manage opposition from *opposed* audiences**

Strong opponents of carbon pricing are unlikely to be persuaded by communications unless, over the longer term, they can be persuaded to change their view through evidence of a successful policy. The primary strategy should, therefore, be to *manage* opposition, show that opponents’ concerns have been heard and addressed as far as is possible without weakening the coherence and effectiveness of the policy.

**Strategies for communicating with opponents**

Table 2.2 suggests that ways of managing opposition will depend on the answers to the questions set out below, and will vary with every situation.

**TABLE 2.2** Questions for identifying opposition and strategic communications responses

Question for identifying opposition	Strategic communications response
Which specific sectors or institutions are aligned with opposition?	Engage directly with the institutions or sectors (through representative networks). Show that their concerns have been heard.
Do people opposing pricing have definable demographic qualities: for example, age, gender, values, location, or—especially—political values?	Build communications around the values and identity of these demographics. In particular, avoid associating the policy too strongly with a different or opposing demographic.
What aspects of the pricing policy are the main source of opposition? Is it the underlying approach of market mechanisms, the focus on climate change, the level of the carbon price, or the perceived financial impacts?	Design (and test) communications to address the main concerns, though be careful not to increase their profile.



Do opponents support the principle of action on climate change but disagree with carbon pricing as a policy instrument or the way in which the instrument is designed?	These critics, especially from civil society, can be an important source of external feedback that can advise, steer, or block bad policy. They should be actively engaged.
Is a lack of accurate information leading critics to misunderstand the policy or its results?	Provide arguments and information that directly counter the opponent's arguments. For example, if opponents say that it is too expensive or ineffective, provide information materials and data to show that it is affordable and effective. A detailed set of counter-arguments to these assertions is provided in Appendix E (➔ <b>Appendix E: Managing counter-arguments</b> ).
Is a lack of trust the key factor in opposition and where does the greatest distrust lie? Does it relate to individual advocates (such as high-profile politicians), institutions (distrust of government, finance, or business) or political ideology (distrust of free-market liberalism, environmentalism, or government interference)?	If the lack of trust is a major cause of opposition, building trust needs to be the main focus of a communications strategy: using trusted messengers and networks, investing in stakeholder engagement, and designing a coherent and effective policy.

The questions set out in table 2.2 seek to differentiate between two categories of opposition: groups that support the principle of action on climate change but disagree with carbon pricing as a policy instrument or the way in which the instrument is designed, and groups that are indifferent to, or actively oppose, action on climate change in any form. The former group can be an important source of external feedback that can advise, steer, or block bad policy. For example, civil society critics often raise concerns about the impacts of carbon pricing on lower-income groups. Recognizing these concerns about regressive impacts may provide useful guidance for a more socially equitable application of revenues that could also build broad-based support. For example, in Sweden, each time there is a change made to the carbon tax the government seeks to identify who will be most affected by the changes and pays special attention to communicating with and addressing the concern of these groups.<sup>14</sup> In California, 25 percent of ETS revenue expenditure has been prioritized for lower-income groups and this has become a major component of the public marketing and advocacy for the policy.<sup>15</sup>

Critical stakeholders who are protecting commercial interests or who fundamentally oppose action on cli-

mate change are likely to have a far more destructive attitude to the carbon pricing policy. They may seek to lower the carbon price or seek specific exemptions or rebates that will reduce its effectiveness as an economic instrument. Policymakers may wish to accede to these demands in the interests of reducing opposition and building support for carbon pricing. However, when they do so they need to consider the wider implications of concessions on the communication of carbon pricing, especially for the *open* audiences. Concessions will conflict with many of the principles of good communications (➔ **10 principles of good carbon pricing communications**), reducing coherence, shared impacts, perceived effectiveness, and, most critically, trust. What is more, such concessions can add excessive bureaucratic complexity, and undermine arguments that pricing is a simple and flexible mechanism. This was evidenced in the draft text for the U.S. 2009 Waxman Markey-Act, in which concessions to the proposed ETS ballooned to over 1,000 pages. The act lost support from politically *open* constituencies and was widely criticized by environmental organizations (who should have been able to provide secure *base* support) for failing to address the key issues. In the end, the concessions failed to please advocates or appease opponents.<sup>16</sup>



The conclusions for engaging with opponents therefore are the following:

1. Anticipate stakeholder concerns early in the design process and focus strategically on building engagement and messaging that seeks—as a priority—to speak across different interest groups. As noted in (➔ **Case study: Opposition to Australia’s carbon pricing mechanism**), it cannot be assumed that a consensus is permanent and so one should be prepared for new concerns to emerge.
2. Fully understand the grounds for opposition through exploratory qualitative research and stakeholder engagement.
3. Address concerns in the design of the policy and through the application of revenue, if it is possible to do so without significantly weakening the effectiveness of the instrument.
4. Through testing, identify language that does not exacerbate opposition and that, ideally, helps to reduce it. This should be a key criterion in the selection of core narratives.
5. Deliver messages through a range of communicators, networks, and media, ensuring that the communicators include sources that are trusted by opponents.

For further information, go to (➔ **Appendix E: Managing counter-arguments**).

### CASE STUDY 2.1 Opposition to Australia’s carbon pricing mechanism

## CASE STUDY



### Opposition to Australia’s carbon pricing mechanism

Originally, all major parties in Australia had supported the principle of a national carbon pricing policy. Communications became strategically important when Australia’s Liberal Party dropped its support in December 2009. This started a campaign of strong opposition to a carbon price that continued when the next administration proposed an ETS in 2011. These challenges to the ETS subsequently became an important factor in the 2013 election and ultimately led to the repeal of the carbon pricing mechanism (CPM).

The Australian experience provides important lessons for other countries.

Firstly, the importance of anticipating and being prepared for opposition. The early opposition to the carbon price allowed opponents to seize control of the narrative. Furthermore, policymakers had expected a policy debate about the effectiveness of carbon pricing for countering climate change and had not anticipated the way that the issue became a proxy for wider issues of trust, elitism, and legitimacy.

Secondly, the resulting policy was hard to communicate in simple terms and this made it difficult to counter the opposition narrative. The policy was a hybrid mechanism. During the first two years of implementation (the ‘fixed price period’), prices were set by the government and it resembled a tax. Thereafter, it became a fully-fledged ETS (the ‘flexible price period’) with prices set by the market. Opponents created a far simpler and more compelling narrative: that it was a “tax on everything”.<sup>17</sup>

Proponents then faced an uphill struggle to defend the policy. As noted above, additional information can be counterproductive when sources are distrusted. Explanations and testimonies from

economics experts that the policy was technically not a “tax” only reinforced the populist opposition and repeated the framing that was already controlled by opponents. Although government communicators avoided the word “tax”, the majority of newspaper articles referred to it only as a “tax”.<sup>18,19</sup> This labelling helped reinforce a perception that the policy was aimed at individual consumers rather than large companies.

Unsubstantiated and provocative claims were made by proponents, for example, that a leg of roast lamb would cost a family over a hundred dollars.<sup>20</sup> The oppositional campaign also focused on campaigning around electricity prices which were increasing at that time, largely due to the cost of extra investments in the ageing electricity distribution infrastructure—the poles and wires<sup>21</sup>—but this technical detail was difficult to communicate and was frequently overlooked by the media. This unfortunate coincidence was therefore blamed on carbon pricing.

Tom Skladzien, National Economic and Industry Adviser to the Australian Manufacturers Workers’ Union, who helped design the CPM when he was a former Senior Adviser to the then Climate Change Minister Greg Combet, offers two pieces of advice for other governments:

1. “Do everything possible not to make the pricing policy a political issue of division between the major political parties.
2. If it does become a fight, don’t overcomplicate the messaging. Focus on honest and simple messaging that sticks to the basics and say: ‘we are just making the polluters pay, and we are putting a fair price on the pollution that they produce.’”

This second point is reiterated by John Connor, former CEO of The Climate Institute (TCI) which helped coordinate NGO, union and civil society support for the policy: “to keep the public engaged, carbon pricing needs to be understandable. People say ‘I don’t mind paying a bit more for it, but I want to know what we are getting for it.’ When the outcomes were things like renewable energy, which is more tangible to people than a carbon price, support always increased”. One of Connor’s critiques of the government’s CPM communications was that a household support package for the carbon price failed to mention the pollution outcomes or the wider benefits of an energy transition.





STEP 3

# Research



RESEARCH



## < At a glance: Research >

Communications should be built upon a detailed understanding of the attitudes, values, and concerns of target audiences.

There are two primary forms of communications research: quantitative (polls and surveys) and qualitative (interviews and focus groups). The former involves large sample sizes that can measure attitudes across populations and define the attitude segments outlined (➡ **Step 2: Identifying audiences**). The latter allows research to ask probing questions about *why* people hold the views they do.

Research can be conducted in two distinct phases:

1. an exploratory phase that defines the different attitudinal segments: their values, their concerns, and who they trust; and
2. a test phase that measures the effectiveness of different language, narratives, and communication materials. The Guide notes that where communications failures have occurred, the communications involved were invariably untested before release. The Guide strongly recommends that all communications be tested, even if only on a small scale.



## What research can achieve

Research is a tool. It cannot find infallible messages (i.e. there are no magic words) but it can help to focus communications. It can test different options and help communicators to make the final choices on which language and narratives to use. As a fundamental principle, all communications should be tested.

Most important of all, research can identify problematic language and the narratives that are least effective, or that could polarize opinions and fuel opposition. Historically, the carbon pricing policies that have faced the greatest problems have used untested language that has fueled opposition.

## Communications research methods

There are two basic approaches to communications research: qualitative and quantitative. They can be

deployed separately or in combination, and each has its own strengths and weaknesses.

Quantitative research presents standard questions with a limited range of response options. Polls and surveys are examples of quantitative research tools: they can reach a large sample and are well suited for measuring opinions across a group or population, and for measuring changes over time.

Qualitative research asks open-ended questions, allowing participants to speak in their own words and from their subjective experience. Focus groups are a classic qualitative methodology that can build a deeper understanding of people's attitudes and, especially, *why* they hold those views.

A detailed technical description of these methodologies, their pros and cons, and the practical process for applying them in pricing communications, is given in (➡ **Appendix B: Explaining research methodologies**).

## A CLOSER LOOK

### The role of modeling in communications



Economic research and modeling can assess the implications of alternative pricing designs on emissions, and social and economic well-being. At the same time, modeling can provide an evidence base to bolster the messages the government uses to generate support for the carbon price.

In particular, modeling produces data that gives authority to the claims made by advocates for pricing. For example, a common narrative regarding carbon pricing is that it can create jobs in new and growing sectors, such as clean energy. Modeling can bolster this narrative by providing an estimate of the number of new jobs that will be created or clean energy capacity that will be installed:

“ A carbon price will help create 12,000 new jobs in clean energy.”

Or

“ A carbon price will see the amount of clean energy quadruple over the next 10 years.”

Economic and other policy-focused research can also arm communicators with information to counter some of the arguments made against carbon pricing. For example, data from modeling can challenge arguments that carbon pricing will see a huge increase in the price of electricity or petrol, that such prices will disproportionately affect the poorest, or that pricing will not be effective in reducing emissions (➔ **Dealing with counter-attacks**). Economic modeling results were used to communicate the relatively limited impacts of the Australian carbon price on households,<sup>22</sup> and research showing that fossil fuel subsidies are regressive and do not reach the poorest has been crucial in building public support for subsidy reforms in various countries.<sup>23</sup>

Research data from modeling needs to be applied with caution. Models will only be accepted if the communicators and economic experts who inform them are trusted, respected, and regarded as impartial. As noted later in the Guide (➔ **Technical economic terms**), people are frequently skeptical of economists and models.<sup>24</sup>

## Applying research to the design and testing of pricing communications

Research is required for two distinct stages of communications design: exploration and testing. Although presented as distinct, these stages are likely to

overlap, each combining elements of exploration and testing. Communicators working with limited time and resources may wish to combine them or spread them across several stages of policy development.



RESEARCH

## Exploratory phase

The exploratory phase:

- identifies the composition of different audience segments, especially around the categories of *base*, *open*, and *opposed*;
- defines the values and identity of target audiences and the potential content for audience-specific narratives; and
- identifies the parameters of trust, the overall levels of trust for policy communicators, and the most trusted communicators and representative networks for each audience.

The exploratory phase should clearly signal the potential boundaries around trust. The exploratory phase will also identify the possible basis for opposition: it is sensible to assume that opponents will be

thinking along similar lines and will identify the weak points in terms of public concerns and trust.

Quantitative research can inform segmentation across a larger, more representative sample and the distribution of attitudes and trust across a population. Qualitative research, such as focus groups, is especially well suited to this exploratory phase. Open-ended questions can allow participants to suggest preferred language, enabling a deeper analysis of attitudes and motivations.

The exploratory questions set out in table 3.1 are designed for qualitative research (interviews or focus groups) and can elicit the core material that can be used to design a narrative. These questions form part of Narrative Workshop qualitative research model, developed by Climate Outreach over the past decade.<sup>25</sup>

**TABLE 3.1** Exploratory questions for narrative design

Question for identifying opposition	Strategic communications response
<p><b>Values and identity</b></p> <ul style="list-style-type: none"> <li>• Are there qualities and values that make you proud of your nation (meta-narrative) or your group (sub-narrative)?</li> <li>• If you were to describe what makes you special and different from other nations/groups in your own words, what would you say?</li> </ul>	<p>Observe closely the words people use in their own language and incorporate these into the narrative design.</p> <p>Typical framings might include fairness, honesty, ambition, hard work, community, and independence. Any of those would provide useful input for communication, and—to some extent—policy design.</p>
<p><b>Main salient concerns</b></p> <ul style="list-style-type: none"> <li>• What are your key concerns?</li> <li>• Topics might include employment, law and order, national security, national standing in the region/world, social inequality, corruption, environmental degradation, pollution, climate change, and extreme weather impacts.</li> </ul>	<p>Peoples' front-of-mind concerns will help to both identify the benefits that pricing needs to provide and the grounds on which it might be opposed.</p> <p>Open-ended questions will identify the degree to which climate change or any other related issue is a strong salient concern.</p>





<p><b>Change and anticipation of the future</b></p> <ul style="list-style-type: none"><li>• How have things changed in your lives over the past generation? Have these changes been good or bad?</li><li>• Are you optimistic or pessimistic about the future?</li></ul>	<p>These questions can help identify different ways to frame carbon pricing: for example, if people welcome change and are optimistic about the future, carbon pricing can be presented as new, modern, and aspirational. If people feel that change has been damaging and are pessimistic about the future, carbon pricing can be presented in a form that validates and restores traditional values.</p> <p>Carbon pricing could also be incorporated into a larger national narrative of progressive change. For example, carbon pricing in Costa Rica could be communicated as being part of a national journey to become the first carbon-neutral country in the world.</p>
<p><b>Attitudes and responses to climate change</b></p> <ul style="list-style-type: none"><li>• What is climate change and who is causing it?</li><li>• Are you concerned or unconcerned about climate change? Is it real and immediate or uncertain and in the future?</li><li>• Has your country had recent extreme weather impacts, and, if so, to what extent is that caused by climate change?</li></ul>	<p>Open-ended, unprompted questions about climate change will indicate levels of awareness and attribution of responsibility.</p> <p>They will also show to what extent climate change should be highlighted as a justification for carbon pricing and whether people understand the connection between climate change and fossil fuels.</p>
<p><b>Attitudes toward renewable energy and energy transition</b></p> <ul style="list-style-type: none"><li>• What do you think about renewable energy?</li><li>• What are the benefits and problems of moving to more renewables?</li><li>• Do you think we should move from old polluting fuels to modern clean energy... and, if so, when?</li><li>• Should we be investing more in renewables?</li></ul>	<p>Observe the prominence given to the shift to clean energy, which will determine whether it should be the leading narrative or a key component of revenue use.</p> <p>Identify whether people see the shift to renewables as important and relevant, or distant and in the future.</p>
<p><b>Trust</b></p> <ul style="list-style-type: none"><li>• Who do you trust to give you honest information?</li><li>• Why do you trust them?</li><li>• Who do you trust on economic and environmental policy?</li><li>• Do you trust government, media, business (large, small, carbon-intensive), or environmental NGOs to tell the truth?</li></ul>	<p>Identify the well trusted communicators or institutions that could be recruited to advocate carbon pricing.</p> <p>Identify the primary qualification for trust—especially around competency, integrity, and authenticity.</p> <p>Determine the extent to which government or business arguments will be accepted and, specifically, which parts of government and business are the most trusted sources (⇒ <b>Recruiting trusted communicators</b>).</p> <p>Also, identify possible areas of distrust that could be exploited by opponents.</p>

The exploratory stage can inform the design, content, and naming of the policy—as discussed in detail in the following chapters. As the policy design continues, communicators should use the findings of the exploratory stage to develop trial narratives and communications materials. They should then test these with priority audiences.

## Testing

It is a central principle of communications that all messages and materials must be tested with target audiences during their design—and especially before release. Testing can confirm the effectiveness of the communications strategy and can justify a larger budget. Testing can also help in choosing between different approaches and types of language for different audiences.

Most importantly, testing is the means of identifying ineffective messaging. Weeding out weak language helps achieve the primary objective of generating strong, simple, coherent messaging. At worst, ineffective messaging can seriously undermine an engagement campaign and fuel opposition. The greatest mistakes in climate change and carbon pricing communication have invariably occurred because materials and messaging were not tested with a representative audience—typically because there was insufficient budget or time.<sup>26</sup>

There is value in both a quantitative and qualitative approach to testing. Quantitative testing is most useful for testing narratives with a larger sample that can be representative of the entire population. Typically, this will take the form of a survey, in which participants are presented with narratives or messages and invited to give their responses on a graduated scale (for example, strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree, or strongly disagree). A range of narratives should be tested (➔ **Step 4: Designing the messages**) and the results compared.

Qualitative testing is better suited to the evaluation of communications materials, especially images and video. Full-scale testing is expensive and can be time-consuming. It may be hard to justify within tight budgets and timelines. However, communicators must always consider some form of testing, even if this is a simple online survey or the recruitment of an ad hoc citizens panel. It is important that materials are not tested with work colleagues, social peers, or friends as they are unlikely to be representative, unbiased, or critical.



