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# SIGMA STAKEHOLDER STRATEGY SUMMARY

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## Introduction

My objective is to use my experience with the 10 Ms of Stakeholder Success, especially messaging, to help SIGMA and its members become more persuasive to vital stakeholders.

The 10 Ms are:

1. **Mission:** What exactly are we trying to accomplish?
2. **Metrics:** How will we measure success?
3. **Monkey wrenches:** What obstacles will we have to overcome?
4. **Markets:** What markets or audiences are we trying to persuade?
5. **Messages:** What messages will persuade them?
6. **Methods:** What methods of explanation will persuade them?
7. **Messengers:** Which messengers will be most persuasive to them?
8. **Materials:** What form-factors will be most effective?
9. **Media:** What media will the messengers deliver the message through?
10. **Money:** What is your budget, and why?

In this document, I will summarize our discussion of a hypothetical communications project of changing perception of electric vs. gasoline powered cars, and provide you with a sample Purpose and Values statement.

As I explain in Section II, Action Steps, I will be developing more extensive messaging and strategy for your industry, building on some of the ideas that came up during our session. If you have any thoughts you would like to contribute, email me at [alex@industrialprogress.net](mailto:alex@industrialprogress.net).

-Alex Epstein



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## I. Stakeholder Strategy Session

### Mission

**Goal:** The goal of a mission is to name the ultimate purpose of a communications program that serves as the standard for evaluating and refining potential objectives.

Ideally, we should be able to ask of everything we do: does this contribute to the mission? If the answer is “no,” we should eliminate it. If the answer is “partially,” we should refine it.

**Discussion:** In our session, we took as our hypothetical communications mission changing perception of electric vs. gasoline powered cars, and started by discussing the benefits of achieving this mission.

Your answers included:

- Staying in business
  - “If you succeed, you protect your business. If not, you’re a dead man walking.”
- Achieve better government policies / prevent bad government policies that rig the game in favor of electric cars

We also discussed why you should make improving life for human beings part of your mission. This will allow you to communicate about your project with genuine conviction rather than have your communications appear self-serving.

In the Appendix you will find a sample purpose and values statement, which you can use to help craft your own pro-human mission.

### Metrics

**Goal:** The goal of metrics is to measure the effectiveness of past and potential actions in achieving the mission.

Metrics are difficult, but they are indispensable for making decisions about your communications strategy and evaluating the impact of your past decisions. Many organizations spend enormous amounts of time and money on communication, but cannot tell if those investments are wise.

**Discussion:** In our session, we came up with the following potential metrics:

- Positive and negative media coverage
- Changes in policy

- Your employees' perception
- Customer interaction measures

You should define your initial metrics (using outside specialists if necessary) and refine them over time, recognizing that imperfect metrics are better than no metrics.

Once your metrics are defined you can think about what would make a large impact on them.

## Monkey wrenches

**Goal:** The goal of this section is to identify the most potent obstacles—the ones that make your communications mission necessary and difficult. You want to be clear on your mission and on all of the things that are going to get in the way of you achieving your mission.

**Discussion:** In our session, we came up with the following monkey wrenches:

- Ignorance on the part of the public
- Willful ignorance and evasion on the part of the public, but especially the leaders of the anti-fossil fuel movement
- The education system
- The media
- Information overload
- Anything we as an industry say can be seen as self-serving
- People aren't excited about our product: it's a necessary evil they have to use to keep their cars moving, and the only thing that matters to them is getting the lowest price possible

We also discussed how identifying monkey wrenches should inspire us to think of ways to overcome those challenges. Some examples that came up during the discussion:

- Ignorance → most people are open to the facts once you give them a better framework
- Willful ignorance and evasion → you can counter people buying electric cars to feel good about themselves by framing your views idealistically in terms of human progress, so that their desire to feel good about themselves will work in your favor
- Current education system → don't try to change it, go around it
- Media → focus on influencing thought leaders
- Industry seen as self-serving → show that you are operating on an explicit, pro-human framework

## Markets

**Goal:** The goal of markets is to identify the markets or audiences we are trying to persuade.

**Discussion:** In our session, we came up with the following markets:

- Employees
- Customers
- Elites in coastal bubbles
- People who like to belong
- College students

Two insights came up during this discussion:

1. One of the greatest strengths of your industry is access to tens of millions of customers.
2. Some good markets to target are those where people are predisposed to agree with you but don't have the clarity or the tools. I gave as an example my recent speech to 2,000 young conservatives and libertarians. By helping them understand these issues and become more persuasive about them, I was able to make a significant impact.