# 4

## STEP 4

# Designing the messages



DESIGNING MESSAGES



## < At a glance: Designing the messages >

Effective communications must respect and follow the complex cognitive psychology that guides attitude formation. The existing research shows that people react poorly to conventional carbon pricing communications focused on cost and respond best to positive narratives that speak to their worldview and values, and that are transmitted through trusted peers.

Communicators have a choice between two primary strategies: one that presents carbon pricing as an effective solution to the problem of climate change, and one that focuses on the wider benefits from reduced fossil fuel use (such as reduced pollution), energy transition, or the application of revenues.

Drawing on international research, especially in Canada,<sup>27</sup> this Guide recommends three core narratives:

- **Fairness:** a fair way to share responsibility for the carbon pollution that causes climate change and to reward the companies that are most efficient and pollute the least.
- **Common-sense:** a balanced and flexible approach that unleashes the creativity of business.
- **Shifting to clean energy:** modernizing the energy sector, and encouraging new, clean energy.

In particular, the Guide recommends that communicators foreground the way that revenues are used and the benefits they generate. For this reason decisions around revenue use will be critical for how the policy is received.

By contrast, language around cost, technical economics jargon, and technical language should be avoided. There are mixed views about the use of the word “tax” and in (➔ **Labeling a carbon tax**) communicators are presented with arguments for and against using the “t-word”.

## How people receive information and form attitudes

Research on optimizing environmental communications across different audiences and cultures demonstrates that people rarely reach decisions through a rational evaluation of evidence and costs.<sup>28</sup> Instead, people tend to form rapid pre-assumptions (which then become reinforced by later evidence) on the basis of the following factors:

**Narratives:** Narratives are structured stories containing distinct actors with clear motivations that embody their life experience and values. Narratives

contain **frame-words** that operate as codes and signal established meanings.

**Cues:** Cues are signals concerning attitudes that are received from trusted social peers about the appropriate attitude for people with their shared social identity.

**Heuristics:** Heuristics are innate cognitive shortcuts, reinforced by personal experience, that enable people to rapidly process and prioritize information. Heuristics are sometimes understood as “cognitive bias”.<sup>29</sup>

These terms are used throughout this chapter and additional reading on this topic is provided in (➔ **Appendix A: The social science of message design**).



## The psychological obstacles to communications regarding short-term costs

Communications around climate change often argue that certain short-term costs are needed in order to mitigate against far larger, but less certain, long-term costs. This is, for example, the core economic argument in the Stern Review on the Economics of Climate Change.<sup>30</sup>

This argument has been converted into a standard formula containing most government narratives supporting carbon pricing. The majority of government respondents surveyed for this Guide also identified this as the priority narrative:

- climate change is a serious threat with major long-term costs;
- the government is committed to international targets for reducing emissions and showing international leadership; and
- carbon pricing is the most cost-effective means to achieve those reductions, and the short-term costs are justified because they help avoid the far larger long-term costs.<sup>31</sup>

This language may be effective for economically literate policy specialists. However, there is strong evidence from a large body of cognitive research that shows that this language will be counterproductive with wider audiences. Professor Daniel Kahneman, who won the 2002 Nobel Prize for economics for his work on the role of cognitive bias in economic decision making, found that the strongest bias often pertains to three variables: cost, time, and certainty. People are more inclined to avoid cost, discount the future, and avoid uncertainty. They will give disproportionate favor to choices offering certain short-term benefits, even when these are not economically optimal.<sup>32</sup>

Kahneman warns that, from a cognitive perspective, arguing for a certain short-term cost to mitigate a larger, uncertain future cost is the weakest possible combination of these innate biases and the most likely to lead to avoidance.<sup>33</sup>

Support for carbon pricing rises when it is presented as yielding benefits over both the short and long-term,

and falls when it is presented in language around costs (**⇒ Language around cost**). Research in Canada has also found that people's willingness to pay a carbon tax was directly related to people's perception of time. Two-thirds of people who saw climate change as a problem here and now were willing to pay, while only one-third of people who believed it to be a distant issue were willing to pay.<sup>34</sup>

For all of the reasons stated above, communicators need to be cautious when applying standard carbon pricing narratives, and should not assume that they will be effective.

## Communicating about climate change in carbon pricing narratives

**Decision:** Carbon pricing is usually adopted by governments as a policy response to climate change so communications tend to place the threats and costs of climate change as the leading issue. However, there is no strong research that justifies this, and communicators need to choose early on in the policy design process the extent to which they will place climate change in the foreground of their communications.

To make this decision testing should explore:

- the level of public concern about climate change;
- whether people understand the role of carbon and fossil fuels (which is essential for understanding the reasons for carbon pricing), and who they hold to be responsible for climate change;
- whether there are other related issues addressed by carbon pricing that can elicit greater public concern—for example, air pollution; and
- whether climate change has become a polarizing issue and people have formed strongly entrenched positions.

### >> Option 1: Give a high prominence to climate change

If people express a high level of concern about climate change, especially around recent salient weather events, then carbon pricing can be presented as a



solution to a national threat that requires a strong and active policy. For example, in Sweden the population expresses a high level of concern about climate change and the government always makes clear links between its carbon tax proposals and its national mitigation targets.<sup>35</sup>

However, there is a danger that if carbon pricing is so strongly associated with climate change, a flawed or failed carbon pricing policy could undermine public concern around the wider issue. In countries with strongly polarized attitudes on climate change—for example, Australia—the perceived failure of carbon pricing has provided sustained ammunition for undermining public engagement with climate science.<sup>36</sup>

A review of best practice on communicating climate change<sup>37</sup> suggests the following conclusions that should be incorporated in carbon pricing narratives:

- Talk about climate change as a challenge *and* an opportunity. Extreme threat messaging might reduce engagement, especially among “swing” audiences.
- People have a tendency to distance themselves from climate change, framing it as a problem for “future generations” or other countries, which makes them less willing to accept current costs. Climate change needs to be communicated as a current concern, especially in relation to salient extreme weather events (though communicators need to tread carefully when linking these conclusively to anthropogenic climate change).
- Stress the co-benefits of energy transformation in terms of the health (usually the primary concern) and the economy.

#### >> Option 2: Give a lower prominence to climate change

If people are weakly engaged with climate change or do not fully understand the connection with emissions, a narrative should give greater prominence to other national concerns, or aspirations for the future. Arguments concerning climate change should still be included—this is, after all, the primary purpose of the policy—but in a secondary position.

The lead narrative might, therefore, relate to issues that have a higher profile (➡ **Case study: Costa Rica**

**- focusing on vehicle pollution**), or it might focus on how the application of revenues is seen to work (➡ **Case study: Communicating visible expenditure in California**). Alternatively, communicators might lead with the positive arguments for energy transition (for example, arguments around energy independence, new jobs and business opportunities), and place emissions reduction within a wider narrative of energy and technological transformation.

## Designing trial narratives for testing

Narrative research<sup>38</sup> and a wide body of social and psychological theory finds that people respond to narratives that embody their values and identity in this formulation:

- **Validation:** this is who you are, and you are valuable citizens/organizations.
- **Relevance:** these are your concerns, and they are justified and important.
- **Social proof:** people like you are concerned and want to see action.
- **Positive outcomes:** when we take this action, we see wider changes that make the world the way we wish it to be.

This formulation provides a guideline for a narrative arc, but it should be used creatively rather than as a formula or fixed sequence—communications might just focus on positive outcomes, or on addressing public concerns. Nonetheless, it is important to remember that climate change has a tendency to generate emotional arguments of blame and shame, so grounding communications in the position of respect and recognition for the audience is a fundamental principle of good public engagement.

Exploratory research (➡ **Step 3: Research**) will provide the content for the categories above and will establish the priority that should be given to different arguments. From the exploratory research, communicators can identify the content for trial narratives that can then be tested. For example:





- If an audience is concerned about national security and dependence on imports of oil from more powerful neighboring states, a carbon pricing narrative could emphasize that this is a **stable** policy that will shift the economy toward more **self-reliance** and **independence**.
- If an audience is concerned with social inequality, then a carbon pricing narrative could emphasize that this is a **fair** policy which falls largely on the more **powerful** and **affluent**.
- If an audience is concerned with economic reform and development, the narrative could emphasize that this is a **modern** policy which will bring new **jobs** and **opportunities**.

Every national circumstance will be distinct, and this Guide cannot recommend any single narrative. A good approach is to test a selection of narratives with a range of audiences. A range of standard carbon

pricing test narratives is given in (➔ **Appendix A: The social science of message design**). These can be augmented with language that conveys audience-specific content.

## Language that has worked for communicating carbon pricing

With the important caveat that what narratives work is context-specific, the narratives set out in table 4.1 have been found to be effective in a range of different countries and with different audiences, and are likely to be among the front-runners for effective communication. These narratives have been further tested in the surveys developed to inform this Guide. In each case, the policy application needs to be coherent with the narrative, as suggested in the right-most column in the table.

**TABLE 4.1** Narratives that have been found to be effective in a range of different countries

Frame	Narrative	Policy coherence
<p><b>Fairness</b></p> <p>Fair, just, and balanced; rewards and punishes</p>	<p>Carbon pricing is a fair way to share responsibility for the carbon pollution that causes climate change, and to reward the companies that are most efficient and pollute the least. It's not fair that heavy emitters can dump their carbon pollution in the air we all breathe. Polluters should be held accountable and should pay for the pollution that they force all of us to live with.</p>	<p>Applying revenue use that is in line with the theme of fairness might, depending on the circumstances, include support for low-income groups, workers and communities, transitioning out of high-carbon industries. The provision of benefits or tax cuts for affluent groups and concessions to major businesses would undermine the theme.</p>
<p><b>Makes sense, balanced</b></p> <p>Sense, common-sense, flexible, balanced</p>	<p>Putting a price on pollution makes sense. The more we pollute, the more we ought to pay. It's a fair way to hold polluters accountable. It makes businesses that produce the most pollution pay more. It rewards businesses that are efficient and use energy well. Carbon pricing strikes the right balance. It allows us to do what's right for the environment and encourages us to shift to cleaner and healthier renewable energy. It is flexible and allows businesses to invest in the best solutions at the lowest possible cost. And it unleashes the creativity of business to develop new technologies.</p>	<p>The theme of balance would be undermined by perceived favoring of any one interest group over another, or a complex and opaque structure.</p> <p>The common-sense theme would be undermined by convoluted technical language and a dependence on inaccessible expert communicators.</p>

### Shifting to clean energy

Modern, new/  
renew,  
clean, shift

All around the world, forward-looking countries are shifting to new, cleaner forms of energy. Carbon pricing will support that shift, transforming our energy, and cleaning the air we breathe. Renewable energy means modernizing the energy sector. We can protect the environment and create jobs at the same time—so why hesitate?

This positive vision offers new opportunities and can be supported by other policy measures in renewables, and the application of pricing revenues to new energy. It would be undermined if concessions were offered to heavy polluters in the energy sector.

#### CASE STUDY 4.1 Optimal public narratives – Canadian research

## CASE STUDY

### Optimal public narratives – Canadian research



The largest body of rigorous and sustained research on communicating carbon pricing has been built in Canada. The narratives in (➔ **Appendix A: The social science of message design**) have been tested in seven surveys at provincial and national levels since 2003.<sup>39,40,41</sup>

The research showed that many standard economic arguments had low overall support and failed to shift opinions. These can be considered to have failed as meta-narratives, although they may be more effective for specific policy audiences. They included arguments around “generating a price signal”, as well as arguments around the “consensus” or “majority” of leading economists saying that carbon pricing has been “proven to work”. As established by the surveys, claims that carbon pricing would “create a strong economy and new jobs” were generally not trusted because of distrust in government claims.

According to the survey results, the narrative that received the strongest broad-based public support with *open* audiences, avoided polarization, and encountered the lowest resistance from opponents was a moral narrative framed around “our responsibility to do the right thing” and the fairness narrative summarized above. Narratives mentioning money performed poorly. The standard economic argument around external costs was tested in the following words: “*Putting a price on carbon is a way to make sure that these forms of energy reflect their real costs...flooding, heat waves...etc*” and was one of the worst performing narratives overall.

The surveys show that people in Canada are doubtful that carbon pricing can change behavior and there was low support in the surveys for the statement: “*If we make it more expensive to produce carbon, behavior will change*”. People were twice as likely to support the more cautious statement: “*Even if there is some uncertainty about the impacts of a carbon tax, we have to try new ways to make progress in reducing emissions.*”

Research found that messaging had little effect on people who already held strong views on carbon pricing. In Canada, like many English-speaking countries, people of conservative values were far more inclined than people with left-wing values to be skeptical of both climate change and carbon pricing.<sup>42</sup> Yet language that was predicted to appeal to conservatives—for example, appealing to national leadership, security, and economic prosperity—did not make them become more supportive of carbon pricing. Such language also alienated the existing supporter base of political progressives.

For this reason, the optimal narratives are likely to be those that perform best with *open* audiences and that are the least likely to alienate or anger *opponents*.



## Linking carbon pricing to broader goals

Carbon pricing is typically adopted as part of a broader policy package or strategy addressing climate change mitigation, energy or industrial policy reform, or fiscal reform. In these cases, communications are likely to be integrated within a communications strategy for this overall package. It is important to coordinate with any parallel communications efforts that may be relevant, and to ensure that messages are coherent and can build on the foundations and networks already created through existing strategies.

In countries where air quality is a major concern, it is often beneficial to emphasize the role of carbon pricing in reducing air pollution. This is particularly powerful where carbon prices target major sources of local pollution, such as urban transport and heavy industry, and/or are designed to specifically target air pollution. In other cases, communicators may choose to link the carbon price to broader energy transitions or raising revenues to address issues of wider public concern.

### CASE STUDY 4.2 Costa Rica – focusing on vehicle pollution

#### CASE STUDY

#### Costa Rica – focusing on vehicle pollution



The proposed Costa Rican emissions levy is a good example of how a viable policy has been shaped around the public concerns. Estiven Gonzales, who advised the government on behalf of the PMR explains: “People don’t know what carbon is or how it affects the climate, so their main understanding is of pollution from the big clouds of smoke coming out of buses and trucks.”

Costa Rica is developing its carbon pricing policy around the core narrative of air pollution. For the purposes of creating a consistent policy, the proposed emissions levy would cover other air pollutants, such as carbon monoxide, nitrous oxides, and particulate matter. Emissions would be calculated by creating an average emission factor per pollutant for each vehicle, based on its type, age, and fuel type, and multiplying that by the mileage measured at the vehicle’s annual inspection. In this way, the levy would be seen to be related to the responsibility of each individual driver, rather than being seen as a blanket rise on fuel. This strongly disincentivizes inefficient and polluting vehicles and encourages high-performance, cleaner technologies.

The policy proposal needs to anticipate and respond to possible opposition from the owners of large and heavy-polluting vehicles—in particular, trucks and buses. As it would affect older vehicles, it may also have an impact on lower-income households, although the overall effects would be progressive.

Similarly, it can be beneficial to have a clear vision of what the opportunities offered by the carbon price are, such as growth of the clean energy or technology sector.<sup>43</sup>

“We want to build something broader, not only on climate change but on a transition to a

*low-emissions economy. We need to be very vocal about the benefits, the means for the transition, the options brought by new technology, innovation, employment, health and other issues. That’s what will give us the broader buy-in for wider policy.”* —Juan Pedro Searle, Head of Climate Change Unit, Sustainable Development Division, Ministry of Energy, Chile



## Linking carbon pricing to a story of national pride and progress

A meta-narrative around carbon pricing could also be woven into a larger story of national pride or progress. In Chile, communications have emphasized the broader transition to a low-carbon economy rather than the carbon pricing instrument itself. This presents carbon pricing as just one of the multiple policy instruments that will be used to achieve this goal. The carbon tax is thus situated as part of an attractive and positive vision for the future, linked to innovation, new employment opportunities, and improved health. Similarly, reforms to the Swedish carbon tax have typically been adopted as part of broader tax reforms and have been communicated as a package.<sup>44</sup>

The federal government in Canada has deliberately built its communications around shared values:

“Our job is to communicate with all Canadians so we try to make the link between shared values and carbon pricing. We know Canadians identify as a resource-based economy and as resilient people. So we highlight those aspects of our history and the connections with innovation, the creation of jobs, considering the next generation—values we know resonate with all Canadians. We explain that innovation does not mean stopping what we do but doing what we do more efficiently and in a low-carbon way.” —John Moffet, Acting Associate Assistant Deputy Minister, Environment and Climate Change, Government of Canada

## Focusing communications around visible revenue use

Research indicates that citizens are more responsive to arguments that focus on the use of revenue from the carbon price than those regarding its expected environmental impacts.<sup>45</sup> People accept that taxes

pay for government services and accept that the costs need to fall somewhere. Research shows that people are more likely to accept a tax when the revenues are spent in ways they support or are consistent with the stated goals of the tax.<sup>46</sup> Presenting the carbon price as providing funding for more popular policies, such as green energy subsidies, and as part of an integrated climate or clean energy strategy, may, therefore, be a potentially effective approach to communications.

Focusing on revenue use is easier when revenues are applied in ways that relate directly to people's lives, such as funding clean energy and subsidies for domestic energy efficiency, and returning revenues through subsidies or direct dividends (➔ **Getting revenue use right**). Visibility can be increased with visible branding: for example, signs reading “supported by revenue from the carbon price” along public roads adjacent to solar plants.

In addition, governments can develop clear and regular reports and other communications materials describing how revenue has been used. This has, for instance, been highlighted as a big success of the Regional Greenhouse Gas Initiative (RGGI) – an ETS in the north-eastern United States which channeled revenue from the auction of permits directly into emission reduction and energy conservation programs. Per year, it is claimed that these have reduced emissions by 5.3 million tons CO<sub>2</sub>, and have saved \$2.31 billion<sup>47</sup> in energy bills.<sup>49</sup>

In linking the carbon price to revenue use, governments may also choose to make comparisons to other public services taxes pay for. For instance, in Canada, the government made a video to show how the carbon tax is similar to the tax that led to the health care system, which was deemed to have helped move the dialogue forward.



## CASE STUDY

### Communicating visible expenditure in California



By September 2016, the California Cap and Trade program had generated nearly \$4.1 billion in total, including more than \$700 million for high-speed rail, almost \$500 million for affordable housing and sustainable communities programs, \$325 million for low carbon transportation, and more than \$200 million for transit programs.<sup>50</sup>

According to Stanley Young, the Director of Communications for the California Air Resources Board, the program survived concerted opposition from industry lobbies in 2016 because of a campaign to showcase spending cap-and-trade proceeds on visible solutions with broad popular support: electric school buses, electric cars and trucks, new light rail stations, car sharing programs and investments in low-income communities: “Clear evidence of how the money was spent ensured the political future of cap-and-trade, so the face of cap and trade was clean buses and trucks, electric cars, low carbon transit – solutions that made a visible difference especially in low-income communities.”<sup>51</sup>

**FIGURE 4.1** ‘Dollars at work’. All grantees of the California Climate Investments program—buses, light rail and zero-emission trucks—display this logo.



## Labeling a carbon tax

In the experience of most governments<sup>52</sup> the title of the carbon pricing policy is created at an early stage by policy specialists and is hard to change. The choice of the title for a carbon tax is an important decision and must be informed by professional communications advice. Until that point, policy design should use ambiguous language—and should especially avoid the use of the word “tax”.

Opinion polling consistently finds that taxes are less popular as an environmental policy than subsidies and regulation. This finding is consistent across a wide range of countries, including Austria, Australia, Bangladesh, Canada, Finland, Germany, Norway, Sweden, Switzerland, Taiwan, and the United Kingdom.<sup>53</sup> This even applies in the Netherlands and Norway—two countries with relatively positive attitudes toward governmental environment policy.<sup>54,55</sup>

Focus groups in France,<sup>56</sup> and across Europe,<sup>57</sup> supported by wider surveys, have found a widespread perception that environmental taxes are an excuse for the government to raise additional revenues.<sup>58</sup> Limited research suggests these findings may also be applicable across emerging economies.<sup>59</sup>

However, the polling only reveals part of the story. For a government considering the different forms of carbon pricing, the research provides little evidence that taxes are inherently less popular than ETS. In one U.S. experiment, people expressed equal levels of support, and rejection, when the same policy was presented as a “carbon tax” or as “cap and trade”.<sup>60</sup>

Indeed, for communications purposes, a tax has certain perceived advantages over ETS: it is a simple, consistent, and easily understood mechanism that can be seen to work, working through established institutions, and is considered an appropriate purpose of government.



**Decision:** Given the negative views toward tax, communicators have to make a strategic choice about how they choose to present and name a carbon tax. The decision on the title should be made on the basis of the national circumstances and attitude research, and must be made early and sustained through the policy process.

### >> Option 1: It's a tax, like other taxes, paying for worthwhile purposes

A tax is simple. People understand that the government needs to obtain revenue to provide services and benefits. The way the revenue is spent (for example, on public services or reducing other taxes) then becomes the primary determinant of public approval. Calling the carbon pricing policy a tax could also be seen as honest and trustworthy: if a policy looks like a tax and operates as a tax, it should be called a tax. Jerry Taylor, a U.S. conservative who lobbies Senate Republicans to support a carbon tax, puts it this way:

“Polling shows that it doesn't make any difference if you call it a tax, a charge, a levy, or a purple rose! Opponents aren't stupid. If you call it a 'charge' they will quickly call it a 'tax' because that is what it is. By avoiding the phrase you appear as if you are uncomfortable with that conversation. So governments should call it a carbon tax. They should say that they need revenue, that's a fact of life, and to generate it they should tax the 'bads', not the 'goods'.” —Jerry Taylor, President, Niskanen Center (NGO)

### >> Option 2: Avoid the “t-word”

Calling the policy a “tax” could dominate the way that people perceive the policy and create a negative framing, especially in polarized environments with strong organized opposition.

Carbon tax initiatives have tried alternatives to adopting a “tax”: including “fee”, “charge”, and “levy” (in Spanish “*canon*”) in Costa Rica; “Energy Climate Contribution” (France); or, simply, “carbon price” (in Canada). In some cases, these are distinct legal instruments that function in similar ways to a tax, while in others they may legally be a tax but are communicated using a different name. Language that is associated with taxation can be avoided. For example, the words “revenue”,

“income”, “cost”, “fiscal”, and “dividend” may be replaced by the more positive enabling language of “grants”, “investment”, “encouragement”, and “support”.

However, there is no conclusive research evidence which shows that relabeling a carbon tax makes a significant difference to public attitudes. Polling in the U.S. has suggested that labeling it as a “fee” appeared to increase acceptance.<sup>61,62</sup> Other U.S. research has found that people showed no preference between climate policies presented as an increased price or an increased tax on gasoline.<sup>63</sup>

Regardless of the official title, opponents of the policy may deliberately adopt the word “tax” in their campaigning. The U.S. Cap and Trade Bill, designed as an ETS, was still called a “tax” by opponents. The carbon pricing mechanism in Australia was officially an ETS but opponents still called it a “tax on everything” and the Australian opposition leader, Tony Abbott, campaigned in the 2013 federal election with the rallying cry: “Axe the Tax”. In such circumstances, advocates lost control over the communications and were forced into a defensive—and ultimately unsuccessful—strategy of claiming that their policy was not a tax.

## Language and narratives that may not work for communicating carbon pricing

Language will vary greatly between different audiences and countries, so it is hard to predict with certainty the language that will be least effective. The following findings are based on existing research, but should always be confirmed through testing with national audiences.

### Technical climate terms

The language to use for explaining carbon pricing should be appropriate for the audience, take audience concerns into account, and reflect the narrative. Technical, economic, and financial terms are appropriate for an economic policy audience but may be alienating in a meta-narrative that is for wider use. The Guide provides recommended language to replace these technical terms (➡ **Simple terminology**).



The core language around climate change also emerged from a specialist science context and may perform weakly in communications. As evidenced by a large body of social research,<sup>64</sup> the public may have a very limited understanding of the mechanisms and causes of climate change, often confusing it with particulate pollution, depletion of the ozone layer, radiation, and even divine retribution. This uncertainty extends to basic terms and concepts, such as GHG or heat-trapping gas emissions and atmospheric concentrations. Of particular relevance for carbon pricing is the fact that the general public are uncertain about the meaning of the term “carbon”, which extends to having a weak understanding of compound phrases such as low-carbon, high-carbon, carbon-neutral, carbon capture and storage, carbon pollution, carbon footprint,<sup>65</sup> and, of course, carbon pricing.

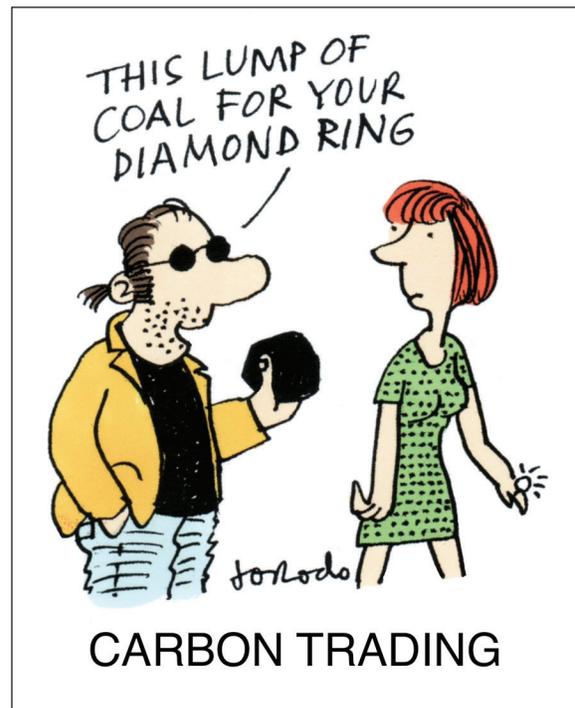
### Technical economic terms

Economists (like any academic group) generate language and narratives built on the basis of their own worldview and intellectual culture. Economic arguments are, therefore, entirely appropriate for other economists and the politicians and business people who share their understanding.

However, in order for a policy to become more widely accepted, accessible language is vital. As Chris Ragan, Chair of the Canadian Ecofiscal Commission put it: “We need to remember that economists are not normal people and don’t use the language normal people use!” Research conducted with professional economists and the lay public have found that the two groups hold fundamentally different understandings and attitudes across a wide range of policy issues.<sup>66</sup>

The general public will find it challenging to understand or accept some of the core economic theory supporting carbon pricing. For this reason, all

**FIGURE 4.2** Carbon is an ambiguous and poorly understood term that connects weakly with the wider issues of climate change



Source: cartoon by Jorodo, [www.CartoonStock.com](http://www.CartoonStock.com)

technical language should be evaluated and tested before use. Previous testing has demonstrated that dry explanations of economic effectiveness may resonate with specific groups, such as business, but will fail to engage the wider public (➔ **Case study: Optimal public narratives - Canadian research**) when applied in practice.<sup>67</sup>

It is also important to remember that economic arguments are influenced by wider political ideologies—in this case, concerning the efficiency and desirability of competitive markets—and will be interpreted according to the political views of the audience.



## CASE STUDY



### Communications lessons from the 2015 Swiss referendum

On March 8, 2015, 2.2 million Swiss voters gave their opinion on an initiative, sponsored by the Green Liberal Party, to replace value-added tax (VAT) with a carbon tax on non-renewable energy.

The proposal was rejected by 92 percent of voters—the highest rejection rate for any referendum in 74 years. A survey<sup>68</sup> immediately following the ballot identified two primary reasons for the ballot's near universal rejection:

- The focus on using revenues for tax reform was far less popular than if revenues had been earmarked for environmental purposes.
- There was skepticism about whether the increase in energy prices could actually generate a change in behavior.

The referendum can also be interpreted as a large-scale testing for messaging around utilitarian economic arguments. The primary messages presented the carbon tax as an effective way to recycle revenue, that it would reduce costs for business, strengthen the economy, and make renewable energy sources competitive without subsidies.

Clearly, these arguments did not overcome people's skepticism. The Swiss experience reinforces wider findings that the general public does not understand, accept, or value the arguments often put forward by economists.

Economist proponents of carbon pricing also often inadvertently use language that can reinforce existing skepticism. For example, two quotations from publications supporting ETS say that it “veils the costs to consumers”<sup>69</sup> and it “creates economic constituencies (lawyers, auditors with a direct financial stake in the policy).”<sup>70</sup> Both quotations will encourage the perception that ETS is an opaque process that creates opportunities for elites.

#### Language around cost

The economic language around carbon pricing focuses strongly on costs and prices. For example, it talks about setting a “price signal” and “internalizing the social costs”. Economists argue that carbon pricing is the “least-cost” or most “cost-efficient” option.

However, the words ‘cost’ and ‘price’ are, for the wider public, frame-words associated with sacrifice and loss. As noted above, people are psychologically inclined to be cost averse, and comparing costs encourages them to mobilize values around competition and self-interest.<sup>71</sup> Research in Canada found that all narratives containing the word “cost” performed badly.

People’s willingness to bear costs is contingent on the three core issues discussed extensively in this guide: effectiveness, fairness, and positive wider outcomes. Testing in Canada of narratives for a higher and lower level of tax found that people chose generic messaging when a lower level of tax was proposed but strongly preferred the narrative that “all revenues would support energy, transit, and energy efficiency”



when a higher level of tax was proposed.<sup>72</sup> An explanation was not provided, but we can speculate, based on the wider research, that at lower levels of tax, revenue might not seem sufficient for significant energy transition, but at higher levels the consistent application of revenues becomes more important.

Communicators have sometimes sought to emphasize the low cost of carbon pricing measures: for example, in promoting the U.S. Cap and Trade bill, the Environmental Protection Agency described the personal cost as the equivalent of the price of a postage stamp a day.<sup>73</sup> There is no evidence that these strategies were effective. Research around shifting environmental behaviors has shown that justifying solutions to climate change as “easy” or relatively “painless” undermines people’s natural intuition that climate change is a major threat that requires a concomitant level of effort to overcome.

The conclusion is that communicators should be careful about using language around cost and price, and should not assume that the arguments regarding low cost will be effective: if they contradict people’s intuitive expectation or their past experiences with similar promises, they could indeed be counterproductive and reduce trust. A stronger strategy is to

promote the objectives of carbon pricing and the revenue it generates (and the benefits these bring), and then mobilize arguments to show that these large objectives can be achieved at a relatively minor cost.

## Expert consensus

Proponents of carbon pricing often point to a body of expert opinion, citing the status of academic experts supporting the policy, or referring to a “consensus of scientific opinion”.

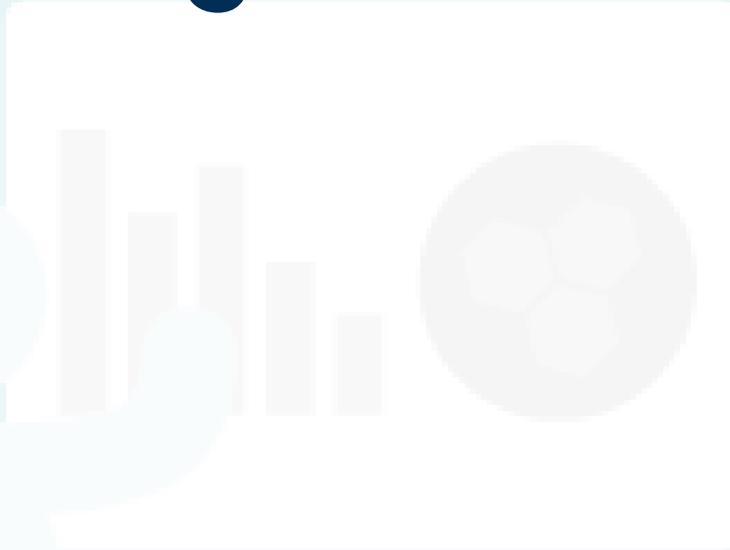
There is currently no evidence that this language builds support. Wider experience from other fields (for example, vaccination)<sup>74</sup> provides several examples of failed public engagement where overdependence on expert opinion was counterproductive and increased opposition. Claims of consensus, or arguments that the debate is closed, leads to an open invitation to find high-level qualified experts who disagree with that consensus. This has been found in the frequent skeptical challenges to the “consensus” of scientific opinion supporting anthropogenic climate change. Communicators should test this language before using it, or recognize that there is a range of views that can contribute successfully to policy formation.





## STEP 5

# Explaining how carbon pricing works



## < At a glance: Explaining how carbon pricing works >

Communicators often find it hard to present complex economic policies in accessible language. The Guide recommends that different explanations are developed for different audiences. For the general public, communicators should decide the degree to which they will explain how the policy works, or whether they will focus instead on what the policy *does*.

This chapter provides alternatives for technical terms and offers simplified explanations of carbon pricing, carbon taxes, and emission trading schemes that can be adopted in many contexts.

Research consistently shows that people have a very limited understanding of the mechanics of carbon pricing,<sup>75</sup> leaving them vulnerable to misinformation and limiting their ability to have an informed debate. While carbon pricing is a relatively straightforward concept to explain to economists and policy experts, when reaching out to a broader audience it is often necessary to find different ways of getting the point across.

**Decision:** Policymakers will need to make a strategic choice about the degree to which they will explain the full complexities of their pricing mechanism: a choice that is dependent on national circumstances, political judgment, and the results of testing.

### >> Option 1: Explain the full complexities of the carbon pricing policy

On the one hand, a well-informed population will be in a better position to make complex policy choices. For this reason, most communicators seek to inform the public about the mechanisms of carbon pricing.

### >> Option 2: Choose carefully how the carbon pricing policy will be explained

On the other hand, there is a risk in explaining mechanisms that may cause confusion and misunderstanding. Communications may be better focused on explaining the outcomes of carbon pricing than the means by which it operates. This risk may be greater for ETS, which is more complex and less familiar than a tax based policy. These complexities, especially when they include exemptions, can exacerbate an existing distrust in government and business.

“Our polling found that the more you explain emissions trading, the less people like it. Firstly, because there is an antipathy to the idea of the ‘polluter pays’ principle—people dislike the idea that polluters can buy their way out of pollution, rather than reducing it. Secondly, the terminology of auctions, markets, and permits that you can buy and sell make people associate it with greedy finance markets that you can’t control or trust.

So, we push the positive side of emissions trading. Our mantra is that it will generate jobs, improve the quality of life, clean the air, clean the environment. Unless we are specifically asked about the internal workings of this conjugated program, we don’t go out of our way to explain it in any great detail.” —Communications Director (confidential)

This Guide recommends that different explanations are developed for different audiences. For example, business, financial, and policy audiences will expect a detailed technical explanation. General public audiences will need something that can be explained in a few sentences. Having a simple and coherent policy will greatly assist in the creation of simple and coherent communications. Explanations should be secondary to the narrative, focus on the most important elements that policymakers wish to communicate, and, ideally, avoid providing unnecessary detail.

## Simple terminology

In everyday life, people use simple language outside specialist professions or fields of study. Technical language can result in audiences “switching off” or failing to understand the policy correctly. As noted above,



economists use the words ‘price’ and ‘cost’ with a specific technical meaning.

When communicating with the general public, communicators should look to replace technical terms with simplified forms that can be more easily understood, but that describe the mechanism as accurately as is needed. Table 5.1 provides examples of simplified forms for a variety of technical terms used in carbon pricing.

As an illustration of how to apply simplified language, the following presents a quotation from an academic source and a simplified explanation that stays close to the original meaning using examples from the table above.

#### Original text

“[Carbon pricing], in contrast to **prescriptive regulations**, provides a flexible approach for **environmental regulation** that **privileges market signals** to incentivize behavior change, while focusing on **aggregate outcomes**.”

#### Replacement text

“[Carbon pricing], in contrast to **government regulations that limit what people can and cannot do**, provides a flexible approach for **setting environmental rules** that **makes polluting products more expensive in the market** and **encourages people to make informed choices** that **benefit the greater good**.”