## Messages and Methods

**Goal:** The goal of messaging is to give you the words you need, when you need them, to neutralize attackers, turn non-supporters into supporters, and turn supporters into champions.

Why do I put Messages and Methods together? Because in my approach “the words you need, when you need them” involve a certain understanding of how people are persuaded and how to explain things.

**Discussion:** In our session, we focused on identifying concrete examples and stories that illustrate the superiority of your product (gas-powered cars and the petroleum that fuels them) and the harm that is done by policies that negatively impact your industry and your stakeholders, including your customers. Here are some of the things that came up during our discussion:

- We fuel the buses that get your children to school
- We provide peak fuel that prevents blackouts when it's cold outside
- Gasoline saves you time: you can just fill up and go instead of sitting around while your Tesla charges
- The construction workers who build buildings, roads, and bridges wouldn't be able to do what they do without us because no one can match us for affordable portable power—and whenever you increase our costs, you harm those workers and their projects
- We're convenient: a gas station on every corner vs. so few places to plug in your electric car that it's not usual for electric car drivers to unplug someone else's car and plug in their own
- We get American workers to work and any policy that makes our fuel more expensive means a greater burden on those who can least afford it
- No one else can match our level of transparency: we tell customers our prices so they know exactly how much they're paying for our product
- Our product impacts everyone: even those who don't drive gas powered vehicles depend on gas powered vehicles for their food, clothes, and almost everything else they buy

- We believe in consumer choice: we don't advocating forcing people to use gas, but our competitors do advocate forcing people *not* to use gas
- We provide the world's most reliable energy: when disaster strikes, petroleum is what we count on to bring people the water, food, and medical supplies they need

As I mentioned during our session, ultimately messaging will involve more than just stories. It will also involve facts, arguments, and data, and it will have to address all of the concerns people have about you and your product.

## Messengers

**Goal:** The goal of this section is to identify all potential messengers, including their relative strengths and weaknesses for different audiences and the type of support they need.

**Discussion:** In our session, we came up with the following messengers:

- Farmers
- Gas station customers
- Auto industry
- Our employees

## Materials and Media

**Goal:** The goal of this section is to identify the most effective form of transmitting your messages to markets and messengers.

**Discussion:** In our session, we came up with the following materials and media:

- Signs at gas stations
- Signs that point to web and social media sites
- Copies of *The Moral Case for Fossil Fuels* for sale at gas stations
- Coupons
- Loyalty card websites

## II. Actions Steps

Given the odds against us, we should pursue projects that are potential “game changers.”

During our session, I explained how it is powerful to frame narratives around the issue of justice and injustice. In particular, we discussed as a potential game changer a major issue no one is tackling: the government’s and elites’ unfairness to American drivers.

I went on to analyze this idea using several of the 10 Ms.

**Message:** American drivers are being victimized by rich elites. The elites are forcing Americans to pay for their Teslas and shoulder new taxes on fuel, while the elites get to drive in privileged driving lanes and park in privileged parking spaces. *American drivers are being turned into second class citizens. It is literal highway robbery.*

**Market:** Drivers (tens of millions of whom are SIGMA customers). Although they can be difficult to target, they are nevertheless a “captive audience” for the time it takes to fill up their tanks, and so we can search for ways to effectively talk to them.

**Messengers:** American drivers. We can take unions as a model for how drivers could effectively self-advocate. With the right messaging, American drivers could be a potent force culturally and politically.

That messaging would involve at least three crucial things:

1. **Fuel fairness** — messaging that explains how American drivers are being unfairly treated, and calling for all drivers to be treated fairly
2. **The human case for gasoline** — messaging that explains why gasoline powered vehicles are the best choice for many people’s lives
3. **Policy** — messaging that advocates for fuel choice instead of today’s fuel favoritism, where drivers are unfairly forced to give up their income for other people’s luxury products

I also raised the question, “If you could drive action and get people to mobilize, what would be a priority right now?” Your answers included:

- Stopping state utilities from putting out free electric charging and passing the costs on to ratepayers
- Prevent California from banning internal combustion engines
- Try to stop the onslaught of carbon taxes

As a next action, I am going to create messaging and a strategy for undertaking this campaign, and offer it to the industry. If you have any thoughts, please send them to [alex@industrialprogress.net](mailto:alex@industrialprogress.net).