### Simple explanations

The following explanations of carbon tax and ETS have been developed with the purpose of being simple, accessible, and coherent for a broad and non-specialist audience. While they may often need to be adapted to fit the specific context and features of the mechanism being presented, they aim to provide a workable starting point for explaining carbon pricing to a lay audience.

**TABLE 5.1** Technical terms used in carbon pricing, and potential simplified forms

Technical term	Simplified form
Prescriptive regulations	Government regulations deciding what people can and cannot do
Regulation	Rules
Price signal, market signals	Price incentives, or just “prices”
Aggregate outcomes	Benefit the greater good
Internalizing costs/ externalities	Including the damage caused by carbon pollution in the price
Progressive taxation	Taxation where the wealthy pay the largest share
Regressive taxation	Taxation where the poor pay a disproportionately larger share
Double dividend	A double benefit—makes economic and environmental sense. A win-win
Revenue recycling	Using the carbon price revenue to reduce other taxes
Social cost of carbon	The cost of damage that results from emissions
Elasticity of demand	How much consumers respond to higher prices
Emissions abatement	Emissions reductions





Appendix A provides a range of variations from multiple sources for explaining carbon pricing, both to general and specialist audiences (➔ **Appendix A: The social science of message design**).

## Carbon pricing

In simple terms, carbon pricing can be explained as follows:

*Carbon pricing requires polluters to pay for the carbon pollution they emit. This encourages choices and investments that are good for the environment and helps build a sustainable, green economy.*

Where a full explanation is required that enables more understanding of the mechanics of carbon pricing, this can also be achieved by using simple, relatable language:

*Carbon pricing encourages businesses and consumers to reduce their emissions of carbon and other harmful greenhouse gases by making it good financial sense to do so. By placing a price on every ton of emissions, carbon pricing discourages pollution and rewards businesses that produce fewer emissions by making their products more competitive. [This leads to more innovation, stimulates green investments, and reduces emissions overall.]*

## Carbon tax

A carbon tax can be described in a similar manner to carbon pricing generally, while highlighting some of its particular features. In particular, it is helpful to reference *how* the money is spent, as revenue raising is often a key goal of a carbon tax.<sup>76</sup> This could include referring to a specific purpose or a more general explanation, such as “essential services”. However, where there is high public distrust over the use of public money, it may not be wise to emphasize this aspect.

*A carbon tax is a levy that polluters pay on the carbon they emit. This encourages people and businesses to make choices and investments that are good for the environment. A carbon tax raises money for [purposes] and reduces the need for other taxes.*

Again, this explanation can be expanded somewhat to provide more detail on the mechanics but without using technical language. To date, the majority of carbon taxes have been levied on the production or sale of fossil fuels, and so a more detailed description might focus on the mechanics of these kinds of taxes.

*A carbon tax is a levy that requires companies and consumers to pay for each ton of carbon pollution they emit. This usually involves taxing fossil fuels according to how much carbon they emit when burned. This encourages people and businesses to choose lower-emitting fuels, reduce their fuel use, or switch to renewable energy. At the same time, it raises funds that can be spent on government services, green investments, or reducing other taxes.*

## Emissions trading

In simple terms, an emissions trading scheme (or ‘ETS’) can be described as follows:

*In an emissions trading scheme (also known as ‘cap and trade’), the government sets a cap on pollution and distributes or sells a limited number of pollution permits within that cap. Companies that pollute more have to buy more permits. Companies that pollute less can save money by buying less permits or by selling any spare permits, so it makes good financial sense to emit less. And, because the number of permits issued falls over time, the total pollution also falls.*

ETS is often not as easily understood as carbon taxes. When a fuller description of the mechanics of the system is required, a description similar to the following may be provided:

*In an emissions trading scheme, polluters are required to hand over one permit for every ton of carbon dioxide (or other greenhouse gases) they emit. Polluters in the scheme can trade their permits with other participants. This means those who pollute less pay less, and those who pollute more pay more. This scheme encourages businesses to find ways to reduce emissions in their production activities and stimulates investments in low or zero emissions, such as renewable energy or more efficient factories. The total number of permits in the system is capped, ensuring that total emissions stay within defined limits.*



## STEP 6

# Choosing communicators



## < At a glance: Choosing communicators >

Research consistently finds that trust in the communicator is critically important for effective communications.

This chapter explores the role of the communicator by investigating:

- **The importance of trust.** It is essential that carbon pricing narratives are promoted by trusted communicators.
- **The role of the communicator.** The credibility of the messenger is as important as the message.
- **The process for recruiting trusted communicators.** When trying to reach specific groups it is often recommended to engage trusted people from within a specific group who are capable of showing a deep understanding of the needs and concerns of that audience.
- **Celebrities as advocates.** How engaged the celebrity is on climate change or carbon pricing and how they are perceived publically will have an impact on how well they can engage a public audience.

### The importance of trust

As stressed throughout this Guide, trust is essential in communicating carbon pricing: a trusted communicator can mobilize support. Distrust will poison any argument, however well-informed. Governments are not well trusted when they propose financial costs, even by supporters of the ruling party,<sup>77</sup> and communications design must identify, nurture, and support external communicators who can motivate different constituencies: especially those who can be seen to be independent and crossing different political boundaries.

Trust in governments has been falling for two decades.<sup>78</sup> Countries with a relatively high level of trust in government efficiency have relatively strong support for carbon pricing.<sup>79</sup> However, a lack of trust in the honesty of government or concern around corruption or inefficiency will inevitably undermine confidence in a government's ability to manage a complex new financial instrument.

Likewise, trust in financial institutions is low in many countries and has not yet recovered from the financial crisis of 2008–10.<sup>80</sup> Given the role of derivatives in

the crisis, we can anticipate that for some audiences there will be residual suspicion regarding any complex technical financial instrument. These concerns often emerge in qualitative research on carbon pricing.<sup>81</sup> Policymakers may, for this reason, wish to show how abuse or gaming of the carbon price will be managed and curtailed.

The exploratory research (⇒ **Step 3: Research**) should aim to establish the level of trust in financial and governmental institutions. Where public trust in the government is low, there is a lower likelihood that the message communicated by the government will be accepted. Indeed, it has been noted that the only countries with a carbon price above \$40/ton of CO<sub>2</sub> have relatively high trust and low corruption, which may indicate that the public is willing to accept higher carbon prices when they trust that the money will be managed effectively.

### The role of communicators

People depend on social cues (⇒ **How people receive information and form attitudes**)—shortcuts to help them make decisions on issues that they do



not fully understand—and on this basis they are likely to follow the opinion of people or institutions they have found, on past experience, to provide reliable guidance. Conversely, they will also automatically take a contrary position to any person or institution that they have found, on past experience, to be unsafe or untrustworthy. The credibility of a message often depends as much—or even more—on the person delivering it than on the coherence of the message itself.

Citizens may choose to follow the cues of the leadership of the party they support. Specific audiences will have their own preferred cues—for example, a faith leader or a business leader. Within the highly polarized context of U.S. politics, these elite cues have been found to be the single most important determinant of public attitudes on climate policy.<sup>82</sup>

**“** *The messenger in politics is far more important than the message because people tend to distrust what they hear from actors who do not share their worldviews and their values. It's a fact of human psychology. If we are going to engage conservative audiences then communications have to be forwarded by conservatives.*”  
—Jerry Taylor, President, Niskanen Center

The formation of trust and protection of trustworthiness is essential for the success of carbon pricing communications. Although some language will perform better in testing, there is little reason to believe that good messaging alone is sufficient to win broad-based support for carbon pricing.

The belief that carbon pricing instruments, particularly complex ETS, can be effective requires trust in the integrity, independence, and impartiality of all parties, from implementing agencies to individual communicators. In emissions trading, a far wider range of institutions participate in the carbon market, including banks and financial institutions; polluters will be actively involved with the trading of permits. For proponents, this is one of the key strengths of emissions trading. However, for critics, indications that polluters may gain financially from trading permits are frequently used to argue that emissions trading is morally flawed.

Trust in carbon pricing cannot be separated from public trust in how the revenues are spent. The agencies managing revenues need to be trusted to do so in a way that is effective, honest, and transparent. Those receiving revenues—for example, where revenues are funding renewable technologies—also need to be seen to be effective and worthwhile recipients.

Those who are engaged in policy formation need to understand the landscape of public trust and to anticipate distrustful responses in policy design.

## Recruiting trusted communicators

Trusted communicators are key to transmitting information about carbon pricing. Although messaging and media promotions are important, communications design often ignores the critical importance of the communicator.

Engaging trusted peer communicators can be a valuable strategy, both for reaching a wider audience and for enhancing the credibility of a message. Trust is perhaps the key factor in the success of the message. Research indicates that the public's trust in those promoting the carbon price is among the key determinants of their support for a carbon pricing policy, pointing to the importance of engaging communicators with moral authority.<sup>83</sup>

When trying to reach specific groups it is often recommended to engage trusted people from within that group. For example, businesses are probably more likely to trust business leaders in their industry than either politicians or celebrities. Nonetheless, when communicators and target audiences operate in the same sector, the effectiveness of a business communication mainly depends on the capability of a trusted source to show a deep understanding of the needs and concerns of its audience.<sup>84</sup> For example, in Alberta, a panel of business leaders in the energy sector successfully presented the case on how the introduction of a carbon tax and related subsidies for the energy industry can achieve the required GHG emissions reductions while growing the economy.<sup>85</sup>



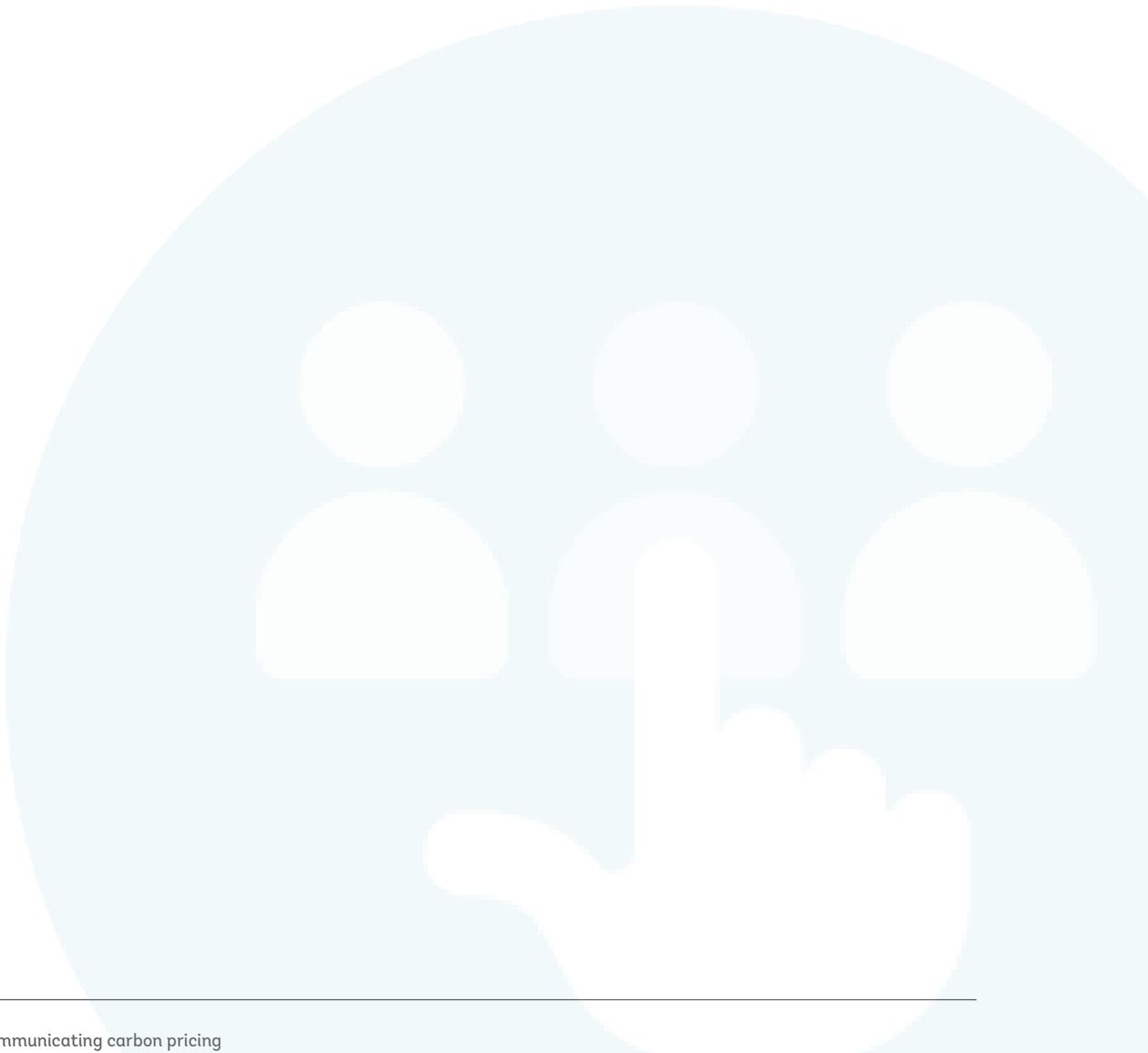
A related conclusion involves the enhanced credibility of local organizations that are known and trusted. For instance, international environmental NGOs often seek to engage with national or local NGOs on carbon pricing, recognizing that the latter are often likely to be more effective in communicating the message to local audiences.<sup>86</sup>

## Use of celebrities

A growing number of celebrities endorse climate action. Politicians and campaign organizations believe celebrities provide social cues that can significantly shape the public's perception of climate change

and political causes. Moreover, the involvement of celebrities in public speeches or media appearances generates additional coverage by leveraging their “star power”.<sup>87</sup>

Nonetheless, the ability of celebrities to positively influence the public's perception of a carbon price will depend on a number of factors, including their credibility on the topic in question and how they are perceived by the audience.<sup>88</sup> Celebrities are invariably people of high net worth with correspondingly high-carbon lifestyles. When they become involved in public discussions around climate change they—and the campaign they support—are vulnerable to charges of elitism or hypocrisy.<sup>89</sup>





## STEP 7

# Integrating communications with policy



## < At a glance: Integrating communications with policy >

The design of the carbon price impacts the ability to communicate it and how it is perceived by the public and other stakeholders. Integrating communications and policymaking enables governments to design carbon prices that are communicable and to ensure coherence between policy and narratives.

Stakeholder engagement is an essential part of this process. Internal consultations with ministers, legislators, and relevant government departments are crucial for building broad support for the carbon price and for developing a consistent and coordinated position on carbon pricing within the government. External consultations with major stakeholder groups, such as industry, labor, and consumer groups, and civil society, provide an invaluable means of testing the acceptability of policy proposals and reactions to the narrative, identifying sources of support and opposition, and building awareness of the benefits of the policy. Public consultations are less common but can be particularly beneficial where the development of the carbon price is expected to become a high-profile issue.

Features of policy design that may help improve communications include the following:

- **Showing results.** Successful communications depends on the policy being delivered—there are no “magic words” that can save a policy if it is poorly designed. Communications should promote clear examples of the policy’s outcomes in terms of emissions, health, and jobs.
- **Getting the revenue use right.** Many people respond more to communication on revenue use than communication on the carbon price itself, particularly where revenue uses are tangible, such as earmarking for green infrastructure or returning revenue to people.
- **Keeping it simple.** Where the design of a carbon price is overly complex, it may be challenging to communicate—in particular, to a non-expert audience.
- **Integrating carbon pricing with other policies.** Where carbon pricing forms part of an integrated policy approach, governments are able to communicate the fact that carbon pricing is part of a broader vision for ensuring clean air or building a low-carbon economy.
- **Building constituencies of support.** Policies that create clear benefits for key groups will help build strong constituencies in favor of support, though policymakers need to be careful to avoid negatively impacting the effectiveness and fairness of the policy.
- **Ensuring fairness.** Carbon prices that are deemed to be unfair, due to the absence of alternatives to emitting or impacts on vulnerable groups, are easy to attack. This can be prevented through complementary policies that help people access mitigation technologies and limit negative impacts.



Research undertaken to develop this Guide indicates that communications considerations are often not systematically integrated into the design of the policy. A range of research indicates that the design of a policy impacts the ability to communicate it and how it is perceived by the public and other stakeholders, in turn impacting the acceptability of the carbon price. Governments can, therefore, benefit from integrating communications into the policymaking process early on, in a methodological way.

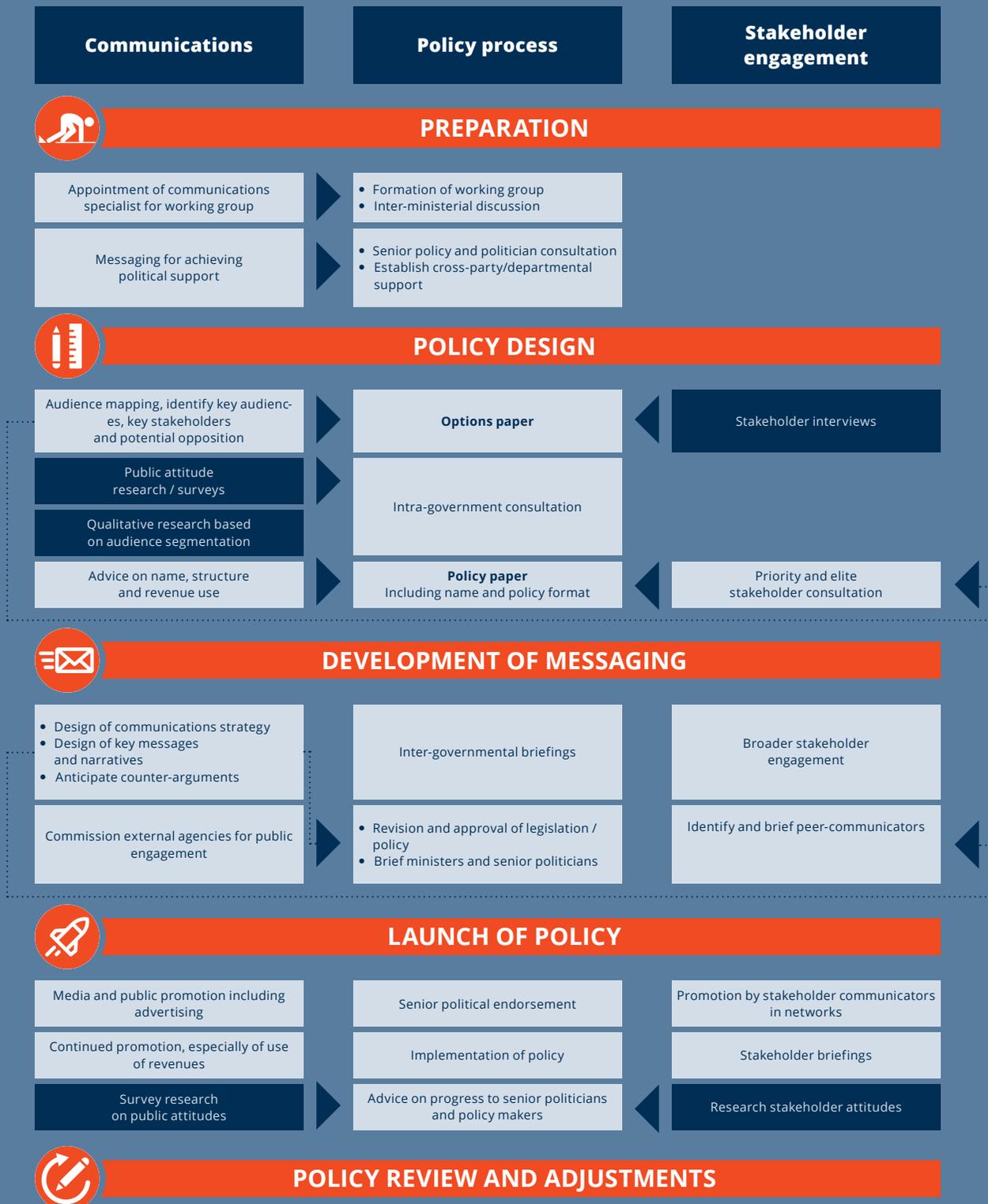
This chapter begins by discussing how to integrate communications into the policy design and stakeholder engagement process, before looking at how specific design decisions can help improve the communicability of the policy.

## Integrating communications, policymaking, and stakeholder engagement

Carbon prices are usually developed through a multi-stage policy process. While this will vary from jurisdiction to jurisdiction, in most cases a number of common elements will be present. These include the development of multiple iterations of a policy proposal, some form of stakeholder consultation, the adoption of a legal instrument by government or parliament, and, eventually, evaluation and review. In some cases, there may be an independent process dedicated to developing the carbon price, while in others the carbon price will be adopted as part of a broader climate policy or fiscal reform package.



# Figure 7.1 Integrating communications, policymaking, and stakeholder engagement



Whatever the process, it is worthwhile taking a strategic approach to integrating communications throughout the policy development, from initial design all the way to roll-out and review (figure 7.1). This can be closely aligned with the stakeholder engagement process, although a comprehensive approach to communications will go far beyond stakeholder consultations.

Integrating communications, policy development, and stakeholder engagement in this way has a number of important benefits:

- **Developing an acceptable and communicable policy.** Carbon pricing policies that respond to people's values and concerns will almost always be easier to communicate. Listening to these concerns and integrating them into the design of the policy can foster ownership and enable better communication.
- **Coherence of policy and narratives.** Narratives need to be consistent with the policy if they are to be seen as trustworthy by stakeholders. The policy and the overall (meta-) narrative needs to be developed in an iterative process where each informs the other (figure 7.1) (➡ **Designing trial narratives for testing**).
- **Identifying sources of support and opposition.** The process of stakeholder consultation enables policymakers to identify which actors are likely to support, and which are likely to oppose, the carbon price. This enables the identification of key audiences and potential allies that can be engaged as trusted communicators and form the basis of supporting coalitions. It also enables the design of messages that pre-empt major criticisms.
- **Improving policy design.** Stakeholders—particularly government agencies and industry, academic stakeholders, and civil society organizations—will often bring to the table new information, experiences, and perspectives that policymakers do not have. Involving them throughout the process can lead to a better and more effective policy design.

## Internal and intra-government communications

Internal consultations with ministers, legislators, and relevant government departments are crucial for building broad support within the government for the carbon price. Engaging with these actors through one-on-one meetings, inter-ministerial meetings, and even capacity building workshops, can help identify messages that resonate with different decision makers, as well as cross-political interests and concerns: for example, international profile, leadership, and long-term prosperity. When approaching senior politicians and decision makers, presenting a proposal which has already received a good deal of buy-in and which includes communications research supporting the design can be important in engaging them on the viability of the policy.

Internal communications are also important for ensuring the government has a consistent and coordinated position on the development of the carbon price, that messaging is consistent, and that responsibilities regarding communications are clearly defined.

## Integrating communications and stakeholder engagement

External consultations with major stakeholder groups, such as industry, labor, and consumer groups likely to be affected by the carbon price, as well as civil society and academia, usually begin after some internal consultations have taken place and there is some level of shared understanding among government entities regarding the objectives and direction of the carbon price. External consultations can provide an invaluable means of testing the acceptability of policy proposals and reactions to the narrative, identifying sources of support and opposition, and building awareness of the benefits of the policy. Using multiple forms of stakeholder consultation, such as workshops, smaller meetings, and online consultations, can help to both reach more people and take advantage of the different communication dynamics each forum offers.



“ We sent invitations to workshops to many stakeholders: private sector, academia, public sector. You want to involve people from the beginning because you know that you can gain a lot of buy-in from them. It is key to find champions, stakeholders, who will send a message to the general public or outside the private sector.

*It's not a just a communications strategy, it's something that you do because it's good for positive policy.*” —Nicolás Westenenk and Juan Pedro Searle, Climate Change Unit, Sustainable Development Division, Ministry of Energy, Government of Chile

## CASE STUDY 7.1 Stakeholder engagement in South Africa

### CASE STUDY



### Stakeholder engagement in South Africa

Sharlin Hemraj, Director: Environmental and Fuel Taxes at the National Treasury, Government of South Africa, says that “stakeholder engagement has been critical for building political acceptability” of carbon pricing during its long journey through the South African policy process.

The process began by engaging stakeholders on an early discussion paper on the carbon tax, using their feedback to develop a (more-advanced) policy paper and then engaging stakeholders again on that policy paper. Usually, the consultation was very broad-based, involving a single stakeholder workshop where everyone was invited, including businesses and NGOs. This was followed with direct bilateral meetings, as requested, with industry associations, business associations, companies, and NGOs.

Drawing on her experience, Sharlin identified two important stages:

Firstly, stakeholders should be involved in refining the design of the carbon pricing instrument. In South Africa, they started with an announcement in the budget of the intention to explore a carbon tax and the development and publication of a technical discussion document for public comments. The development of the carbon tax policy included economic research and analysis and stakeholder input on the detailed policy design.

Secondly, there must be a parallel stakeholder engagement process initiated at a very senior level with high-level workshops and dialogues to sensitize the CEOs of the big emitters and share the details of the policy design with high-level policymakers. In retrospect, she says, this elite process did not begin early enough in South Africa.

Public consultations can be particularly beneficial in contexts where the development of the carbon price is expected to become a high-profile public policy issue. In some cases, public consultations involve broad invitations for members of the public to comment on a draft policy proposal, usually, one which is in a relatively advanced phase and has already been

consulted on with key stakeholder groups. However, more focused approaches also exist, including focus groups to test narratives and policy proposals, as well as representative surveys and polling. An innovative and more involved approach to public consultations that have proven successful in other policy areas is the model of a “citizens’ assembly.”



## A CLOSER LOOK Citizens' assemblies



A citizens' assembly is a deliberative body comprising randomly selected citizens that are broadly representative of the population, who are tasked with studying and developing policy proposals on key issues. Over the course of regular working sessions, the assembly is presented with evidence from a variety of experts and listens to the positions of a range of lobby groups.

Citizens' assemblies have proven effective in accurately determining the views of the population on divisive topics, building consensus, and enhancing the legitimacy of policy proposals. In Ireland, the national Citizens' Assembly was tasked in 2017 with generating proposals to revise the country's abortion laws. Initially thought of as too ambitious to be feasible, the Assembly's proposals were ultimately passed by a landslide majority in a public vote. The Assembly has since been tasked with considering climate change policies.

In Australia, a citizens' assembly to discuss carbon pricing was proposed in 2010 by then Prime Minister Julia Gillard. However, this proposal was met with heavy opposition from politicians and commentators, some of whom felt that this amounted to abdicating leadership or even undermining the Parliament. The proposed assembly was never operationalized.

The contrasting experiences in Ireland and Australia highlight the importance of national context in determining the right approach to consultations, including taking into account political traditions and values around the role of the public in decision making.

### The building blocks of communicable policy

The main consideration of any policy design is whether the policy will be effective in achieving its objectives. Many of the technical pre-conditions of effective policy are also conducive to good communications: being simple, being consistent, and being seen to work.

Where obtaining support for the carbon price is a key objective of communications, policymakers can benefit immensely from designing a policy that is both easy to communicate and contains design features that are likely to resonate with key audiences. Indeed, while economists tend to argue for maximizing economic efficiency in designing carbon prices, communications experts and political scientists often argue that

behavioral considerations aimed at achieving greater political acceptance should take precedence in determining the design.<sup>90</sup>

Different policy design options will, of course, resonate more strongly with different audiences in different jurisdictions and contexts. Nonetheless, some preliminary insights can be drawn from existing research and experience, which can help to provide some first orientations for policymakers on this matter.

### Getting revenue use right

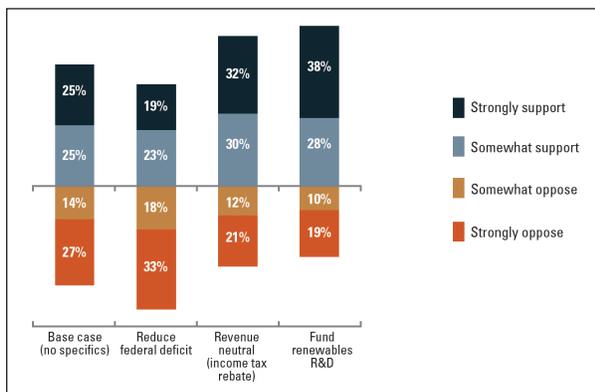
As discussed above (➡ **Focusing communications around visible revenue use**), many people respond more to communication that focuses on revenue use than that which focuses on the carbon price itself. This has significant relevance for policy design, as how the



revenue is used makes a notable difference to whether the public will generally support the carbon price.

Polling has consistently found that earmarking carbon price revenues for green infrastructure and technology, and providing direct rebates to the public, garners significantly greater support than approaches favored by economists—in particular, revenue recycling through tax cuts or deficit reduction (see, for example, figure 7.2, which presents polling results from the United States changing over time under alternate uses of the revenue).<sup>91</sup> Lump-sum dividends may be particularly successful in countries where issues of economic inequality, political mistrust, and polarization are prominent.<sup>92</sup> Tax cuts and other financial adjustment are, in contrast, largely invisible or poorly understood.

**FIGURE 7.2** American support for taxing carbon-based fuels, under alternate use of the revenue from the tax



Source: Puskin and Mills 2017. *Moving the needle on American support for a carbon tax: A report from the National Surveys on Energy and Environment.*

## Keeping it simple

Where the design of a carbon price is overly complex, it may be challenging to communicate—in particular, to a non-expert audience. While it may be argued that there are advantages to potentially unpopular policies, such as carbon prices, not being well understood, this can just as easily become a drawback, particularly where governments are trying to promote the benefits of the carbon price.

**FIGURE 7.3** Keeping explanations of carbon pricing simple is essential to engaging non-expert audiences



Cartoon by Alan Moir, *Sydney Morning Herald*, published July 5, 2011

## Integrating carbon pricing with other policies

Governments may benefit from communicating carbon pricing as part of a broader vision for addressing climate change, ensuring clean air, or building a low-carbon economy. Such approaches will naturally be more credible where the carbon price forms part of an integrated policy approach and the links between specific policy instruments are clear and communicable. For example, Mexico’s carbon tax was introduced in the context of energy sector liberalization, while Colombia’s carbon tax was introduced as part of fiscal reforms to support peacebuilding.

Where air pollution is an important concern, governments can choose to integrate addressing air pollution explicitly into the carbon price. For example, Chile adopted parallel taxes on carbon and specific local air pollutants, which are applied simultaneously to the same sources, while sources in highly contaminated areas pay a higher tax rate on local pollutant emissions. Costa Rica has similarly proposed an emissions levy that would be applied to both carbon and local pollutant emissions.

## Building constituencies of support

While all carbon pricing policies will necessarily have winners and losers, policies that create clear benefits for key groups will help build strong constituencies



in favor of support. For instance, in Alberta, the provision for offsets from the agricultural sector to be eligible for compliance with the carbon price helped attain the active support of the powerful agricultural lobby there.<sup>93</sup> At the same time, policymakers need to be careful to ensure any such design choices do not negatively impact the effectiveness and fairness of the policy.

## Fairness and equity

The perceived fairness and equity of a carbon price is among the most important factors influencing support for the policy.<sup>94</sup> Where the carbon price is perceived as placing an undue burden on the public or on specific groups, such as poorer or rural populations, or specific industries, obtaining broad support may prove an uphill battle. A common reason carbon prices are seen as unfair is that those required to pay for it have—or perceive themselves to have—few alternatives to emitting. Where this is the case, it is often hard to promote the argument that the carbon price is designed to reduce emissions and it is more likely to be perceived as “just another tax”.

In this context, many governments have accompanied carbon prices with complementary measures designed to provide alternatives to consumers and businesses, sometimes using the revenue from the carbon price to fund these alternatives. For instance, Ireland introduced the Better Energy Warmer Homes Scheme and its sister policy, the Better Energy Homes Scheme, the same year as the carbon tax, to support homeowners in increasing their homes’ energy efficiency by installing their own renewable energy generation. Similarly, California has invested large shares of the revenue from its Cap and Trade program in public transport and electric vehicle incentives.<sup>95</sup>

In other cases, alternatives to emitting may be available but not readily understood by the public or businesses. In these cases, communication can focus on actively reaching out to relevant emitters to make them aware of the options available and the support mechanisms in place to help them apply these measures.

Governments may also ensure fairness by providing direct payments to vulnerable groups that compen-

sate for any additional costs they face due to the carbon price. For example, Australia provided direct payments to low-income households and the elderly (among others) under the Australian Household Assistance Package.

Similarly, efforts to reform fossil fuel subsidies have frequently included compensation measures to limit any impacts on poorer households. Alongside narratives focusing on the regressive nature of these subsidies, these measures have helped provide credibility for governments’ claims that reforms are fair. In Indonesia, reforms to fuel prices in 2005 provided unconditional cash transfers to low-income households at the time the price increase took effect. Further reforms in 2013 were accompanied by a guidebook outlining compensation measures.<sup>96</sup> In Jordan, the government also adopted a cash transfer program alongside fossil fuel subsidy reforms in 2012.<sup>97</sup>

## Showing results

While the sections above point to the potential for adapting the design of the carbon price to enhance the ability to communicate it, it is also important to not let these considerations overly hinder the main goal of designing a policy that is effective in achieving its stated objectives.

Indeed, where a policy is badly designed or unsuccessful in achieving its objectives, it will be more vulnerable to attack. This is particularly true with respect to environmental objectives. For instance, in Chile, opponents to the carbon tax have placed a strong emphasis on studies indicating that the tax, as currently designed, is not likely to result in significant mitigation and they have claimed that this indicates the tax is primarily a revenue-raising measure.<sup>98</sup> Similarly, the limited success of many existing carbon prices to achieve deep emissions reductions has prevented many NGOs from supporting them.<sup>99</sup>

These considerations bring into focus the challenging question of how to balance acceptability and optimal policy outcomes in policy design, particularly when the two are at odds, such as in the case of rebates and earmarking of revenues, which are popular but are considered economically inefficient.<sup>100</sup>



It is important to note that there may be different lines of attack, depending on different design aspects from different sides, and measures to appease one side may draw additional criticism from other sides. For example, the EU ETS has taken extensive measures to avoid leakage and loss of competitiveness, which has responded to industry criticisms that the ETS would make them less competitive internationally; however, these measures have been criticized by some NGOs as being “handouts” to industry or leading to “windfall profits”.<sup>101</sup> The lesson from this is that adapting the

policy design to enable effective communications is a delicate process that requires careful balancing and consideration of the potential implications of each approach.