## Appendix: Sample Purpose and Values

### Purpose

**Our purpose is simple: we want to advance human progress by providing the world's most affordable, plentiful, reliable portable power to consumers and industry.**

- Every machine that enhances our lives—from the automobile that takes you to work and play to the harvester that reaps the wheat for your bread—needs fuel to run. And the more affordable that fuel is, the more plentiful that fuel is, the more reliable that fuel is, the more empowered the human race is.
- The world needs fuel that is affordable enough to help lift the poor out of poverty, plentiful enough to fuel a high standard of living for every individual in a world of seven billion, and reliable enough to work all the time, on-demand.
- We spend every waking hour delivering affordable, plentiful, reliable energy as efficiently, safely, and responsibly as possible.

### Values

#### Value Creation

**We believe in creating long-term value for the world—including more of the affordable, reliable energy humanity needs to flourish.**

- We specialize in petroleum, a form of hydrocarbon energy, because it is unmatched in its ability to provide portable power—whether affordable gasoline for cars or diesel for agriculture and construction.
- The petroleum industry takes the earth's almost unfathomable deposits of ultra-high-energy carbon-hydrogen-based materials from rocks where they lay dormant and unusable for millions of years, and transforms them into the energy that brings your family together for Thanksgiving or rushes you to the hospital when you are sick.
- We are selling the best, most life-enhancing energy, empowering people in ways that the competition can't—and if we are prevented from doing our job, people will suffer greatly.

### Safety

**Like every technology and every form of energy, petroleum has challenges, risks, and side-effects—and we do everything we can to overcome these so that our mission of promoting human progress benefits every human being we come in contact with.**

- Fossil fuel opponents present every risk, challenge, or concern as unique and unnecessary.
- In fact, the risks of our industry are often exaggerated and are comparable to the risks of many other activities people recognize as necessary for human flourishing, such as the risks involved in construction and transportation. And those risks are far outweighed by the unique benefits of our industry.
- We are proud of our safety record, and do everything we can to reduce the risks inherent in producing any form of the energy that human beings need to flourish.

## Competition

**To achieve our mission we support policies that protect competition, not policies favoring gasoline or electric.**

- The key to maximizing affordable, reliable energy is allowing consumers to choose the best forms of energy and for different energy companies to compete.
- Petroleum is currently the best source of portable power available in terms of reliability, price, and scalability.
- We are obligated to allow people to choose the energy that is best for them—and not force anyone to pay for others' luxury products, like expensive electric cars.
- We will produce petroleum and people will consume it as long as it is the best option for billions of people—whether that is 50 years or 250 years remains to be seen; the most important thing is the freedom to compete, and therefore, to innovate.
- To force Americans to use expensive technologies now suppresses current prosperity and future innovation.
- We are concerned about attempts to restrict competition, favoring certain technologies and limiting or banning others.

## Environmental Quality

**To achieve our mission we must and do hold ourselves to high environmental standards.**

- We work closely with members, regulatory agencies, and other stakeholders to continually assess and evaluate risks and take advantage of opportunities for improvement, so that we meet or exceed all regulatory and industry standards.
- We also recognize that the cheap, plentiful, reliable energy provided by petroleum and other fossil fuels is instrumental in improving our environment, helping to clean our air and water and eradicate disease.
- We are concerned about the mischaracterization of our environmental record and attempts to restrict development based on unscientific claims about environmental risks.

## Innovation

**To achieve our mission we must both encourage innovation by our members and demand innovation to minimize negative impacts.**

- We do this by being a national leader in environmental protection as well as advocating policies that protect energy development and competition.

## Scientific Thinking

**To achieve our mission we must carefully assess the likely benefits and risks of our choices using the best, most precise science available.**

- We do this by setting clear standards and carefully measuring impacts, both positive and negative.
- We are concerned about unscientific criticisms of our members' environmental record and restrictions on development based on unscientific claims and inequitable standards.

## Freedom

**To achieve our mission we need a respect for the freedom and property rights necessary to maximize value creation and protect against endangerment.**

- We do this by advocating for policies that secure freedom and property rights, while protecting our community and our environment from threats.
- We are concerned about laws and regulations that restrict the freedom and property rights that enable our industry to create enormous value for our stakeholders