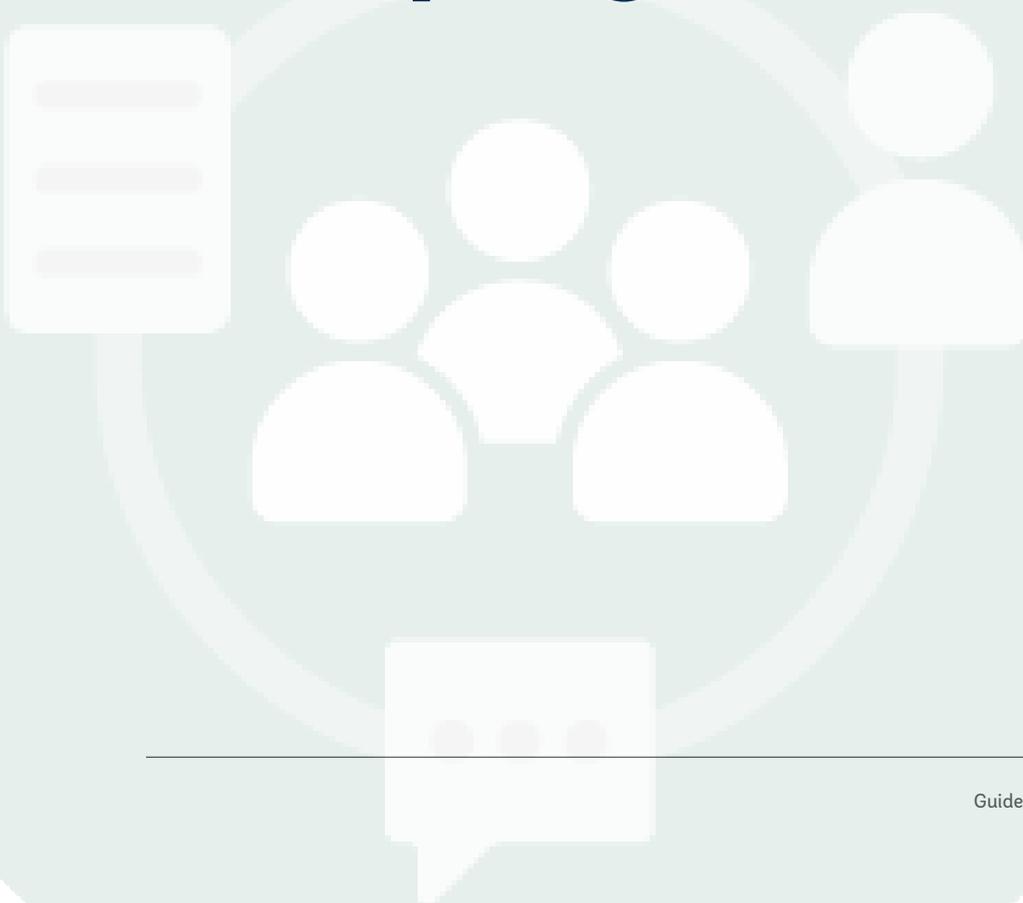
The positive results of the carbon price can be showcased by preparing regular progress reports that highlight reductions in emissions (relative to what would happen in the absence of the policy), use of revenue, and other co-benefits.





## STEP 8

# Designing a communications campaign



## < At a glance: Designing a communications campaign >

This chapter provides policymakers with practical advice on, and a step-by-step process for, implementing a communications campaign. It offers a range of options, ranging from small-scale and low-budget initiatives to full-scale national advertising campaigns. It suggests the key components of a brief for recruiting external marketing and creative agencies.

The specific steps it provides include:

- Defining the campaign and the measures of success.
- Identifying the budget.
- Creating a matrix that defines the audiences, the issues they care about, the barriers to engagement, and the call to action.
- Choosing the best media for each audience. Media includes print, television, advertising, email, and social media.

The Guide then provides a framework for briefing an external creative agency for larger public campaigns.

### What is a campaign?

The campaign is the external face of the communications strategy, working through a range of media, designed to reach key audiences, achieve the objectives, and leverage the research insights, messaging, audiences and strategies already identified in the larger strategy. A communications strategy may, therefore, involve a number of campaigns working through different media. An effective campaign is not simply concerned with awareness-raising—it should set out a clear action for people to take in support.

### Defining the campaign

The following set of core questions helps to define any campaign. The answers will draw on information gathered for the communications strategy and may be identical. In some cases, further research may be required.

### What is the campaign goal?

A clear campaign goal is essential for achieving measurable results and achieving the objectives of the communications strategy. Weak objectives that are unspecific and hard to measure tend to lead to unfocused campaign strategies that do not achieve goals or objectives, and increase the likelihood that resources are spent on tactics that do not advance the agenda.

One important goal for a successful carbon pricing campaign is to maximize stakeholder and public support for the policy being implemented, and therefore to enhance the acceptability and sustainability of the policy. For example, to achieve this, one objective may be to engage *open* audiences so that they form a position on well-communicated arguments for carbon pricing (➔ **Step 2: Identifying audiences**). Audiences can demonstrate support for carbon pricing by taking a defined action, which can be monitored as a measure of success. Polling will also gauge how this support changes over time.



## What is the budget?

The budget dictates the shape of the campaign: how many people can be reached, what kinds of tactics can be employed, and how long the campaign can run. The budget covers:

- staff time;
- consultants (if necessary);
- testing the creative concept;
- advertising placement costs (online, billboards, posters, etc.); and
- content development and production (e.g. graphic design, videos, posters, advertisements).

When assessing the budget, consider options for leveraging existing internal and external resources. For example, the costs can be reduced through partnerships within government, with civil society, or with private sector organizations. Working with allies who can share the campaign, mobilize their own spokespeople, and host events will allow the budget to cover other needed areas.

## What is the timeline?

Build a timeline by starting from the campaign's close. The close may be a specific event, such as a vote or a point in the future by which the campaign will be expected to have produced tangible results—for example, a year after the introduction of carbon pricing. Methodically work back from that date to the launch, keeping in mind that resources must stretch to cover the length of the campaign. Depending on the national context, campaigns usually require at least nine months in order to have enough time to do the research, create the content, and build sufficient momentum.

## What audiences must be reached and mobilized to achieve the goal?

A successful campaign must know who it is addressing. The target audiences may have already been defined in the communications strategy. It is also possible that the campaign's objectives could be narrower: for example, winning over a very specific target audience.

The target audience should be defined as clearly as possible. (➡ **Segmenting audiences by attitudes and values**). For example, “the public” or the “business community” are not well-defined audiences for a campaign. A campaign focused on “women living in a key area who are interested in clean air and health”, or particular industries, would be far more likely to successfully tailor messages and reach those audiences.

A strategy should prioritize audiences that can spread the message to others. For example:

- A “grasstops” strategy would mobilize trusted institutions (such as civil society organizations) or leaders to use their profile to spread the campaign.
- A focus on demographics with wider influence. For example, mothers are often strongly involved in their communities, demonstrate high levels of concern about family health and child welfare, and might organize in favor of a campaign built around these values.
- A focus on high-level communicators who can access wider broadcast and print media.

Washington State, in the United States, has twice put pricing carbon on the ballot for its voters. It failed in 2016, and the resolution is up for a vote again in 2018. One of the primary reasons the measure failed the first time is because progressive groups in Washington were not aligned on the structure of the policy, and many groups opposed the initiative on the ballot. In 2018 campaigners have sought to engage a much broader range of groups through networks and trusted messengers. This has resulted in one of the broadest coalitions formed in the American environmental movement, including labor unions, communities of color, First Nations/indigenous tribes, environmentalists, working families, businesses, and faith communities.

## What do target audiences care about?

These insights should take priority during campaign design so that the concept, messaging, and tactics appeal to the target audiences' values, capture how this campaign is relevant to them, overcome barriers, and move them to take action. It is also essential to



assess what the audience already knows about the issue. Some audiences may be very familiar with climate change and carbon pricing, others may only be vaguely familiar with those concepts, and some may be actively opposed.

## What messages resonate with the target audience?

Research (➡ **Step 3: Research**) for developing the communications strategy will highlight the narratives that will resonate well with the target audiences and become the basis for the overarching campaign message and story. If audiences are unfamiliar with climate change and/or carbon pricing the messaging must use accessible language and concepts to explain the purpose of the campaign.

## How or where can target audiences be reached?

Research should identify the best ways to reach target audiences, through which media, and which communicators they most trust. A typical campaign will use multiple media to ensure duplication of the message.

## What is the call to action?

Campaign communications should provide a clear call to action so audiences know what they ought to do. A specific and compelling action that is directly related to the campaign goal will be much more successful than a vague action of indeterminate impact (such as going to a website for more information). However, the campaign communications should also ensure the action does not set too high a bar, such that people will not engage. For instance, sending an email or making a call to a political representative is a lower-bar action than attending an event. Over time, the campaign can make bigger asks as people stay involved, but it should start with something easy.

If a campaign does not have a concrete goal (such as passing legislation), but rather is simply trying to

build support for a policy, it should find other ways for people to get involved and to measure success. For instance, people could sign a petition to show their support, change their profile picture on social media, or make a public pledge. The campaign could also measure success via polling before and after the campaign to see if attitudes toward the policy have shifted as a result. If the campaign focuses on the private sector, the action might be to sign a letter together with other business leaders.

## What is the current climate for this campaign?

Assess the current political and social climate for the campaign, as it will help determine how engaged audiences will be, how receptive media will be to covering the issue, and how hard the campaign will need to work to win support. Questions to ask include the following:

- Where does this issue rank in terms of importance to target audiences?
- What other issues are most important to people now and over the next year?
- Have there been similar campaigns in the past? If so, what were the results?
- Are there groups actively organizing against this effort?
- Are there other groups actively organizing for this effort?
- Are there any upcoming events that would jeopardize this campaign or radically shift the political/social climate?

## Creating a campaign matrix

It is helpful to create a matrix that captures all the key highlights above as a touchstone that keeps the campaign grounded throughout execution. A theoretical, partially completed example is provided in table 8.1.



**TABLE 8.1** An example matrix for developing a campaign strategy

Who is the audience?	What issues do they care about? What values do they hold?	What barriers exist?
For example: Mothers, aged 25–40, socially liberal, and moderate	Family health; clean air and water; safe communities; financial stability; opportunity for their children; fairness; hard work	Concerns that this will hurt the economy and thus their family; skeptical about climate disasters
What messages resonate?	How/where do we reach them?	What is the call to action?
Our children deserve to breathe clean air; it's only fair that polluters pay for polluting our air	Facebook; schools; centers of worship;	Call your representative and tell them to protect our children's health by supporting a price on carbon

## What is the overarching campaign concept?

With the information above gathered, the overarching campaign concept can be crafted. This may include a creative look and feel, a logo, a tagline, and a hashtag. The concept should be creative, simple, compelling, memorable, and easily understandable. It should connect with audiences' core values and activate them to support the campaign goal.

The campaign concept and messaging should be tested with target audiences to ensure it works (⇒ **Designing trial narratives for testing**). An easy and inexpensive way to test a campaign is to create some content with slight variations in the language and test it with a small group on Facebook. Commercial communications consultants will be familiar with this form of testing.

## Engaging target audiences

The key to effective engagement is to choose the most effective strategies and tactics to reach the audience, and to not waste time and resources on methods of engagement that do not serve the campaign goal. General recommendations include the following:

Select the media that target audiences already use, whether that's social media, ads in public spaces, or community events (⇒ **Applying research to the design and testing of pricing communications**).

Choose strategies and tactics that are best suited for the call to action. For instance, if the goal is to get people to write to their elected representative or pledge to vote for a measure, Facebook and email are both extremely efficient at getting target audiences to take an action. If audiences are not online but there are strong community centers, host events in those centers to educate people and urge them to share the campaign with their friends and family.

Establish metrics for success for each tactic, to monitor progress. Compare the campaign with other national engagement campaigns in order to set realistic benchmarks. Metrics might include the number of calls made to elected representatives, signatures on a petition, or rallies held across an area, etc. If there are no similar campaigns to compare with to set benchmarks, consultants can help set these or other allies or partners who have run similar campaigns may be willing to share their data.

Enlist messengers that target audiences will trust (⇒ **Step 6: Choosing communicators**). The messenger may be more important than the message, especially



in countries where trust in government or institutions is low or declining. People are often more receptive to messages from their peers, such as people in the same political party, city, occupation, or class, than to those from other messengers. Identifying and recruiting trusted messengers to help spread the word will greatly enhance the chances of message uptake and success.

Lastly, repetition is essential. People need to hear a message over and over before they internalize it. Ensure that each key message is repeated across media, and by multiple voices, over the course of the campaign.

## Choosing media and tactics

The following are general, brief descriptions of several tactics to engage audiences, with explanations of how they can be most useful. The importance of choosing the right tactics for each audience and national context cannot be stressed strongly enough.

### Mainstream print news media, online press, and radio

These media outlets will spread the messaging and reach a wide swath of the population. Build a list of reporters that cover relevant issues to keep apprised of the campaign and pitch them on developments like new research or events. The campaign may need multiple lists of reporters: one that focuses on environment, one on industry or finance, politics, etc. Ensure your pitch will appeal to the journalist, and email and call to get in contact. It can take persistence to land a story, and simply sending press releases is not usually an effective way to land stories in crowded media markets. Mobilize trusted messengers, experts, and public figures to speak to journalists—those interviews make covering a story more attractive.

Opinion pieces are an effective way to communicate a message directly to an audience, especially when authored by messengers who are well-known and trusted by target audiences. To pitch an opinion piece, be sure to look up the appropriate length (most outlets want pieces of around 700 words, but it can vary),

and identify the editor or contact to whom to send the piece. Remember that opinion pieces are not reports: they must take a position and make an argument, and should be engaging to read.

### Niche print/online press and radio

Sector-specific or niche outlets (such as industry or trade publications and specialist websites) can target specific audiences and get publicity for stories that might not be picked up by national, mainstream publications. Placing several stories in smaller outlets can also help increase the chances of those stories being picked up by larger outlets later on.

### Social media

Social media is highly cost-effective and, because content is often shared between peers, may be more trusted than mainstream media. The key is to choose platforms that target audiences are using, that are suited to the content produced, and that are appropriate for the call to action.

Each platform has advantages and disadvantages, so assess them carefully.

- Facebook is especially good at converting audiences to take an action like signing a petition, donating, or calling an elected representative.
- Twitter is excellent for joining the political conversation and reaching journalists, politicians, and other cultural opinion leaders.
- Instagram is well suited to highly visual content.
- YouTube is well suited to visual content, presentations, and debates.
- LinkedIn and other industry networks or email lists are good ways to reach professionals.

Social media must be closely monitored for intentional misinformation. Any campaign effort should include some “social listening,” similar to media monitoring, to understand the conversation about your issues. It is wise to do some of this social listening before the campaign begins to anticipate possible attacks and misinformation campaigns. There are multiple tools for doing this.



## Email

For some audiences, email can be a highly effective way to keep people engaged in the campaign with new information, campaign developments, and new actions to take. The key to using email effectively is to have access to large mailing lists, including those of allies, and to ensure that staff time is allocated to sending regular emails to keep audiences updated and engaged.

## Website

Every campaign should have a website, even if it's just a simple landing page with the core messaging, primary action, and frequently asked questions. Other pages might be more elaborate, hosting videos, graphics, and facts about the advantages of pricing carbon.

Keep in mind, however, that very few people will find the website on their own, so simply building a website (no matter how well produced) is not enough. People must be driven to the site through social media, events, and other types of online content.

## Events

Events can launch a campaign, mark key milestones, generate news stories, or reach audiences who are not online. Press conferences, protests, marches, stunts, and public art are ways to draw attention to the campaign and make news. Street teams, conferences, or meetings are ways to share information with the wider public, specific neighborhoods or audiences, or sector leaders. The target audiences and campaign goal will dictate the types of events that are most effective.

## Paid media/advertising

The majority of campaigns rely on at least a small paid media budget to spread the message widely. The most successful campaigns combine many approaches, ensuring that audiences are seeing the message from multiple angles.

The key to maximizing resources here is to:

- choose locations/platforms used by the target audiences; and
- create advertisements that have a clear purpose.

Public billboards, banners, or advertisements displayed on websites are best suited to raising broad public awareness. If the goal is to get people to take an action or go to the campaign website then targeted advertisements on Facebook will be more effective.

If the target audience is not primarily online, then investing in events, grassroots organizing, or street advertising will be more effective.

Even if an audience is online, door-knocking, phone banking, and other in-person engagements are often the most effective tactics for persuading people to adopt a specific action, such as voting on an issue.

Always think about how to use each medium to amplify tactics, so audiences are surrounded by the key messages. Many of these tactics can be combined: for example, events can be shared live or reported in news media. Event attendees can share photos and videos afterward on their own networks. Stories published in mainstream outlets can be shared on the website and social media channels.

Lastly, every tactic in the campaign should be monitored so that tactics can be adjusted. Questions to ask include:

- Are people taking the desired action? Who is and who isn't?
- What types of messages, ads, events, or other tactics are generating the most success?
- Is the media picking up key messages? Why or why not?

## Sample campaign tactic combinations

Table 8.2 is designed to give examples of how a strategy might combine tactics for a target audience within a given budget. Exact bundles of strategies and tactics will be dictated by the campaign goal, mechanism of change (vote, regulation, etc.), target audiences, national context, and budget.



**TABLE 8.2** An example matrix for developing a campaign strategy with combined tactics for a target audience within a given budget

Audience strategies	Media and tactics	Online tactics	In-Person tactics
<b>Budget and target:</b> Low budget, targeted to a specific sector: e.g. business community			
<p>Understand the audience and map who or what influences them. The audience will have specific interests and concerns about a carbon price.</p>	<ul style="list-style-type: none"> <li>• Trade press, such as industry publications and blogs</li> <li>• Opinion pieces from leaders in that sector</li> <li>• Release analysis of the impact on the sector</li> <li>• Press call for industry media at the launch</li> </ul>	<ul style="list-style-type: none"> <li>• Ads targeted to that audience on social media</li> <li>• Sponsorship of radio, podcast, newsletters, or trade publications</li> <li>• Website with a landing page containing key facts for the sector</li> </ul>	<ul style="list-style-type: none"> <li>• Forum with sector leaders</li> <li>• One-to-one meetings with sector leaders, including peers who favor the pricing policy</li> <li>• Public events with validators from that sector</li> </ul>
<b>Budget and target:</b> Low budget, targeted to the general public			
<p>Depending on the campaign goal, from research identify up to three key audiences to mobilize. One segment should already be in favor, and two segments should be in the neutral category but open to persuasion.</p>	<ul style="list-style-type: none"> <li>• Opinion pieces from trusted messengers in top-tier, online, and local outlets.</li> <li>• Press call for the campaign launch</li> <li>• Stunts and activities that will attract press</li> </ul>	<ul style="list-style-type: none"> <li>• Ads targeted to that audience on social media they use, primarily graphics</li> <li>• Landing page with the call to action</li> </ul>	<ul style="list-style-type: none"> <li>• Grasstops engagement and events</li> <li>• Mobilize volunteers to organize and spread the word</li> <li>• Advertising in public spaces, especially in areas owned by the campaign or allies</li> </ul>
<b>Budget and target:</b> High budget, targeted to the general public			
<p>Depending on the campaign goal, pick three to five key audiences to mobilize. One segment should already be in favor, two segments should be in the neutral category but open to persuasion. The remainder of funds can be targeted toward engaging harder-to-reach audiences or reserved for opposition attacks.</p>	<ul style="list-style-type: none"> <li>• Opinion pieces from, and interviews with, trusted messengers in the top-tier, online, and local outlets</li> <li>• Press event for the campaign launch</li> <li>• Release reports and analysis on the benefits of pricing carbon for the nation and specific sectors</li> <li>• Feature stories on trusted messengers or key sectors</li> </ul>	<ul style="list-style-type: none"> <li>• Ads targeted to each audience on social media, combining graphics and videos</li> <li>• Microsite with the call to action, videos, stories, and infographics</li> <li>• Sponsorship of podcasts, radio, or outlets audiences consume</li> <li>• TV and radio ads</li> <li>• Produce one 90-second overall video and three to four 10–15-second shorts</li> <li>• Audience-generated content campaigns to share why they support pricing carbon</li> </ul>	<ul style="list-style-type: none"> <li>• Grasstops engagement and events (churches, schools, moms' groups, etc.)</li> <li>• Mobilize volunteers to organize and spread the word</li> <li>• Advertising in public spaces used by target audiences</li> <li>• Stunts, including flashmobs, provocative public art, and rallies</li> </ul>



**Budget and target:** Low or high budget in a politically polarized environment with a well-funded opposition

Segment audiences very carefully, ensuring the campaign targets at least two groups that are in the neutral category but open to persuasion. Select trusted and unexpected messengers to lead the campaign and diffuse attacks.

- Press call or event to launch campaign
- Opinion pieces from, and interviews with, key messengers, especially those that appeal to or share identity or values with opposing groups
- Conduct research on the opposition to predict its strategy and arguments
- Train all spokespeople in debate tactics and facing tough questions
- Release reports and analyses documenting benefits of pricing carbon

- A sampling of the tactics listed above, depending on the budget level
- Pay special care that all content and messaging appeals to persuadable groups and does not contain easy lines of attack
- If possible, deploy aggressive, targeted spending and organizing to mobilize key audiences
- If high budget, reserve some funds to create videos or content to respond to attacks

- Grasstops and grassroots engagement and events (churches, schools, moms' groups, etc.) Focus particularly on persuadable audiences
- Mobilize volunteers to organize and spread the word
- Advertising in public space used by target audiences
- Stunts, provocative public art, and rallies

## Briefing an agency

If an agency will be hired to help with any piece of the campaign, issue a request for proposal (RFP) to solicit bids. The RFP should include the following:

- the campaign goal
- target audiences (as far as known)
- barriers (as far as known)
- timeline
- budget
- any specifics the agency should address (e.g. being able to communicate in certain languages, reach faraway locations, etc.)
- the agency team working on the project
- a summary of the past experience of the agency and references from clients

The agency will provide a proposal that outlines their process to achieve campaign goals, including an approach to strategy and tactics. Depending on how specific the RFP is, they may also be able to provide

some initial messaging or creative campaign concepts. It is possible to request the agency to price out each piece of the campaign and provide multiple budget tiers, though it is best to provide a budget range to work within.

Once proposals are evaluated, interview the top two or three agencies and ask specific questions about the proposal, allow them to ask questions, and assess how well the teams might work together. Effective campaigning requires a good shared understanding between agency and client on the approach and style.

## What can go wrong?

There are a few common pitfalls when running a campaign, and a few easy ways to avoid them.

### 1. Undefined goals and audiences

Time and resources are wasted when it is unclear what needs to be accomplished and who is necessary to achieve it. Similarly, it is essential to not



lose sight of the goals and audience. That's why the audience and message map (➡ **Applying research to the design and testing of pricing communications**) is so helpful: it can act as a touchstone for the entirety of the campaign.

### 1. **Messaging or creative communications that don't connect with audiences**

Research conducted at the beginning of the campaign (➡ **Step 3: Research**) will help avoid this problem. Once the messaging and creative communications are developed, they should be tested online or in focus groups and updated where necessary to ensure that they will be successful at scale (➡ **Designing trial narratives for testing**).

### 2. **Applying tactics instead of a strategy**

Sometimes it's easier to think of a string of tactics, as opposed to a strategy. Take the time in the beginning to construct a strategy that will achieve the goal, and then fit tactics within it. Always ask: how is this tactic advancing the strategy and helping achieve the goal?

### 3. **Not building a strong coalition and/or alienating allies**

Successful campaigns have wide buy-in from different sectors and demographics. Before embarking on a campaign, be sure to reach out to organizations that share similar goals, have a campaign that works for everyone, and try to build a larger network together. Leaving groups out—or worse, alienating them—can have a detrimental or even disastrous effect on a campaign.

### 4. **Going over budget**

Be sure to build a campaign plan that maps directly to the budget, including how much money can be spent at each phase. If an agency is hired, ensure they flag when tasks are taking longer than anticipated. This will allow the campaign to correct its course early in the process.

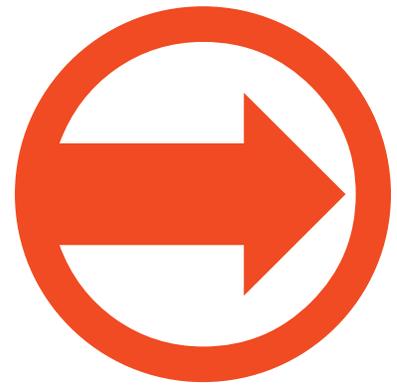
## **Dealing with counter-attacks**

The following strategic responses should be applied to deal with counter-attacks:

1. Create a set of talking points to answer the tough questions and attacks that will inevitably arise.
2. Ensure the team has drawn not only upon their own experience, but has also combed the media for negative stories and the barriers identified in the audience research.
3. Do not repeat the opponents' arguments. Craft responses and talking points that use core campaign messaging and appeal to the values of target audiences. For instance, if opponents argue that "carbon pricing destroys jobs" do not repeat the allegation or say "carbon pricing does not destroy jobs". Instead, respond with a positive message such as "carbon pricing rewards innovation and stimulates the economy". For this reason, popular "myth vs fact" one-sheet campaigns are often ineffective.
4. Establish a rapid-response protocol for breaking news or attacks. The first component of any good protocol is deciding when to respond to an attack and when to leave it alone. This saves time and energy and avoids a common mistake of amplifying and publicizing an attack by responding to it. Secondly, put in place an approval process so it's clear who is drafting the response, who is approving it, and who will deliver it/how it will be delivered. This process should be able to be implemented in as little as 24 hours if necessary.



# Appendices



**Appendix A:** The social science of message design

**Appendix B:** Explaining research methodologies

**Appendix C:** Explaining carbon pricing

**Appendix D:** Carbon pricing narratives for testing

**Appendix E:** Managing counter-arguments

## APPENDIX A

# The social science of message design

### What are narratives?

Stories are the primary means by which people make sense of the world, learn values, and form belief systems that give shape to their lives—a conclusion that is endorsed by scholars from across disciplines as diverse as linguistics, psychology, and literary theory.<sup>102</sup>

There is a large body of academic work focused specifically on the idea of “policy narratives”, which can be summarized as having a setting, a plot (beginning, middle, end), characters (heroes, villains, and victims), and a moral of the story.<sup>103</sup> Narratives are especially important for engaging the public on climate change policy because they can give a topic that is often technical and remote from people’s daily concerns a social identity—especially for groups who have not yet been particularly engaged in the subject.<sup>104,105</sup>

### What are values?

Case studies show that a strong narrative validates, incorporates, and reflects the values and the identity of their audience. Values are complex, but for practical purposes they can be summarized as the “guiding principle in the life of a person”.<sup>106</sup> Research comparing the effectiveness of different climate change narratives consistently concludes that people

are most likely to accept, and incorporate language that is presented in a form that resonates with their values.<sup>107</sup>

Adapted to a policy context, an effective narrative contains five elements:

- this is who you are (the identity and values that make you important and valuable);
- this is what you care about;
- this policy effectively addresses your concerns;
- this policy reflects your values in the wider world; and
- through this policy, the world becomes more the way you wish it to be.

People have a range of values and may draw on different ones at different times. A large body of research across 44 nations, with over 25,000 respondents,<sup>108</sup> shows that certain types of values cluster together (while others conflict with each other). In particular, “self-enhancing” values like the pursuit of wealth, status, and power conflict with “self-transcending” values like altruism and concern for the welfare of others. There is experimental evidence to suggest that people’s desire to take collective action on climate change is strengthened by the “self-transcending values”.<sup>109,110</sup> These findings extend to individuals whose values score highly on measures of materialism.<sup>111</sup>

## Applying narratives and values to communicating carbon pricing

Effective communication of carbon pricing requires a coherent and compelling narrative. In a contested political space, a weak carbon pricing narrative will be unable to compete effectively with more compelling counter-narratives. Communications based on economic efficacy would be very weak from a narrative perspective—this is a technical argument that contains no actors, motivations, or values; it will compete poorly against a compelling anti-authority counter-narrative. For example, a claim often heard from populist opponents is that carbon pricing is a tax-grab for governments to fund wasteful projects, burdening ordinary working families. This narrative has actors, motivations, and victims.

Carbon pricing narratives should seek consistency in the values they promote, especially the balance between ethical concerns over climate change and financial rewards. Communications should identify a core values frame to be applied consistently throughout all communications and policy.

Effective narratives for carbon pricing may be based on collective concern (“this is what we should do”) and collective identity (“we are doing this because this is who we are”), rather than purely on financial reward (“this will generate major new opportunities, jobs and wealth”). The audiences most likely to respond positively to financial reward messages are those for which these are their primary *values*—for example, business people, financiers, and some politicians. However, communicators should be wary of extrapolating messages from one audience to the public as a whole.

The choice of narratives used should always be determined after testing messaging with both self-enhancing and self-transcending values. Research in Canada—which has had the most comprehensive testing of any country—confirms the expectation: narratives based on self-transcending values, such as fairness, performed far better in testing than narratives based on competitive, economic opportunity.

## What are cues and frames?

In an information-saturated world, people apply shortcuts—known as heuristics—to make decisions on complex issues. “Cues” and “frames”<sup>112</sup> are two interrelated aspects that are commonly applied in politics and in the communications of complex policy.

**A cue** is a small piece of *information* that allows individuals to save time and avoid learning the details about the policy issue at stake.<sup>113</sup> Cues can be verbal, or visual—body language is a cue.

Cues are also the means by which people decide whether an issue is relevant and worth attending to. Advertising, media coverage, and mass public gatherings all seek to provide a cue that a particular issue deserves attention. One form of cue is an endorsement. For example, if we say that a carbon pricing policy is supported by 20 Nobel Prize-winning economists, this provides the *cue* that it is reputable and effective if—and the condition is essential—the audience trusts the opinion of expert economists.

**A frame** provides a focus on a specific *interpretation* of an issue which defines the context under which it can be understood.<sup>114</sup>

In communications theory, *frames* are embodied in individual words and phrases that relate to deeper values or principles, or that mark social identity.<sup>115</sup> For example, the framing of fairness provides people with the means to interpret the policy (“Is it fair?”), to challenge the policy (“It is not fair!”), to relate oneself to it (“Fairness is important to people like me”), or to distance oneself (“Fairness is a value of people unlike me”).

Effective framing is an essential component of all communications, especially in politics and policy design. Once established, frames can be highly resilient and resistant to outside challenges, however strong the evidence.

## Applying cues and frames to communicating carbon pricing

For complex policy issues like carbon pricing, people will often seek guidance from communicators or institutions they trust. Whether a communicator is trusted (or not trusted) then becomes a cue for whether to accept (or reject) what they are saying. In some countries, political worldview can be a key determinant of attitudes on carbon pricing. The role of senior political leaders provides “elite cues”, which have proven to be especially important in influencing attitudes on climate change in polarized countries such as the United States of America.<sup>116</sup>

Many of the words used to promote carbon pricing, such as “fair”, “flexible”, “efficient”, and “leadership”, are frames that carry a wider meaning and appeal to the values and identities of different audiences.

Frames are long-lasting and, once established, hard to shift. A well-chosen frame could mobilize strong and sustained support for carbon pricing. However, a weak frame could undermine public confidence, especially if it is competing with a more effective framing chosen by opponents. The choice of words used to describe a carbon pricing policy—for example, a tax, a levy, a charge—are all frames with different associations that will determine how people will respond. Once strongly established, such framing will be unlikely to shift through renaming or rebranding.

## APPENDIX B

# Explaining research methodologies

As explained above (➔ **Step 3: Research**), there are two main approaches to communications research—quantitative and qualitative—with various combinations and derivations.

### Quantitative research methods

**Quantitative research methods** present a range of questions with a limited range of response options and analyze the results using statistical methods. Data is generally collected through telephone interviews and/or online or paper surveys. Online surveys are particularly useful for testing narratives because it is difficult for people to focus sufficiently on a block of text read over a phone.

Quantitative approaches generally offer closed-ended questions or short statements and invite a survey respondent to choose a response that closely aligns with their own attitude. Open-ended questions offering personal responses may also be used in surveys, adding a qualitative contribution and more depth to the research.

Quantitative research may also divide a sample into different groups for comparison. For example, A/B

testing (sometimes called split-run testing) offers two versions of the same text, with a small variation around words or phrases that are being tested. Research may also be in the form of an experiment where a sample is divided into groups, with one group not exposed to any carbon pricing language (the control) and other groups exposed to different framings.

Sample sizes tend to be large. A 1,000-participant sized group is considered the minimum to avoid statistical error. In a country with a population exceeding 1 million people, a sample of 2,500 would be large enough to generalize results that are significant (having a 95 to 99 percent probability of being correct) to the general population.

Weaknesses associated with quantitative research include response bias (respondents not answering truthfully or giving the answers that they believe will create the best external impression), cost (a national survey of 3,000 people can cost approximately \$25,000 to \$30,000 in an economically developed country) and, in the case of surveys, a lack of context or nuance. Qualitative research methods can provide richer results because there is the capacity to ask follow-up questions aimed at a deeper understanding of 'why' people respond the way they do.

## Qualitative research methods

**Qualitative research methods** seek to understand the meaning individuals give to their response. In qualitative research, open-ended questions are emphasized, allowing participants to speak in their own words and from their subjective experience. Focus groups are often the method of choice in qualitative research, involving discussions of one to three hours, facilitated by a moderator, with six to ten participants. The facilitator leads the conversation with questions from a predesigned script, following up with additional questions as required for greater clarity.

Focus groups produce the best results when participants are from a similar social demographic or have similar values. Communications research often applies a segmentation model to recruitment of participants, creating a range of focus groups representing the different segments. The same script will then be applied across all groups to identify how attitudes and responses differ between the segments. For comparability of results, it is important to record demographic information and to use a consistent interview protocol to support comparison of results.

Focus groups are good for measuring attitudes, feelings, beliefs, experiences, and reactions. Probing by the interviewer can provide in-depth information.

Weaknesses of in-person focus groups include their expensive and time-consuming nature. Because they have a smaller sample than quantitative research, they can be more vulnerable to bias: the greater the scale, the greater the likelihood of representing attitudes across an entire population. Recent research in Alberta, Canada, tested the same script and narratives around climate change across 50 groups, recruited to represent a comprehensive range of constituencies.<sup>117</sup>

Qualitative research can also involve structured interviews and informal sampling: for example, initiating conversations with people on the street. A semi-structured variation might combine a quantitative approach (following a question template with limited answers), with the flexibility to ask follow-up questions and probe responses more deeply.

In the case of carbon pricing, a qualitative research program might involve a conversation with participants about their reactions to a range of framings and narratives. A trained moderator would then guide the conversation using a series of semi-structured questions to probe the reasons for different reactions. Communicators may wish to consult the Narrative Workshop qualitative research model, developed by Climate Outreach.<sup>118</sup>

## APPENDIX C

# Explaining carbon pricing

The main part of the Guide recommends language for explaining carbon pricing in a simple way for broad and non-specialist audiences. The following

text, from multiple cited sources, compiles different approaches for communicating carbon pricing to diverse audiences.

### Explaining carbon pricing

TABLE C.1 Examples of carbon pricing messaging from other sources

Source	Description	Commentary
Canada's Ecofiscal Commission, "Clearing the air" <sup>119</sup>	<i>Carbon pricing affects many different choices. It increases the costs of any activity (driving, flying, heating, etc.) based on how much carbon dioxide it produces. But that doesn't mean that anyone and everyone can simply pay a higher cost. After all, individuals and businesses have choices. Those choices give them ways to avoid paying the carbon price. And in fact, that's exactly the point.</i>	This description focuses on the direct effects of a carbon price on actors' behavior. Explained in non-technical, accessible language, it also pre-emptively addresses a common counterargument, i.e. that carbon pricing will result in everyone paying higher costs.
Carbon Market Watch <sup>120</sup>	<i>Carbon pricing is the implementation of the polluter pays principle for greenhouse gases, usually in the form of either a carbon tax or a requirement to purchase permits to pollute, commonly referred to as a cap and trade or emissions trading scheme.</i>	This description helps readers understand the relationship between carbon pricing as a general term and the specific forms it can take. By making direct reference to the polluter pays principle, and to cap and trade and ETS, it assumes a certain amount of prior knowledge on the part of the reader and is most likely to be more effective with audiences where this principle is well understood and accepted.

Carbon Pricing Leadership Coalition <sup>121</sup>	<i>A price on carbon helps shift the burden for the damage back to those who are responsible for it, and who can reduce it. Instead of dictating who should reduce emissions where and how, a carbon price gives an economic signal and polluters decide for themselves whether to discontinue their polluting activity, reduce emissions, or continue polluting and pay for it.</i>	This description also incorporates the principle that the polluter pays. It also introduces an element of “choice architecture”— presenting carbon pricing as an alternative to other, more restrictive mitigation policies, rather than as an alternative to no action. It does not address the source of carbon, however, and hence assumes that the reader knows that carbon emissions are linked to the burning of fossil fuels.
World Bank and OECD – FASTER Principles for Successful Carbon Pricing <sup>122</sup>	<i>Carbon pricing helps level the playing field between activities that impose climate change damages and low- or zero-emissions activities that do not. Carbon prices can gradually lead to structural transformations by enhancing the competitiveness of low-carbon firms and increasing the costs of emissions-intensive activities.</i>	This statement assumes more prior knowledge on the part of the reader than others, and so is more suitable for a somewhat more specialist audience. In addition to focusing on polluters, it brings into the picture those who do not pollute or who pollute little. In doing so, it draws attention not only to the “losers” of carbon pricing, but also the “winners”. The description also makes a clear link between carbon pricing and the “big picture” issue of structural transformation of the economy.

## Explaining carbon tax

**TABLE C.2** Examples of carbon tax messaging from other sources

Source	Description	Commentary
Government of British Columbia: 2008 Budget Fiscal Plan <sup>123</sup>	<i>A carbon tax is usually defined as a tax based on GHG emissions generated from the burning of fossil fuels within a jurisdiction. It puts a price on each ton of GHG emitted, sending a price signal that will, over time, elicit a powerful market response across the entire economy, resulting in reduced emissions.</i>	This description refers to the most common form of carbon tax—one imposed on fossil fuels. It emphasizes the environmental impacts expected from burning fossil fuels while also emphasizing the market reaction.
National Treasury, Republic of South Africa: Media statement <sup>124</sup>	<i>[A] Carbon tax seeks to give effect to the polluter pays principle by ensuring that the real cost of GHG emissions to the environment and society are explicitly incorporated into the prices of carbon-intensive production activities.</i>	As with some of the descriptions of carbon pricing given above, this explanation refers to the polluter pays principle and focuses on addressing the social and environmental costs of pollution. In contrast to the description provided by British Columbia, this description focuses on pollution from carbon-intensive production, which reflects the design of South Africa’s carbon tax.

## Explaining emissions trading

**TABLE C.3** Examples of emissions trading messaging from other sources

Source	Description	Commentary
EU Commission: EU ETS factsheet <sup>125</sup>	<i>The system works by putting a limit on overall emissions from covered installations which are reduced each year. Within this limit, companies can buy and sell emission allowances as needed. This 'cap and trade' approach gives companies the flexibility they need to cut their emissions in the most cost-effective way.</i>	This description boils down the main components of emissions trading in a digestible way, while also emphasizing the flexibility and cost-effectiveness of the mechanism. It also presents the two main terms for emissions trading (ETS and cap and trade) in a way that allows the reader to understand that they refer to the same system, and the logic behind each name.
Sierra Club: RGGI factsheet <sup>126</sup>	<i>RGGI reduces CO<sub>2</sub> emissions by establishing a regional cap on the amount of CO<sub>2</sub> that power plants can emit through the issuance of a limited number of tradable CO<sub>2</sub> allowances. This approach allows market forces to determine the most economic means of reducing emissions and creates market certainty needed to drive long-term investments in clean energy.</i>	Without clarifying the meaning of the two basic notions of emissions trading (cap and allowance), this fact sheet provides a technical and business-friendly definition of an ETS, making it less accessible to the general public. In an apparent attempt to secure broad acceptance within the energy industry, it also puts an emphasis on the scope of the scheme by mentioning three times that it only applies to CO <sub>2</sub> emissions.
Institute for Local Government: Cap and Trade: Investing in California Communities <sup>127</sup>	<i>The 'cap' creates a limit on carbon dioxide equivalent emissions, while a corresponding number of allowances within the cap can be 'traded.' The allowances are purchased by utilities and businesses at quarterly auctions. Over time, as the cap lowers, businesses that aggressively reduce emissions can trade their surplus allowances to firms that find it more expensive to reduce emissions.</i>	This is a practical, impartial, and easy-to-use description of how emission trading works, and it explicitly aims to raise awareness among Californian communities. There is equal consideration for both positive and negative impacts on competitiveness and costs in the internal market.

## APPENDIX D

# Carbon pricing narratives for testing

Each narrative outlined in table D.1 is based on a theme, which is typically based on a shared value. It then provides some sample text exploring that theme and contains keywords that reflect and frame the theme. This text should not be simply “cut and pasted” into communication material. These narratives provide the raw material from which the design process should select, prioritize, test with target audiences, and then refine for the national context or specific audiences.

Choosing the core frame and narrative is an important decision that is dependent on a strategic evaluation of the relative importance of appealing to different constituencies. There will not be any framing or core narrative that works across all audiences. There will always be support from some sectors and opposition from others for any carbon pricing policy, however well it is presented.

### **A note on sources**

The language used in table D.1 has been selected from a wide range of sources: from surveys, focus groups, structured interviews conducted for this Guide, and

a discourse analysis of current communications. In particular, the language draws on testing in Canada carried out by Dr. Louise Comeau and Climate Outreach.<sup>128</sup> As is the case with all communications research, it is strongly dependent on North American sources, so it is possible that there may be narratives that are specific to new audiences and cultural contexts that are missing from this list. Based on this available evidence, the narratives have been presented in order of effectiveness, with the most effective placed at the top of the table.

### **Wider policy implications**

The carbon pricing policy and the narratives that are presented should be consistent and coherent. We suggest aspects of policy (in particular, regarding the distribution of revenue) that would be consistent with the narrative, or that would potentially conflict with the narrative and undermine trust.

**TABLE D.1** Carbon pricing narratives for testing

Narrative	Keywords	Commentary
<b>Fairness</b>		
<p><i>Carbon pricing is a fair way to share responsibility for the carbon pollution that causes climate change and to reward the companies that are most efficient and pollute the least. It's not fair that heavy energy users can dump their carbon pollution in the air we all breathe. Polluters should be held accountable and should pay for the pollution that they force all of us to live with.</i></p>	<p>Fair Just Balanced Reward Punish</p>	<p>Applying revenue in accordance with the theme of fairness might, depending on the circumstances, include support for low-income groups, and workers communities transitioning out of high-carbon industries. However, the provision of benefits, such as tax cuts for affluent groups or major business concessions might undermine the theme.</p> <p>This narrative has consistently performed strongest in testing across Canada and aligns with people's sense of natural justice. It has been found to be the most effective narrative in bridging different political values and is especially effective for people with conservative values.</p>
<b>Makes sense, balance</b>		
<p><i>Pricing carbon pollution makes sense. The more we pollute, the more we ought to pay. It's a fair way to hold polluters accountable. It makes businesses that produce the most pollution pay more. It rewards businesses that are efficient and use energy well by ensuring they pay less. Carbon pricing strikes the right balance. It allows us to do what's right for the environment and encourages us to shift to cleaner and healthier renewable energy. It is flexible and allows businesses to invest in the best solutions at the lowest possible cost. And it unleashes the creativity of business to develop new technologies.</i></p>	<p>Sense Common-sense Flexible Balanced</p>	<p>Communication of carbon pricing often begins with an attempt to simplify complex economic theory. This narrative seeks to democratize the concept around simple and accessible values. It works particularly well when communicating carbon taxes as these are generally simpler than emissions trading systems. This narrative explores frames around balance.</p> <p>It is important that the policy is consistent with this framing. It would be undermined by perceived favoring of any one interest group over another, a complex structure, convoluted technical language, or inaccessible expert communicators.</p>
<b>Market failure</b>		
<p><i>There has been a real market failure around carbon pollution. We need to put a price on carbon because this sends a market signal to consumers and energy users that they should shift to alternatives, such as more efficient manufacturing equipment, vehicles, appliances, or renewable energy like wind and solar power.</i></p>	<p>Market Signal Price Efficient</p>	<p>This language is already favored by economists and policy experts, and is effective in some countries, e.g. Sweden.<sup>129</sup> However, it requires trust in government judgment or expert opinions as the message becomes ineffective if they are not trusted.</p>

Tax reform		
<p><i>We need to pay for our government services. It's common-sense that a good tax policy should also discourage the things that are bad, not the things we wish to encourage. This policy reform creates a new balance in our taxation, encouraging people and businesses to shift to new, clean technologies.</i></p>	<ul style="list-style-type: none"> <li>Tax Reform</li> <li>Balance</li> <li>Simple</li> <li>Sensible</li> <li>Common-sense</li> <li>Modern</li> </ul>	<p>To ensure consistency, this narrative must be built around clear and well-considered use of the revenues or reducing tax in other areas, especially related to climate change. It may be combined with other forms of tax reform, simplification, or removal of subsidies. It will be undermined if the policy provides inconsistent tax concessions for polluters. The disadvantage is that mobilizing the tax frame may reinforce resistance; this finding has been supported by polling in North America.</p>
Reduce regulation		
<p><i>We need a strong and effective environmental policy. Currently, businesses struggle under a high burden of ineffective rules and regulations. This policy reduces government interference and provides a simple and effective framework that will create a level playing field to reward enterprise and efficiency by allowing businesses to make their own decisions about where and how to invest.</i></p>	<ul style="list-style-type: none"> <li>Sensible</li> <li>Simple</li> <li>Balanced</li> <li>Effective</li> <li>Choice</li> <li>Level playing field</li> </ul>	<p>This narrative may be effective with audiences—especially those with libertarian, free-market liberal views—that wish to reduce the role of government, or support markets as an instrument of choice. For consistency, it would need to be supported by the removal of ineffective regulation and other regulation, including subsidies, and be free of concessions to polluting industries. This narrative has been proposed through consultation for this Guide but has not, as far as we know, been tested with the wider public.</p>
Reducing pollution		
<p><i>Our dirty, polluted air is affecting our health, especially of the most vulnerable people—the young and the elderly. And the pollution from burning dirty fuels is even changing our climate. This policy will address all aspects of air pollution, and encourage new, clean technologies—especially pollution-free power stations and electric transport.</i></p>	<ul style="list-style-type: none"> <li>Clean/dirty</li> <li>Fresh air</li> <li>Health</li> <li>Children and elderly</li> <li>Stop pollution</li> <li>Comprehensive</li> </ul>	<p>To achieve consistency this narrative must include the main sources of air pollution, and especially those that are perceived to be the main sources of pollution, such as trucks and large vehicles. It may also need to incorporate other pollutants (especially sulfur dioxide and nitrogen oxides), alongside GHGs, in a single package. A consistent use of revenue would be supporting/ subsidizing clean technologies, especially transport and power generation. The danger with this framing is that it misses or excludes these primary sources, or provides a basis for opponents to make the challenge that CO<sub>2</sub> is not an air pollutant and should be excluded.</p>

## Additional narratives

TABLE D.2 Additional narratives

Narrative	Keywords
<b>Shift to renewables</b>	
<p><i>All around the world countries are shifting to new, cleaner forms of energy. Carbon pricing will support that shift, transforming our energy and cleaning the air we breathe. Renewable energy means renewing our manufacturing and revitalizing our careers. We can protect the environment and create jobs at the same time—so why hesitate?</i></p>	<p>Clean Renew</p>
<b>Carbon pricing works</b>	
<p><i>We are committed to strong and effective environmental rules. And we want policies that work. Carbon pricing is the best policy because, as economists agree, it really works. It delivers results quickly, effectively, and at a far lower cost than other regulations.</i></p>	<p>Efficient Effective Productive Reform Low-cost</p>
<b>Honest and simple</b>	
<p><i>A carbon tax is honest and efficient: the more you pollute, the more you pay. It's as simple as that. It's an old-fashioned, straightforward solution with the minimum of red tape or interference. Because it works through the existing tax system, it doesn't need any new bureaucracy. There are no loopholes or breaks for big business. For all these reasons, a carbon tax is the best option: it is simple, stable, predictable, and rewards those that are the most efficient and pollute the least.</i></p>	<p>Honest Simple Efficient</p>
<b>Honest and simple</b>	
<p><i>The air we breathe belongs to everybody. And climate change is affecting everybody. So it is only fair that we all contribute to making a change. We try to do the right thing by recycling or buying environmentally friendly products. A carbon tax is one way to make sure we all show the same level of responsibility for reducing the pollution we put into our air.</i></p>	<p>Fair Shared Responsibility</p>
<b>Nothing new</b>	
<p><i>Putting a price on the things we want to phase out is hardly a new idea. [apply metaphors – for example, a tax on smoking, drinking, a tax on leaded petrol...]. Back in the 1980s, we put an additional tax on leaded gasoline to get consumers to shift to unleaded. Now we need to do the same with carbon pollution.</i></p>	<p>Common-sense Nothing new</p>

## APPENDIX E

# Managing counter-arguments

The following table outlines some of the main arguments against carbon pricing and suggests some responses:

**TABLE E.1** Arguments against carbon pricing and suggested responses

Thematic cluster / concerns	Response
<b>Theoretical/ideological</b>	
1. Atmosphere and air is a “free” space available for all to use	The treatment of the atmosphere as a “free space” has led our shared environment into being used without limits. Carbon pricing makes polluters pay for the space they use, encouraging a more rational and smarter use.
2. Skepticism over climate change	<p>The overwhelming majority of climate scientists tell us that our climate is changing at an unprecedented rate and that human activity is the main cause of this change.</p> <p>Our country—like all other countries in the world—has signed up to the Paris Agreement, which obliges us to reduce GHG emissions.</p> <p>In addition to reducing GHG emissions and helping mitigate climate change, carbon pricing can lead to a range of other benefits, including reducing local pollution, increasing energy security, and raising revenue that can be used to fund important programs or reduce other taxes.</p>
3. An unshared burden—why should I implement a politically risky carbon pricing initiative if “country or company x” is not?	[Insert country] has already agreed to reduce its emissions as part of the Paris Agreement. Carbon pricing is a cost-effective way to achieve that goal. Other countries without carbon pricing have tended to simply adopt alternative policies for achieving their targets.

<b>Social justice</b>	
1. Carbon pricing is regressive and hurts the poor	Studies show that carbon prices are often progressive. In many countries, the rich spend a higher portion of their income on fuel. Where regressive impacts are a risk, governments can use the revenue raised to avoid those impacts and even turn them into benefits for low-income families.
2. Carbon pricing provides companies with a license to pollute	Companies are already permitted to pollute. Carbon pricing makes them pay for it. [Moreover, emissions trading puts a limit on how much they can pollute].
<b>Political</b>	
1. Industry lobbying leads to cap/allocation inflation [ETS] or reduced rates or exemptions [carbon taxes]	Industry lobbying is a factor in environmental policymaking and can affect the design of almost any policy. It is up to governments to ensure that the policy is designed so as to achieve its environmental goals. One of the benefits of carbon pricing is the simplicity of the price and/or cap, which aids transparency regarding the rules imposed on companies.
2. Limited need for carbon pricing because Nationally Determined Contributions (NDCs) do not go far enough	Carbon pricing can reduce the costs of mitigation, enabling NDCs to become more ambitious.
<b>Availability/relevance of other policies</b>	
1. Renewable energy and energy efficiency policies are more effective	Carbon pricing can work in synergy with renewable energy and energy efficiency policies. Importantly, these policies must be designed and implemented in an integrated way.
2. Fossil fuel subsidy reform is more urgent	Both carbon pricing and fossil fuel subsidy reform are ways of increasing the price of polluting. They are very much compatible.
3. Carbon pricing is best suited to high-income countries with developed markets and systems of governance, not low-income countries	While emissions trading does require relatively advanced institutional structures, carbon taxes can be designed to require very little additional administrative effort. What's more, where they replace other taxes, carbon taxes can even reduce overall administrative effort.
4. Carbon pricing is inherently unsuitable for economic sectors that respond weakly to price incentives (e.g. transport)	While carbon pricing does work best in sectors that respond to price incentives, the revenues from carbon pricing can be invested in making less-responsive sectors respond better—for example, by providing better public transport options.
5. Carbon pricing is a way for companies to avoid policies that more effectively reduce GHG emissions such as emission standards	Research shows that, when designed well, carbon pricing can work just as well as, or better than, other policies in reducing GHG emissions.

## Economic growth, competitiveness, and leakage

1. Carbon pricing can impede industry/private sector competitiveness and stymie economic growth	While there is little evidence that carbon pricing has resulted in damage to industry to date, eventually it is inevitable that there will be some winners and losers in the shift to a low-carbon economy. However, negative impacts in some sectors are usually compensated by growth in other, “greener” sectors, helping the country gain a competitive advantage in the economy of the future. This means that carbon pricing will often be either neutral or positive for the economy as a whole.
2. Industry/companies may outsource in anticipation of carbon pricing legislation, resulting in unemployment	There is no evidence of this happening to date. Carbon prices typically only make up a very small share of companies’ overall costs, and decisions to outsource are usually driven by multiple drivers, including the availability of workforce, salary level, investment climate, closeness to customers, and availability of resources.
3. Carbon pricing can threaten energy security	Carbon pricing helps drive the development of indigenous renewable energy, helping to ensure long-term energy security that is not subject to finite resources or imports from volatile states.
4. Carbon pricing takes away money from companies that could have invested in low-carbon innovation	Carbon prices provide companies with an incentive to invest in low-carbon innovation, as doing so will allow them to avoid costs. In some carbon prices, the revenue collected is recycled back to low-carbon investments through subsidies or green funds.
5. Carbon pricing provides an unfair advantage to “green” sectors over traditional industries	The growth of many industries has been supported by government policies. Carbon pricing helps level the playing field so that companies that produce goods and services without harming the environment can compete and grow.

## Uncertainty/weaknesses

1. Unclear climate change mitigation impact and effectiveness	Like all emissions mitigation policies, the effectiveness of carbon prices depends on their design. Evidence shows that a well-designed carbon price can be highly effective in reducing emissions.
2. Carbon pricing not effective in reducing local pollution	While carbon pricing itself does not reduce local pollution directly, one of its key co-benefits is reducing local pollution through disincentivizing the use of the fossil fuels that produce this pollution. What’s more, several countries have combined carbon prices with prices specifically directed at local pollutants.
3. Carbon pricing is a political construct and can change on a political whim, leading to regulatory uncertainty	Overall, carbon prices have proven to be more durable than most policies, and indeed all the first carbon prices introduced in the early 1990s are still in place. Politicians can increase the regulatory certainty around carbon prices by committing to long-term (price or cap) trajectories and embedding carbon prices within broader development, economic, and energy policy.

## “Side-effects” of carbon pricing

1. Carbon pricing can prolong the lock-in effects of fossil fuel based energy systems, further delaying the low-carbon energy transition	Setting a long-term, predictable carbon price can help avoid carbon lock-in by providing a clear price signal that makes it obvious that high-carbon investments will not be profitable in the future.
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